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# **Living Conditions in Antigua and Barbuda: Poverty in a Services Economy in Transition**

## **Volume I – Main Report**

**Prepared by Kairi Consultants Ltd in Association with the  
National Assessment Team of Antigua and Barbuda**

**Living Conditions in Antigua and Barbuda:  
Poverty in a Services Economy in Transition**

**Volume I – Main Report**

**Submitted to:**

**THE CARIBBEAN DEVELOPMENT BANK**

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**THE NATIONAL ASSESSMENT TEAM OF ANTIGUA AND BARBUDA**

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## **LIST OF ABBREVIATIONS**

ACP	-	Africa, Caribbean and Pacific
ALP	-	Antigua Labour Party
BMC	-	Borrowing Member Country
CARICOM	-	Caribbean Community
CBI	-	Caribbean Basin Initiative
CBO(s)	-	Community Based Organisation(s)
CDB	-	Caribbean Development Bank
CET	-	Common External Tariff
CFCs	-	Chlorofluorocarbons
CFNI	-	Caribbean Food and Nutrition Institute
CIDA	-	Canadian International Development Agency
COICOP	-	Classification of Individual Consumption according to Purpose
CPA	-	Country Poverty Assessment
CPI	-	Consumer Price Index
CSME	-	CARICOM Single Market and Economy
CXC	-	Caribbean Examinations Council
DFID	-	UK Department for International Development
DOTS	-	Directly Observed Treatment Short-course
EC	-	Eastern Caribbean
EC	-	European Commission
ECCB	-	Eastern Caribbean Central Bank
ED	-	Enumeration District
EU	-	European Union
FAO	-	Food and Agriculture Organisation of the United Nations
FGT	-	Foster-Greer-Thorbecke
GDP	-	Gross Domestic Product
HIV/AIDS	-	Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome
HDI	-	Human Development Index
HBS	-	Household Budgetary Survey
HDR	-	United Nations Human Development Report
IBRD	-	International Bank for Reconstruction and Development (World Bank)

IDB	-	Inter-American Development Bank
ILO	-	International Labour Organisation
LPG	-	Liquefied Petroleum Gas
MBS	-	National Medical Benefits Scheme
MDGs	-	Millennium Development Goals
NAFTA	-	North American Free Trade Agreement
NAT	-	National Assessment Team
NGO(s)	-	Non-Government Organisation(s)
NSDC	-	National Skills Development Centre
OAS	-	Organisation of American States
OECD	-	Organization for Economic Cooperation and Development
OECS	-	Organisation of Eastern Caribbean States
PPA	-	Participatory Poverty Assessment
PSIP	-	Public Sector Investment Programme
PSU	-	Primary Sampling Unit
PWDs	-	Persons with Disabilities
RC	-	Roman Catholic
SIDS	-	Small Island Developing State(s)
SLC	-	Survey of Living Conditions
SMEs	-	Small and Medium Sized Enterprises
STI	-	Sexually Transmitted Infection
TOR	-	Terms of Reference
TUC	-	Trade Union Congress
UN	-	United Nations
UNDP	-	United Nations Development Programme
UNECLAC	-	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
VSEP	-	Voluntary Separation of Employment Package
WB	-	World Bank
WTO	-	World Trade Organisation

## **EXECUTIVE SUMMARY**

This study of living conditions in Antigua and Barbuda was conducted in the latter half of 2005 and first half of 2006 by Kairi Consultants Limited (Kairi) in collaboration with the National Assessment Team (NAT) of Antigua and Barbuda. The study was commissioned by the Caribbean Development Bank (CDB) with the support of other development partners – Department for International Development (DFID), the United Nations Development Programme (UNDP) and the Canadian International Development Agency (CIDA).

This poverty assessment study has three overall objectives, according the Terms of Reference (TOR). The first is to assess the current living conditions affecting the welfare of people of the country and to 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 Antigua and Barbuda, 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 consisted of four main components:

- A Macro Socio-economic 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 approach utilised in the study combined quantitative and qualitative research methods, thereby taking advantage of the benefits of each, and allowing for complementarity of the methods.

The Macro-economic assessment was based on information collected mainly from published information, from interviews with key officials in Government, and with the Eastern Caribbean Central Bank (ECCB). The SLC/HBS generated quantitative information on households and individuals for the country. The PPA was conducted in twelve (12) communities, through focus group discussions, community meetings, participant observation, open-ended interviews, and transect walks in the selected communities and on the basis of interviews with selected individuals. Eleven of the communities were on the island of Antigua, while Barbuda was studied as a community by itself. The IA was conducted mainly through interviews with key

personnel in selected organisations. Secondary data were also reviewed in generating information on the respective institutions.

One of the requirements of the TOR was the training of nationals of the country in the conduct of a poverty assessment. 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 and to conduct similar or related studies in future. A NAT was appointed for this purpose.

The NAT worked with the Team of Consultants (TOC) in the execution of some parts of the exercise, however, it was only the Coordinator of the NAT who was able to participate at every stage of the exercise. Several other personnel in the country were provided with training and collaborated in the exercise. The various components were each initiated with a training session, with other specific training sessions conducted from time to time as needed. In some cases, participants or groups additional to the members of the NAT were beneficiaries of the training.

The relative unfamiliarity of personnel with survey work required repeat sessions in some cases, because selected enumerators and facilitators withdrew from the exercise when they became more fully aware of the tasks to be performed after their training. The Statistics Department does not conduct regular surveys: this has meant that there is limited capacity on the ground in the

conduct of a very demanding survey like the SLC/HBS.

## **A. KEY FINDINGS**

### **1. *Poverty Indicators:***

The *poverty line* is a monetary measure of the minimum consumption, in dollar terms, of goods and services that would allow a household to meet its basic needs. The poverty line, thus, represents a minimum amount that a household could be expected to spend, over a defined period, if it is to meet its basic minimum food and non-food requirements. It is based on allocations of expenditure for food and non-food needs. Persons are considered poor if their expenditure falls below the poverty line since they are unable to meet the basic needs deemed acceptable by the society in which they live.

**The indigence line for Antigua and Barbuda in 2005/06, based on prices that existed at that time, was estimated at EC\$2,449 (US\$917) per annum or EC\$6.71 (US\$2.51) per day.** Persons living in households with per capita consumption expenditures below this amount are deemed to be indigent. The indigent population was estimated to have been 3.7 percent. In other words, 3.7 percent of the population lacked the wherewithal to meet the level of expenditure that would be necessary to afford them the minimum nutrition required to maintain good bodily health.

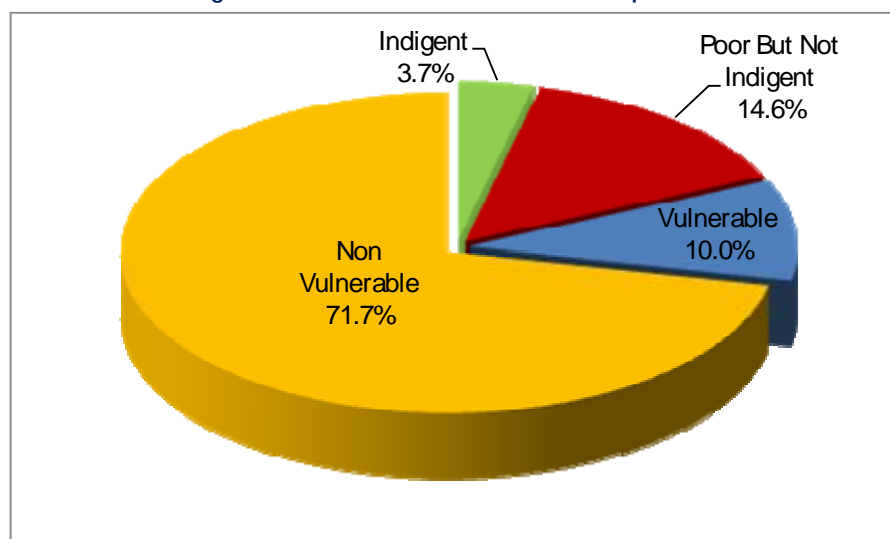
The poverty line in Antigua and Barbuda was estimated at EC\$6,318 (US\$2,366) per annum, when adjustments were made for non-food expenditure. The most commonly quoted statistic in reference to the status of poverty in a country is the headcount index. This is the percentage of the total population that belongs to households whose adult equivalent adjusted per capita consumption falls below the poverty line. The data in Table 4.1 show a headcount of 18.3 percent in 2005/06.

The *vulnerability line* is set at 125 percent of the poverty line (that is 25% above it). In applying it, one seeks to estimate the

number of persons who are at risk of falling into poverty, should an unanticipated event such as a natural disaster or some type of economic shock were to eventuate. In this regard, the data show that an additional 10.0 percent of the population was deemed to be vulnerable.

A cumulative total of 28.3 percent of the population was estimated to be at risk – i.e. vulnerable, poor or indigent. Figure 1 shows a breakdown of the population by socioeconomic status. Table 1 summarises some key vulnerability indicators for the country.

Figure 1: Socio Economic Status of Population



**Table 1: Summary Poverty and Vulnerability Indicators**

INDICATOR OF VULNERABILITY	HOUSEHOLDS	INDIVIDUALS
Indigence Line (Annual in local currency)	n.a.	2,449
Poverty Line (Annual in local currency)	n.a.	6,318
Vulnerability Line (Annual in local currency)	n.a.	7,898
INDICATOR OF VULNERABILITY	HOUSEHOLDS %	INDIVIDUALS %
Indigent	3.1	3.7
Poverty Headcount Index (Adult Equivalent)	n.a.	18.3
Low per capita household consumption (below 125% of poverty line)	34.2	45.3
Low adult equivalent household consumption (below 125% of poverty line)	20.9	28.8
Low educational attainment (defined as not having passed any school examination)	n.a.	52.3
No schooling (school age children not attending school last week for at least one day)	n.a.	4.2
No employment (no adult employed in the household)	21	13.4
Insufficient employment (less than one in two adults employed in the household)	26.7	23.9
High dependency ratio (less than one person of working age for every two persons not of working age)	5.8	8.7
Poor access to safe water (if no piped water)	6.0	5.5
Poor quality of housing (toilet is a pit latrine or worse)	22.7	20.4
Low asset base (whether household has 3 or less out of 9 possible common durables)	11.6	8.8

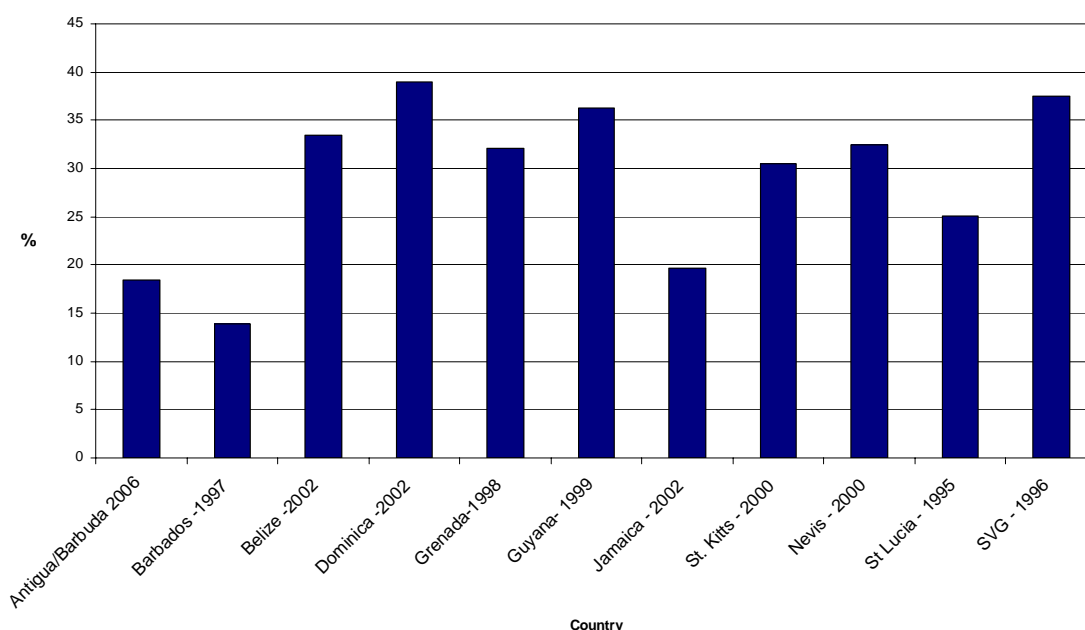
Comparative estimates of poverty for other Caribbean countries (various years) are provided in the Figure 2.

The Gini coefficient, which is a measure of inequality, was estimated at 0.48, which is a relatively high level of inequality, even by Caribbean standards: the closer the Gini is to unity or 1, the higher is the inequality, and the closer it is to zero, the lower the inequality. The results of the SLC/HBS show that the first quintile consumed less than five (5.0) percent of total expenditures, while the fifth quintile accounted for as much as 56.3 percent of total expenditure. The higher Gini might be due to the fact that, in the past, Governments of Antigua and Barbuda have steadfastly eschewed direct taxes almost on ideological grounds. Reliance on indirect taxes usually results in taxing regimes that are not inherently conducive to enhancing equity.

The *poverty gap index* is the mean proportionate distance of the poor population from the poverty line. It gives a good indication of depth of poverty since it is a function of the distances of the poor below the poverty line, and identifies what is required to bring the poor above the poverty line. The *Poverty Severity Index (Foster-Greer-Thorbecke P2 Index)* is a weighting of the poverty gaps of the poor based on those poverty gaps. This measure can be thought of as being composed of two components: an amount due to the poverty gap, and an amount due to the inequality amongst the poor. Although these measures may be more difficult to interpret, they allow a more effective ranking of the distributions and do have several policy applications.

**Overall, for Antigua and Barbuda, the reported poverty gap index was 6.63 and poverty severity index, 3.75.**

Figure 2: Poverty Estimates for Selected Caribbean Countries



## 2. Household Characteristics

Table 2 gives the quintile distribution in respect of certain social characteristics, from the lowest 20 percent to the highest 20 percent. Altogether, 51.6 percent of households were headed by men and 48.4 percent by women. The average age of household head was 49 years, with no real disparity across quintiles. Household size fell with improved socioeconomic status. The number of children per household was low generally, and even lower in the higher quintiles than in lower quintiles. The average number of earners was 1.6, with only a slight variation between quintiles I and V.

## 3. Household Consumption

The share of food in total household expenditure falls with movement from quintile I to quintile V: whereas food expenditure accounts for 40.6 percent of total expenditure in the poorest quintile, it accounts for 18.3 percent of total expenditure of households in the fifth quintile. This result shows that the data are well behaved in terms of the demonstrated elasticity of food expenditure relative to income: the richer the household, the smaller the percentage of income devoted to food.

Table 2: Social Characteristics of Households

Indicator	Per Capita Consumption Quintiles					All Antigua and Barbuda
	Poorest	II	III	IV	V	
Sex of Heads of Household	%					
Male	52.2	51.8	54.8	49.7	50.6	51.6
Female	47.8	48.2	45.2	50.3	49.4	48.4
Both Sexes	100.0	100.0	100.0	100.0	100.0	100.0
	Mean					
Age of Head	50	48	46	51	51	49
Household Size	5.2	4.2	3.8	3.2	2.5	3.8
Children Per Household	2.1	1.6	1.2	0.73	0.59	1.3
Earners Per Household	1.5	1.6	1.7	1.6	1.5	1.6
Percentage of Females in Household	52.8	56.5	56.6	57.0	57.2	56.0



Table 3: Share of Food and Non Food Expenditure by Quintiles

Expenditure	Consumption Quintiles					Antigua & Barbuda
	Poorest	II	III	IV	V	
	Mean EC\$					
Total Food	40.6	37.5	27.9	22.2	18.3	24.7
Non Food	59.4	62.5	72.1	77.8	81.7	75.3
Total Expenditure	100.0	100.0	100.0	100.0	100.0	100.0

#### 4. The Geographic Distribution of Poverty in Antigua and Barbuda

The two Districts with higher than average poverty levels were St. John's City and St. Philip. St. John's City and St. John's Rural had the highest rates of poverty after St. Philip. The high rate in the latter may be related to the fact that with the collapse of the sugar economy, there has been little by way of economic revival in that part of Antigua. Meanwhile, the entire St. John's area has been a destination of the rural-urban drift, as well as of economic migrants coming in from abroad. Table 4 provides a profile of the estimates.

#### 5. People's Perspectives on Poverty

There was denial at first among many participants in the PPA about the reality of poverty in Antigua and Barbuda. Some admitted that there was poverty, but were insistent that it was not widespread, and surely not at the levels characteristic of other parts of the world.

*"While there may be some poverty, we are still better off, we can satisfy our basic needs."* (Urlings)

*"Although things are bad they could be a lot worse"* (Clare Hall)

*"There is some poverty but we are not the worst."* (Bendals)

*"Everyone has a roof over their heads and most people eat two or three meals a day."* (John Hughes)

*"Extreme poverty does not exist here, the community spirit makes up for what is lacking."* (Wilikies)

Table 4: Headcount Index by District

District	Headcount (% of population poor)
St. John's City	22.29
St. John's Rural	18.41
St. Paul	15.63
St. Mary	13.57
St. George	12.28
St. Peter	15.03
St. Philip	25.85
Barbuda	10.53
All Antigua & Barbuda	18.36

The data from the SLC/HBS in which compares the subjective socio economic status expressed by household heads quintile group with the actual status of the households based on expenditure data, shows that only 22.7 percent of the poorest rate themselves as being among the poorest; the majority regard themselves as belonging to quintiles II and III. As much as 9.0 percent of those in the richest quintile regarded themselves as being among the poorest; while only 0.5 percent of the richest quintile regarded themselves as belonging to quintile V.

**Table 5: Per Capita Expenditure Rating versus Subjective Poverty Rating of Household**

Actual Quintile based on Per Capita Expenditure	Subjective Poverty Rating of Household % within Quintile Group					Total
	Poor	II	III	IV	Rich	
Poorest	22.7	37.9	35.9	3.0	0.5	100.0
II	26.2	31.7	40.6	1.5	0.0	100.0
III	20.5	34.2	41.6	3.7	0.0	100.0
IV	18.0	33.0	46.5	2.5	0.0	100.0
V	9.0	25.9	50.7	13.9	0.5	100.0
Total	19.3	32.5	43.1	4.9	0.2	100.0

## 6. Groups at Risk

Poverty created differential impacts on specific groups in the society. The sample yielded a larger number of women workers than men. However many of these jobs would be regarded as an extension of “women’s natural work” in nurturing, caring and providing support, as compared

to Construction sector which would be regarded as a “natural part of men’s work”. Since differential rates of growth and differential contractual relations existed between the sectors dominated by women and those dominated by men, their life chances would have been different.

Discussions in the PPA suggested that low paying jobs kept women in poverty and limited their ability to provide for their children. Their efforts to cope by taking more than one job resulted in their children being left unattended for long periods, and they became prey to abuse, and delinquency.

According to respondents in the PPA, young people in difficult circumstances were often forced to sacrifice their education, and drop out of school. It should be noted that attendance at school is compulsory for children 5 – 16 years of age and the Ministry of Education has a truancy programme in place. Another issue was teenage pregnancy. Girls who became pregnant might be forced to leave, if still attending school, although this was not required by the Ministry of Education.<sup>1</sup> Pregnancy has usually meant the end of formal education for girls, if they do not opt to avail themselves of the post-school and adult education programmes. Some of the youth admitted to using and selling drugs. Others did odd jobs, like washing cars.

<sup>1</sup> There are cases where girls have been allowed to return to school. There have been implied unofficial sanctions in respect of their participation in graduation exercises.

The elderly, faced with advancing age and being unable to work, were reliant on Social Security pensions or transfers from the Board of Guardians. In a rapidly changing society, they found themselves bereft of traditional networks of relatives and friends and many ended up living alone, or abandoned. There was some lack of clarity among some of the elderly about entitlements, relative to their qualifying for Social Security or being eligible for transfers from the Board of Guardians.

Health issues were a major preoccupation for some of the participants in the PPA, and the high costs of health created problems in dealing with chronic diseases. A Medical Benefits Scheme had started operation and was expected to improve the efficiency of health services. The elderly were exempt from the requirement for paying for services, but there seemed to be information gaps among participants in the PPA in respect of what were their entitlements.

There is a Home Improvement Grant which is targeted at the elderly. The Citizens Welfare Division also provides a home-care service to the elderly. The churches have remained one group of agencies that paid particular attention to the needs of the elderly through such initiatives as the provision of hot meals for shut-ins, and the running of a home for the elderly.

While Barbuda, on the basis of the survey, was the community with the least poverty, there is concern about its sustainability. The Barbuda Council has been responsible for much of the employment on the island. In

effect, transfers from the Central Government are a major source of income flows into households on the island. There is need to generate private sector activity on the island, through tourism and the fisheries sector. Moreover, the mining of sand which is another source of income to the Barbuda Council may be depleting the natural capital and can put the island at risk.

## **7. *Education and Health Status:***

The education and health status of the population establishes the state of the human capital assets of the nation: the better-off the population is in both of these areas, the better equipped are the poor to pull themselves up by their own bootstraps. The data from the SLC/HBS show that the country has embarked on a transformation process, starting with a relatively low base in terms of skills and education within its work-force, which does not portend well for its performance in the knowledge economy of the 21<sup>st</sup> century.

A major effort will be needed to upgrade its existing work-force at the same time as educational quality is improved for those currently in the system. In the final analysis, to sustain a high quality of life for the people of Antigua and Barbuda would require that life long education be made an absolute imperative.

Good primary care has guaranteed a reasonable improvement in life expectancy for the population, and relative immunity from communicable diseases, except STDs

like HIV/AIDS. However, the epidemiological profile derived from the SLC/HBS suggested a high prevalence of chronic diseases. Life style changes would be necessary to arrest and reverse this trend.

#### **8. *Housing and Physical Living Conditions***

While in some respects, the population enjoyed high material standards in terms of appurtenances in households – television sets, telephones, radios, stoves, and modern cooking facilities – there were communities in the PPA, where housing conditions and related amenities left much to be desired.

The data in the SLC/HBS establish that in the lower quintiles over 40 percent of households lived in homes of outer walls made of wood or timber: while wood and timber are used in elite type structures to manage substantial seismic activity, the condition of most of the wooden structures in the poorest 40 percent would have been below par. An estimated 20 percent still used pit-latrines: worse still, some urban dwellers had no toilets, and, according to officials responsible for local health services interviewed in the course of the IA, there were households which had to be served with night-soil removal services on account of their waste disposal practices. As much as 21 percent in the lowest quintile depended on stand-pipes. Comments in the PPA suggested a lack of basic amenities for residents in some of the more urban communities: overcrowding and excessive densification of buildings on small plots of land had created ghetto-like conditions in

the urban communities selected for the PPA.

There were a number of public services that were within easy reach of most communities – schools, primary health care facilities, and day care centres. But there were some deficiencies in the other facilities, including recreational facilities and playing fields for youth, and telecentres.

#### **9. *Institutions and Poverty***

There exists a wide range of organisations and mechanisms that could assist in reducing or alleviating poverty in Antigua and Barbuda. There are development institutions, both in the state sector and among non-state actors that are making a substantial contribution, often at great odds. The Economic Policy and Planning Unit, through its work in respect of the improvement in the management of public expenditure, is helping the country to achieve a better reach of its services to the poor among others.

The key economic sectors like Tourism and Agriculture can continue to grow and contribute to development with the facilitation and commitment of the Ministry of Tourism, and the Hotel and Tourism Association, in respect of Tourism, and the Ministry of Agriculture, the Central Marketing Corporation, and the Gilbert Agricultural and Rural Development Centre in respect of Agriculture. The St. John's Credit Union and the Development Bank are assisting with micro-credit and other

services to SMEs. These efforts are commendable but may not be enough. There are major gaps in the development function, and the lack of response of the Community Development Division had been one of the more glaring weaknesses, at the time of the study in 2005.

In respect of the preventive function, there are again institutions that, in spite of resource limitations, have been contributing immensely. The Primary Health Care Services of the Ministry of Health, the Child Guidance Unit, the Substance Abuse Prevention Division, the Solid Waste Management Organisation, the Environmental Awareness Group and the National Parks Board are among the more significant examples of agencies contributing in this regard.

In respect of the remedial function, there is the Probation Unit engaged in rehabilitation of prisoners into society, but it has limited reach among the emerging Hispanic population. There are FBOs contributing in a number of areas, both under the rubric of the Christian Council and on their own.

The agencies involved in the supportive function are more numerous, and some have a long history of involvement. They include from the Social Security Board of Control. On the basis of the interview with one of its key officials, it was established that it had been engaged in reorganising its finances, in the light of greater demands for fiscal rectitude. It should be able as well, to contribute to the development function,

including in such areas as the financing of housing for lower income groups.

The primary agencies engaged in social transfers are the Citizens Welfare Division and the Board of Guardians. While they do reach many of the poor, there are clearly some who were deserving, but were not in receipt of assistance. On the other hand, this might be due to their conscious decision not to seek help because of pride. There is social stigma associated with the receipt of benefits from an agency like the Board of Guardians, which operates in a way reminiscent of Poor Relief mode of the mid 20<sup>th</sup> century.

The new initiatives in respect of school books and school meals would have helped some of the poor but were in need of better targeting since some of the not-so poor are in receipt of such assistance.

There remain some gaps in the state machinery. The Gender Affairs Division is severely strapped for resources – personnel and other – and has had to limit its role to advocacy in respect of the abuse of women and girls. Girls who become pregnant while at school still face difficulty in continuing their education, although there is no legal restriction on their return to school.

Again, in addition to the work of the state, there are the initiatives of the faith based organisations (FBOs). An outstanding example is that of the Salvation Army which runs a home for girls in difficult circumstances. However, when the entire institutional structure is reviewed for its

contribution to poverty reduction and alleviation, there is evidence that a number of the poor and the vulnerable do not have available to them the structures that can protect them, or give them the capacity to escape poverty.

## **10. Causes of Poverty in Antigua and Barbuda**

### ***Labour Market Issues***

One of the factors responsible for poverty is the nature of labour force participation of adults in the household, and the differential access to income deriving there from. High levels of employment were found for household heads, with only 2.2 percent of male heads and 3.3 percent of female heads of households unemployed. Overall, household heads had an unemployment rate of 2.7 percent.

There was gender segmentation, however, and large numbers of women were dependent for employment on the Hotel and Restaurant Sectors, where the jobs would have been heavily weighted in favour of low skilled employment and are subject to the travails of seasonality. This sector was also subject to pressure from incoming migrants, with the result that wages were in all likelihood close to market clearing levels. Information from the PPA suggests that many have had to seek two or more jobs to make ends meet. The fact that the Government was down-sizing the public sector would not have helped either. The Government was a significant employer for all quintiles, but more so for the lowest quintile. Men were more likely to be

engaged in work in the Construction sector which usually pays at the margin for low or un-skilled labour.

Discussion in the PPA suggested that children in some poor households were not benefiting fully from educational opportunities because of parents' inability to send them to school every day, and to provide them with food, books and other necessities. This could have created conditions for intergenerational poverty: on the other hand, this situation might have been specific to illegal immigrants. Moreover, it must be noted that comments of respondents are based on perceptions in the latter half of 2005, and before the implementation of a range of social measures by the Government in its subsequent budgetary allocations. In any event, perceptions do not always accord with reality.<sup>2</sup>

### ***Crisis in Neighbouring States***

Antigua and Barbuda is not immune to the impact of crises among its neighbours. The crisis in the banana industry in Dominica, an effect of WTO ruling, and the volcanic eruption in Montserrat have had a ripple effect on Antigua and Barbuda. Migrants facing economic decline in both of these countries have sought escape by migrating to Antigua and Barbuda.

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<sup>2</sup> While perceptions may diverge from reality, the fact of the perception is real in respect of the sociological analysis of its impact.



There was the suggestion among participants in the PPA that any evidence of poverty must be due to the influx of people from abroad.

*"The arrival of CARICOM nationals seeking better opportunities contributes to poor living conditions because it is difficult for them to get employment."* (Ebenezer)

*"The influences of Caribbean nationals are responsible for overcrowding, for poor housing and for the dumping of garbage."* (Grays Farm)

## 11. Coping Strategies

Information on coping strategies was gleaned from the statements made by participants in the PPA. According to them, low income and the consequential limits in various income sources triggered differential responses among the poor. Low income earners alluded to their predicament in the face of the high cost of utilities. Although unemployment was low among residents, there were reportedly high levels of unemployment among the youth, especially males. Like the labour market, participation in the underground economy, largely in the urban communities, was also segmented by gender. While there were women also involved in the drug trade, the latter was dominated by males. In the face of economic difficulties and poverty, many females, including several who were single mothers, allegedly engaged in contractual or transactional sex as a coping strategy.<sup>3</sup>

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<sup>3</sup> It is not possible to establish percentages involved in the different types of underground

There was evidence that intra-community support systems were still at work and residents could secure the help of neighbours, friends and relatives in the face of economic challenges. Parents were sometimes forced to keep elder children at home to assist in the care of younger ones, with possible negative impacts on performance at school, and with the risk of recreating the conditions for intergenerational poverty. It was not possible to establish whether this was a response peculiar to non-nationals, of whom there would have been some number in the poorer communities. Remittances were also an element in coping strategies, but given the high level of international mobility, remittances were not limited to the poor only.

## B. COPING WITH ADJUSTMENT

The Government of Antigua and Barbuda is committed to the achievement of the Millennium Development Goals. As with its neighbours, there is official acceptance that the MDGs should be interpreted in the context of the Caribbean which has had a relatively successful track record in respect of some of the indicators of social development in the latter part of the 20<sup>th</sup> century.

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activities from the PPA. What is incontrovertible is that in the selected communities, especially the urban ones, there was evidence of anti-social or illegal activities. This was corroborated by the Police as well.

Initiatives to reduce and alleviate poverty in Antigua and Barbuda have had to be managed against the backdrop of a major fiscal crisis in the public finances. The country is one of the most heavily indebted in the developing world. The Government has set itself five primary objectives:

- Correct the fiscal imbalances;
- Control the high level of central government debt;
- Strengthen governance and transparency;
- Expand social programmes; and
- Encourage private sector development.

Because of the fiscal crisis, the source for employment expansion has to be the private sector. However, the global economic environment dictates competitiveness on the part of private economic actors. The society has to be geared for the requirements of competitiveness, and much depends on the knowledge base of the work force, given that knowledge is the prime basis for much competitiveness in the 21st century. The work-force of the country is deficient in that regard, in spite of the considerable investments in recent years in education and other areas relating to the human capital. It has not achieved the level attained by Barbados in terms of the work-force with completed secondary education and post-secondary preparation, let alone that of Singapore.

In the short term, the Government has undertaken a number of measures that are pro-poor, and which seek to manage the impact of the crisis. It is establishing a more

transparent and facilitative environment for private sector growth through the establishment of an Investment Authority. Credit is to be made available to SMEs through the Development Bank.

The raising of the non-contributory pensions, the reduction of customs duties on essential food and other requirements of the poor, the introduction of the Schools Meals Programme, and the School Uniform Programme are meant to give relief to the poor. Primary health care has been maintained and expanded.

Housing of lower income people is being addressed through the Affordable Homes Programme. The programme may have to be expanded considerably in the light of the conditions found in some communities. The provision for Adult Education and post-school education and training generally, is being addressed as a key mechanism in upgrading the work-force and in enlisting marginalised youth: while there is increasing access, the challenge would be in encouraging the commitment of such youth in taking advantage of the programmes.

Much depends on the extent to which such commitment can be engendered: it is not enough to provide the educational opportunity, given that for many of the marginalised youth and more so young men, there has been a relative lack of orientation to the acquisition of knowledge for formal sector employment.

In collaboration with a number of NGOs and FBOs, other initiatives are being



developed to bring relief and to improve social conditions. However, since there continues to be an influx of migrants, and more so with many seeking to escape poverty in their own country, it is possible that the social services in Antigua and Barbuda are straining under the weight of an expanded demand or need that might not have been factored in the budgetary allocations, including to the Ministry of Social Transformation and Housing.

The Citizens' Welfare Division and the Board of Guardians would need to be resourced and provided with personnel to cope with the challenges of a society in the throes of structural adjustment. At the same time, there is need to monitor the extent to which Antigua and Barbuda is absorbing poverty from abroad.

Meanwhile, there have been a number of autonomous responses in the adjustment to the crisis, not all of which are conducive to social integration and to the development of a productive and dynamic work-force. There is a major underground economy which through drug running and prostitution, provides income flows to some, including poorer people and has created a subculture that can be corrosive of the values and ideals of the mainstream society, let alone the challenges that have been created to personal security and by way of the spread of criminal activity in the country.

The attempt of some of the poor to make ends meet by engaging in employment in two or more jobs, has impacted negatively

on the socialisation of children, many of whom are left unattended. The decline of the extended family with urbanisation has led to many of the elderly being abandoned by relatives.

Persons with disabilities, who constitute as much as ten percent of any population, are also left on the margin in respect of their needs for special care and services, increasingly no longer being supplied by family networks. In the absence of institutional structures to address these issues, family life and communities are being severely affected.

## **C. POLICY IMPLICATIONS**

In its present circumstances, there are major constraints faced by the Government in expanding transfers, and in developing the capacity of the poor for their own salvation. At the same time, there is a need to apply the necessary tools for the restructuring of the economy, such that the country can be put on a sustainable growth path which, in the final analysis, is the only basis for providing and maintaining a high standard of living for the population, and eliminating poverty.

There are a number of policy implications that follow from this scenario. These require that the Government address a number of areas:

- *Macro-economic Management* – this relates to economic and also policy, geared to stimulate the economy in areas of competitive activity. It includes reduction of the size of the

public service, reorganization of the tax system, improvement of tax collection, rescheduling of debt, improving equity in the tax transfer and tax expenditure processes, concerted and dynamic industrial policy and the upgrading of infrastructure in the light of the global warming, with all the implications for a country like Antigua and Barbuda;

- ***Mobilisation of domestic resources*** – this relates to increasing the supply and access to savings among nationals, in the first instance, through the development of new mechanisms like encouraging ‘in-shore’ the savings of nationals abroad or ‘off-shore’, and training of nationals for participation in all levels of enterprise, including in the existing growth sectors;
- ***Adoption of Science, Technology and Innovation Policy*** – this relates to the imperatives for a small country like Antigua and Barbuda which will be forever reliant on its participation in the international economy, to take advantage of global technological advances and innovations to improve its external competitiveness: the productivity of its work-force will be determined by its capacity to adopt or develop technology and science in generating output that wins markets for its people and, therefore, generates vital foreign exchange. Science and technology are also critical in managing the fragility of its environment. Knowledge and its application are part of the platform for

poverty reduction, in the final analysis;

- ***Expansion of the Social Infrastructure*** – this relates to the establishment of a coherent system to treat with the needs of the population, wherever services are required, be these developmental, preventive, remedial or supportive: there may be need for social marketing here, given that many of the problems faced in this area require socio-psychological shifts in the frame of reference of the population, as is the case with life-long education and training, the inculcation of a culture of wellness and of protection of the environment;
- ***Protection of the Vulnerable*** – this stems from the recognition that the nature of vulnerability changes over time and space in society and there is need for social processes that respond to, or anticipate the needs of the vulnerable as and when they surface. The Citizens’ Welfare Division and the Board of Guardians are the prime agencies involved in the protection of the vulnerable. Cooperation with NGOs, CBOs and FBOs is particularly important here in the provision for services for persons with disabilities, and such services as home work centers for children during the out-of-school hours when parents cannot be at home, day care services for the young, and for the elderly, and Big Brother and Big Sister programmes, especially among urban youth;

- ***Reduction or Elimination of the Underground Economy*** – this involves a two fisted approach: there is need on the one hand, for investments in, and strengthening of, security systems and the development of a tough position in fighting crime, especially drug-running, and on the other hand, for the development of a range of services and programmes that contribute to social integration, especially focused on the youth. In that regard, the Substance Abuse Unit needs to be given additional personnel and resources: it is severely under-resourced;
- ***Development Initiative for Barbuda*** – There is need for the development of a plan that anchors growth more directly on private sector initiative. Reliance on the Council for most employment creation is not conducive to the long term development of Barbuda. There is need, as well, for the population generally and the youth in particular to upgrade their education. The threat of anomie seems real, based on widespread alcohol and drug use. There is need for economic and community development initiatives on the island, with any intervention being sensitive to its small size and to the special nature of the island with its communal system in respect of land-ownership.

There are early signs that the ‘home-grown’ adjustment and stabilisation programme has already begun to work in securing short-term fiscal balance and improving

fiscal rectitude in Government. There remains the other larger task of putting the country on a path to sustainable development which is the only basis on which it can banish poverty. Moreover, its environmental fragility dictates that extreme care be exercised in the nature of the development path pursued.

Sand mining in Barbuda can put the present community at severe risk and contradicts the notion of sustainable development, especially given that eco-tourism offers the greatest potential for income growth in the long run on that island. Similar conflicts are evident in the transformation of Antigua and in approaching the task of poverty reduction.

#### **D. ELEMENTS OF A NATIONAL POVERTY REDUCTION PLAN**

Poverty reduction in Antigua and Barbuda for the rest of the first decade of the 21<sup>st</sup> century requires, in the final analysis, a coherent programme of action, the elements of which are listed hereunder:

1. The development of the people to be effective participants in the knowledge economy of the 21<sup>st</sup> century: this is beneficiation of the capital of the country through its human assets, mainly be embracing science and technology and applying same in the productive sectors; this means, in effect, that most workers have to return to school, and to continue in a process of regular upgrading of their education and training levels,

consistently with the real time trajectory of the technological frontier. It is critical for distance education to be introduced to Barbuda, in this regard.

2. The social marketing of wellness and of life-long involvement in education and training, with a view to having the working population always equipped with the most recent information and knowledge in real time;
3. The upgrading of the Public Service to provide quality service to the population and to facilitate the growth of the directly productive sector;
4. 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 country;
5. Macro-economic adjustment supported by industrial policy, private sector cooperation, and reform of the tax system to achieve equity and efficiency in fiscal operations;
6. Coherent and systematic physical planning in the management of the land resources of the country, compatibly with ecological sustainability, and consistently with the needs of agriculture, tourism, including eco-tourism and sustainable tourism, and housing; particular attention is needed in Barbuda which is even more environmentally fragile than Antigua
7. The development of the safety net to provide social protection where necessary, with clear mechanisms to graduate those whose condition no longer justify protection;
8. The reorganisation of Community Development to assist in social integration in the light of the challenges of rapid urbanisation, and rural depopulation, and in the assimilation of immigrants from abroad;
9. Urgent action in the reorganisation of the Statistics Department to serve the interests of country by way of the accurate and timely provision of national statistics;
10. The development of a firm strategy for crime reduction and arresting the growth of the underground economy in Antigua and Barbuda;
11. The provision of personnel and resources to the Social Policy Unit such that it can serve the needs of a Social Council that will monitor poverty and associated conditions and develop recommendations and programmes that would be adapted to the dynamics of the changing face of poverty. The Unit would be equipped to undertake research across a wide swathe of areas, and would be the locus for

repeating poverty assessment exercises in future, and for the conduct of socio-economic studies of more limited range with data to be generated by the Department of Statistics, or other agencies. It would also be the repository for all research on the social services being done in Antigua and Barbuda and would have real time access to research of relevance being conducted in other parts of the world, including through subscription to academic journals and on-line materials

It is impossible to overemphasise the wider national security issue that the country faces that goes beyond the interest only of those in difficult economic circumstances. This is the protection of a very fragile physical environment in the face of global climate change. While much of the fall-out there from derives from the measures taken by the now industrialised countries, Governments in the Caribbean are often under pressure to attract investments especially in tourism related projects which impose societal costs that do not emerge in the private calculus of investors.

The result is that the environment is compromised since the environmental costs of such investments remain unrevealed, but are usually permanent in their impact on the natural endowments of the country and the society. There is need for vigilance to ensure balance vis-à-vis the environmental

assets of the society, and to protect the natural capital of the country for the generations to come.

The PPA has demonstrated that the people of the country have clear views on the requirements for development and are sensitive to the fact that the reduction of poverty does not depend on transfer payment merely. Their perspectives are summarised in Table 6, which shows the wide range of issues to be tackled, many of them having immediate resonance with the development issues facing the country and its people. Even where they are victims of misperceptions, their conscious involvement in overcoming the challenges of poverty would mobilise much more resources and energy than can be provided solely by state actors.

There is a wider problem of welfare of citizens of Small Island Developing States posed by global climate change, and the imminent physical vulnerability that is threatened. Sea rise of half metre can render most Barbudans into environmental refugees. The increase in violent weather episodes like Ivan and Katrina on small island states have repercussions that cannot be addressed by their internal resources, but need the intervention of the international community in guaranteeing basic welfare of citizens of SIDS in the face of environmental catastrophe. There is a longer threat of poverty to the entire society therefore.

**Table 6: Summary of Needs Expressed by Communities**

COMMUNITY	NEEDS
Barbuda	Adult Education programmes, including distance education, better recreation facilities, more activity in agriculture and markets for agricultural produce, technical advice and assistance in constructing safe homes, financial facilities to access credit for home construction, and Community Centre needed
Bendals	Employment opportunities, jobs, financial assistance for the disabled, a place for the elderly, a community centre to conduct classes, a computer centre, a library, an upgraded and well equipped health centre, school hours to be revisited so that children can be in school for longer hours, improved health centre and services
Clare Hall	Education for self development, training facilities, training in money management, training for unemployed youth, a library, job opportunities, employment for women, better roads, repair of existing roads, low income housing, better quality water.
Ebenezar	Adult Education facility for evening classes, better roads, an upgraded health care facility, a community centre, a library, Home Help Aides for the elderly, more regular garbage collection, expansion of the infrastructure.
Grays Farm	Job opportunities, better wages, work for young people, skills training, more education programmes, parent education programmes, transportation to take the elderly to clinic, better roads, a better drainage system, better disposal and collection of garbage, remove/shut down houses of prostitution, building regulations to be observed, improved housing, better sanitation facilities, road signs.
John Hughes	Roads to be fixed, expansion of the infrastructure, better public services, improved community development, special attention to be paid to unemployed youth, more employment for young people, preservation of the rain forest, lower cost of utilities, more land for housing development, recreation centre for the elderly
Liberta	Increase in pension, better facilities at the health clinic, resident doctor and nurse at the clinic, community centre with a library and computers, abolish the education levy
Pigotts	A survey to see the level of unemployment, better, improved roads and drainage system, better street lighting, pharmacy at the health clinic, to see a doctor at the clinic more often, proper playing field at the school, library and more computers in the school, better treatment of children
Potters	More job opportunities, government to look at ways to improve the services offered, more help for the elderly, all purpose community training centre, skills training, a regular doctor assigned to the clinic, a hurricane shelter, a sporting facility, repair the basketball court, a fence, lights, benches and toilets for the football field, a community centre, a library, free evening classes, lands and loans for low income earners.
Point	Jobs and job opportunities, better paved roads, a community centre, increase the level of education, reopen the IT centre, a clinic, a school, houses for the homeless, rehabilitation of the drug addicts, a community development programme, more help for the elderly,
Urlings	Gainful employment, a community centre with computers, after school evening activities, an ambulance service and a resident doctor, transportation after 7.00 pm, roads to be fixed, police station, fire station, a facility for elderly people, a sports field and basketball court, a supermarket, lower the cost of living, community programmes and activities, evening classes, upgrade the clinic



COMMUNITY	NEEDS
Wilikies	Jobs, a training centre, a community centre, fix the roads, development of the infrastructure, street lights, refurbish the clinic and increase the staff and the services offered, resident doctor, a working vehicle for the police station, free water installation for those who can't afford the installation fees, lower the cost of utilities, rehabilitation of users of drugs and alcohol, counseling for young people, reduction in consumption tax and the cost of living, education about agriculture.

More immediately, however, poverty reduction will require investment in people primarily, and in institutions that assist the population at large to become empowered to take on the challenges of the 21<sup>st</sup> century. Those that face serious hurdles need institutions that can help them to overcome them. Those that cannot be in the race created by globalisation, need institutions and structures that can care for them decently in ways consistent with what is socially acceptable in Antigua and Barbuda. Those that are temporarily challenged need assistance to arrive at self-actualising.

Much of the task falls to institutions of the State. However, there are a few effective civil society organisations that can partner with the Government and may even be more efficient in service delivery than the State counterpart. The Government has to continue to put its own house in order through upgrading its capacity in community development. Moreover, it must ensure the regular supply of appropriate data from its Statistics Department, which needs to be upgraded to deliver what is clearly possible, given the output of social and economic statistics in

other similar agencies in neighbouring countries.

The Government has been instrumental in the establishment of a National Economic Council comprised of the social partners to address the challenge of economic transformation. It may be well advised to establish a Social Council, based on the reorganisation of the National Assessment Team established for the Poverty Assessment project. The Social Council would complement the Economic Council. The new Social Policy Unit in the Ministry of Housing and Social Transformation offers the possibility of a permanent secretariat, for the Social Council.

In the final analysis, policy for poverty reduction is very much about social and economic development. It is critical that there be created the level of partnership among state agencies and NGOs, CBOs, and FBOs, such that together, they can deploy the most effective social processes in creating a society free of poverty, given that there are indeed some of the resources already available to reduce and alleviate poverty in Antigua and Barbuda.

# **PART I: ANALYTICAL FRAMEWORK AND METHODOLOGY**





## CHAPTER 1 – INTRODUCTION

### 1.1 BACKGROUND TO STUDY

This study of living conditions in Antigua and Barbuda was conducted in the latter half of 2005 and first half of 2006 by Kairi Consultants Limited (Kairi) in collaboration with the National Assessment Team (NAT) of Antigua and Barbuda. The study was commissioned by the Caribbean Development Bank (CDB) with the support of other development partners – the UK Department for International Development (DFID), the United Nations Development Programme (UNDP), and the Canadian International Development Agency (CIDA).

The CDB renders assistance to member countries by way of loans and technical assistance. Since the mid-1990s, it has assisted Borrowing Member Countries (BMCs) in the conduct of poverty assessments in an effort to improve their targeting of resources for poverty reduction and managing the impact on the residents as member states adjust their economies to the demands of a rapidly changing international environment. This goal converges with the objective of the Government of Antigua and Barbuda to improve the social delivery systems and to provide the poor and vulnerable with the capacity to face the challenges created by a rapidly changing economic and social framework as a result of the impact of globalization.

This poverty assessment has three overall objectives, according to the Terms of Reference (TOR). The first is to assess the current living conditions affecting the welfare of people of the country and to 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 Antigua and Barbuda, 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.

This Report presents the main findings of the Assessment, which sought to examine:

- (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 Antigua and Barbuda;
  - 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) The 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.

The present project represents the first occasion on which Antigua and Barbuda has conducted a poverty assessment.

## **1.2 ANALYTICAL FRAMEWORK**

There is wide agreement that poverty is a multi-dimensional phenomenon. Sen (1987)<sup>4</sup> in his work on famine, adduced the concepts of entitlements and capabilities in establishing the importance not merely of food requirements, but also freedom from hunger, and self-actualisation, as basic to human existence.

Access to basic education, to primary health care, to personal safety, to the supply of information necessary to make informed choices, and to participation in the running of the society are part of these elemental rights. These are seen as inalienable rights. It also means being a part of a cohesive self-affirming social network. According to Sen (2000), development can be defined as freedom, or the freedom of the individual to live the life that he or she desires<sup>5</sup>.

Such broad conceptualisations are useful for at least two reasons. First, 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 but which are outside of the individual's control – these have to do with the nature of social infrastructure and the quality provision of social services by the State.

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<sup>4</sup>Sen, Amartya. (1987). *The Standard of Living*, Cambridge: Cambridge University Press.

<sup>5</sup>Sen, Amartya. (2000). *Development as Freedom*, New York, USA: First Anchor Books (a division of Random House Inc.).

Secondly, poverty relates also to the non-possession of tangible as well as intangible things. Thus, people may be deemed to be poor, not only because they suffer from lack of food, clothing and shelter, but also because their personal and social circumstances limit the range of choices and opportunities available to them in the process of attaining self actualisation.

Another useful conceptualization of the issue of development is found in the use of the Human Development Index (HDI), which has been contributed by UNDP, and is now published annually in the Human Development Report (HDR). The HDR defines development as the process of enlarging people's choices and is based on an index that includes life expectancy and literacy. This kind of conceptualisation has influenced thinking in the World Bank. In 1999, the World Bank described poverty as "multi-dimensional, extending from low levels of 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 is demonstrated in the now widely recognized fact that the poor possess intangibles in the form of social capital that constitute an important part of their survival strategy. Social capital is implicit in the trust that exists among 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 is

an intervening variable that disciplines economic activities and relationships within society, and tends to be embedded in social networks.

Intrinsically related to this concept of social capital, are the coping strategies used by the poor to deal with and to survive in 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 for the eradication of poverty.

This assessment of poverty and living conditions in Antigua and Barbuda embraced this multi-dimensional view of poverty. For present purposes, poverty is defined as any situation in which an individual, or group possesses less than some standard of living that has generally been defined as acceptable. Thus, the poor are defined as those in society who suffer disadvantage in terms of their lacking possession of goods, or facilities deemed to be necessary according to some generally accepted social standard, or because they have unsatisfied, some fundamental physical need.<sup>6</sup> There are two facets to this definition, one relative the other absolute. Both are utilized in the Country Poverty Assessment (CPA): the first is used in the quantitative survey, where persons are deemed poor if their average consumption expenditure falls below a particular dollar value, which is referred to as the 'poverty

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<sup>6</sup> Dennis A. V. Brown, 'Surveys of Living Conditions, Reported Health and Poverty in the Caribbean,' *Social and Economic Studies*, UWI, Mona, 2007 Forthcoming.

line'. The second which is more socio-cultural in its orientation, has a greater relevance to the Participatory Poverty Assessment (PPA).

The approach utilized in the study combined both quantitative and qualitative research methods, thereby taking advantage of the benefits of each, and allowing for complementarities of the methods to provide a more comprehensive picture of poverty in Antigua and Barbuda.

The study consisted of four main components:

- A Macro-Economic and Social Analysis (MESA);
- 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).

In the implementation of the Study, specific training was provided at every stage, with a training session mounted prior to the start of each of the respective components, which afforded an opportunity to the members of the NAT for the acquisition of skills in the respective areas. The NAT, and in particular, its Chairperson, complemented the work of the TOC in most aspects of the study, especially in the field work.

### **1.3 STRUCTURE OF THE REPORT**

The report is presented in three Volumes:

*Volume I – The Main Report* - uses data from the various sources to paint one coherent picture of the situation of poverty in Antigua and Barbuda. It surveys the existing institutional structure within which the population finds assistance to cope with the hardships of social and economic change, and proposes a plan of action for improving targeting and reducing poverty in the country.

*Volume II – Voices of the Poor* - presents the details of the Participatory Poverty Assessment, and demonstrates the need to look beyond the figures and macroeconomic picture if we are to start understanding the true nature and causes of poverty. This volume is descriptive in nature and reports on the findings of a series of focus group discussions, community workshops and individual interviews, held throughout Antigua and Barbuda during the study.

*Volume III – Statistical and Technical Appendices to the SLC/HBS* - presents the detailed methodology for the SLC/HBS and a detailed list of tables, some of which were used in the main volume but all of which are relevant to understanding and explaining the level of welfare in Antigua and Barbuda. Samples of the Household and Individual questionnaires utilized in the survey are also presented in this Volume.



## CHAPTER 2 – METHODOLOGY

The CPA combined quantitative and qualitative methodologies in measuring poverty in Antigua and Barbuda, through four distinct approaches: a Survey of Living Conditions and Household Budgetary Survey (SLC/HBS), a Macro Socio-economic Analysis (MSEA), an Institutional Analysis (IA), and a Participatory Poverty Assessment (PPA).

This chapter briefly presents the methodologies employed in each component. Full discussions on the methodological issues related to the SLC/HBS and the PPA are presented in the Volumes II and III respectively.

### 2.1 THE SURVEY OF LIVING CONDITIONS AND HOUSEHOLD BUDGETARY SURVEY

The combined Survey of Living Conditions and Household Budgetary Survey (SLC/HBS) 2005/2006 was a comprehensive survey which combined a Survey of Living Conditions (SLC) with a survey of household income and expenditure.

This survey had two main objectives: first, it was designed to collect information from households on their buying habits (expenditures), income and other characteristics. The survey also allows data users to relate the expenditures and income of consumers to the characteristics of the consumers and their households. This type of survey may also be used for the purpose of revising the list and weighting patterns of

the CPI (Consumer Price Index) basket, the price of which is monitored over time to estimate changes in overall prices in the economy<sup>7</sup>.

In addition, this survey provided:

- Valuable data for an assessment of the impact of socio-economic policies on the conditions under which residents live;
- Inputs for the compilation of national accounts based on the household sector;
- Statistics on the distribution of income and expenditure, which helps to determine the percentage of the wealth owned by each income group.
- Information on the characteristics and expenditure patterns of the poor, compared to other groups in the society.
- Information on household consumption of various goods and services, including publicly provided services such as health and education.

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<sup>7</sup> A change in the Consumer Price Index (CPI) is sometimes referred to as "the inflation rate" and is a key macroeconomic indicator. The "inflation rate" measures the changes in the purchasing power of money and is closely monitored by economic planners, policy makers, the business community and labour unions.

The sample for the SLC/HBS 2005/2006 in Antigua and Barbuda was selected from a sample frame derived from the 2001 census of population and represents 5.1 percent of the population.

For convenience, both in selecting the sample and for field enumeration, a two stage stratified systematic random sample selection process was used. At the first stage, Enumeration Districts (EDs) were selected based on a sampling frame constructed from Census Enumeration Districts; in the second stage, households were randomly selected from the EDs with interval and probability proportional to size.

The sample for the SLC/HBS 2005/2006 was large enough to allow the computation of poverty indicators (that is, the headcount and FGT indicators) by District. The sample for Barbuda was doubled to ensure that accurate results could be reported for that district given its small size and its distinctive nature, as a separate island. Breakdowns of these indicators at a sub-district level would not result, however, in reliable estimates and do not constitute part of the analysis.

The sample frame was divided into eight (8) domains or sub-populations based on demographic data on the distribution of the population in the 2001 Population and Housing Census:

**Table 2.1: Domains of Study in the SLC/HBS 2005/06**

No.	District
1	St. John's City
2	St. John's Rural
3	St. Paul
4	St. Mary
5	St. George
6	St. Peter
7	St. Philip
8	Barbuda

The Survey required households to complete a household questionnaire, individual questionnaires for each member of the household, and diaries of expenditure for each adult member of the household.

The Response Rate in the survey measures the number of questionnaires obtained as a proportion of the number of questionnaires expected. Overall, a response rate of 86 percent was obtained for the survey. The response rate on the diaries was, however, very low (38%) and this posed a huge challenge in the use of the data for the SLC/HBS, as much of the data on food had to be imputed. In general, the data are of good quality, except for the large numbers of non-responses obtained on the diaries.

Aggregation of Household and Person expenditures was done in accordance with the United Nation's (UN) Classification of Individual Consumption according to



Purpose (COICOP). Depending on the type of expenditure in question, the data were annualized by multiplying by a factor of four, in the case of expenditures collected using a three month reference period, and by twelve, in the case of a one month reference period (as in the case of cellular, electricity and water bills). Two categories of expenditure, namely food and small non-food items such as toiletries, were obtained from the diaries. Diaries were coded using the COICOP and aggregated to the household level. The total of the two week expenditure by household was annualized by multiplying by a factor of twenty-six.

This combined SLC/HBS was administratively particularly difficult to implement. Some lessons learned are detailed below:

1. The survey covered the period August 2005 to March 2006. The use of this time period ensured that the low season of economic activity (usually taken to be June to October) was reflected in the period August to October and the high season was reflected in the period November to March, with the last two weeks of December 2005 and the first two weeks of January 2006 excluded due, to the anomalies in expenditure presented by this period of time.
2. All information on household expenditure had to be coded using an adapted version of the UN's COICOP. This meant that aggregates such as food had to be built by adding detailed components of that group in

the classification system. This presented computer programming and other related challenges.

3. First, at the household level, the average length of the interview was two hours. Because of this, a monetary incentive to encourage participation in the survey was given. While it worked extremely well in encouraging households to respond, it was especially difficult to administer. Antigua and Barbuda provided the incentive on completion of the questionnaire with the household, and consequently suffered from reduced numbers of dairies obtained. This imposed a need to impute data on food expenditure.
4. Enumerators were trained for four days using an enumerators' manual which detailed the procedures for completing each section of the questionnaire. This ensured that data returned to the Central Office were already of a high quality due to the extensive field and pre-receipt edit checks completed by supervisors and the staff of the Statistical Office.

## **2.2 INSTITUTIONAL ANALYSIS**

The work mainly of economic historians in the 1980s and 1990s has brought to the fore the importance of institutions in the conduct of economic inquiry<sup>8</sup>. While institutions and organisations are often used interchangeably, the former refer

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<sup>8</sup> North, Douglas. (1990). *Institutions, Institutional Change and Economic Performance*, New York: Cambridge University Press.

strictly to the rules and practices that shape the behaviour of organisations and individuals in society.

Selected organisations and institutions in the country, whose interventions and programmes were deemed to be of relevance for the living conditions of residents and in particular, to poorer people, were studied. These included organisations, both formal and informal, which mediate the flow of resources to households and individuals, both poor and non-poor. Examples include education and training systems, credit organisations, local government entities, public sector and civil society organisations - NGOs and CBOs.

The IA involved the collation of primary data from interviews with personnel responsible for key State agencies and civil society organisations, and from secondary data available in reports and other relevant documentation, on their operations and performance.

In general, these data were supplemented by information gleaned from community residents, obtained during the PPA, on institutions and organizations working in their communities, including comments on the effectiveness of their interventions, from the point of view of beneficiaries.

A topic guide was used in securing information on institutions and organisations and their effectiveness in treating with problems of poverty and this was rated against their specific mandates and terms of reference. The fundamental

objective was to establish the degree to which organisations are *pro* poor in their work, and how the system of organizations and institutions in the country collectively service the poor.

## **2.3 THE PARTICIPATORY POVERTY ASSESSMENT**

The PPA generated data at the individual, household and community levels and provided a multi-dimensional view of the social reality of the poor, a deeper understanding of their problems, needs and priorities, and insights into their livelihoods and their coping strategies. Community Workshops and focus group discussions were conducted in twelve communities and provided the primary source of qualitative information in the PPA.

The main objective of the PPA was to analyse and understand the social reality of the poor by:

- Listening to the voices of the poor in order to gain insights into their perceptions and experience of poverty;
- Providing an opportunity for the poor to identify and prioritise their problems and needs and the interventions that would, in their view, improve the conditions under which they live;
- Examining the provision, delivery and quality of public services, and how people in poor communities access and use them;



- Identifying individual, household and community assets and resources that could be used to reduce poverty; and
- Analysing and understanding the social reality of the poor and translating this into a framework to formulate policy that is informed by the voices of the poor.

Data from the last census and other information from government ministries and NGOs, were used to identify twelve communities in which the PPA was to be focused. A list of characteristics and criteria was then developed and a purposive sampling technique used to ensure that the selected communities were representative in terms of location, demography, social milieu, and economic activity. Care was also taken to ensure that the distribution of types and degrees of poverty and deprivation in the country were aptly represented. Initially, Cedar Grove was one of the twelve selected, but later, because of problems encountered with mobilizing residents, and in response to a request to include the community of Clare Hall, work in the former ceased and the PPA activities were implemented in the latter.

Documents, informal discussion with government officials and representatives of NGOs, and observation forms completed by the Research Facilitators provided a great deal of information about the communities selected for study. While all of the communities do exhibit some degree of poverty and deprivation, and do share a number of characteristics, they are not

homogeneous and they therefore do not experience or feel the effects of these phenomena in the same way.

The community workshops served as mechanisms to obtain specific information from community residents about life in their communities. Workshops were held in eleven of the communities and many were conducted on evenings; not all of the same persons participated in all of the activities.

Because poverty and deprivation are felt most keenly at the household level, information was collected from three to five households in each of the twelve communities. Using a set of specific criteria, Field Research Facilitators used a combination of random and purposive sampling to identify poor households. In selecting the households to be interviewed, care was taken to include households of different types and that displayed different levels of poverty. A structured interview schedule was used to conduct an extensive interview with the head of household or other responsible adult. Interviews were conducted with heads of forty six (46) households.

Poverty and deprivation affect different groups in different ways. In order to capture the differences in perceptions, experience and impact of poverty, and to identify the specific concerns, needs and priorities of different groups, including the most vulnerable, focus group discussions were conducted separately with men, women, unemployed persons, elderly

persons and youth (persons 15-24 years). No discussions were held with persons with disabilities, but discussions were held with approximately two hundred and forty (240) young men and young women across eleven communities; one hundred and ten (110) women across ten communities and one hundred and one (101) men across nine communities; one hundred and seven (107) elderly persons in nine communities; and seventy four (74) unemployed persons in eight communities.

During the focus group discussions, each group shared information about survival strategies and identified their particular concerns, needs and priorities. This was useful in identifying and understanding the experience of poverty and of its effect and impact on subpopulation groups of different ages, sex, education status, and level of education.

In-depth interviews were conducted and information collected from a number of individuals in each of the communities. A set of criteria were developed and used as the basis for a purposive sampling technique to select individuals who were experiencing extreme poverty. Among those selected were the hidden poor, the destitute, and elderly persons living in poverty. Interviews were also conducted with twelve community leaders/ individuals with influence in each community who were identified by the Field Research Facilitators.

The PPA was designed to facilitate and ensure the active participation of key

stakeholders, including residents in poor communities, representatives of government institutions and of NGOs, researchers and consultants, in the various research activities outlined above.

In general, Research Facilitators were unfamiliar with the communities, had limited knowledge of them, and no relationship with community residents. This lack of experience with working in communities presented several challenges in the field, including difficulties in mobilizing and convincing community residents of the importance of participating in the activities, and in providing the required information. While there was some attempt by the Ministry of Social Transformation to inform the public about the activity via the media, this strategy did not always have the required and expected outcome or impact. Consequently, in several of the communities, the response was poor and residents were reluctant to become involved.

Several techniques were used to analyse the data that were collected. Among these were collective analysis and reflection, content analysis, causal analysis, needs analysis, trend analysis, gender analysis and comparative analysis. This helped to verify and validate the objectivity, reliability, and credibility of the data. Triangulation was used to obtain and check information from different sources, to gain multiple perspectives of the experience and impact of poverty and deprivation and to make comparisons, for example, between urban and rural poverty.

## **2.4 ANALYSIS OF THE MACRO SOCIO-ECONOMIC ENVIRONMENT**

The CPA is premised on the results generated from an examination of households. However, the quality of life of households is impacted by conditions in the wider society and community, and indeed, for highly open economies like Antigua and Barbuda, by forces in the international economy.

The level of competitiveness of the country in respect of its main sectors for generating foreign exchange and income shapes the economic reality of the country and, therefore, the life chances of the households through the individuals they send out to participate in the generation of output in the economy. Thus, there is need to examine the relative competitiveness of the domestic economy vis-à-vis its main competitors in the international economy in seeking to anticipate the conditions that households will face in the short to medium terms.

Likewise, the structure of the labour market and the capacity of individual members of the household to participate in it, will determine the incomes that are returned to the household from its participation in the formal economy. Also of interest are the informal sector and underground economy that may be a source of income to some households.

The fiscal operations of the Government also have some bearing on the household

and its income, both in terms of disposable money income and in respect of the publicly provided goods that are accessible to it. Additionally there is a host of organizations and institutions that frame the economic and social reality of households – banks, credit unions, cooperatives, trade unions, NGOs, CBOs. Issues related to the collective impact of these are all examined in the analysis of the macro social and economic environment.

## **2.5 ESTIMATING UNMET BASIC NEEDS**

An index was built to allow communities to be classified on the basis of “unmet” basic needs. The approach applied is a modified version of a Basic Needs Index developed by CELADE-ECLAC (Centre for Demographic Studies, Economic Commission for Latin America and the Caribbean). It is a system of scoring a household based on the amount of various forms of material wealth and the quality of human capital which it possesses. The scoring system gives each household a score based on a number of factors and a total score is attributed to the household based on the scoring system in the Table below.

This was then used to rank Communities based on the average scores of the households within the Community. The resulting index gives a very powerful indication of where allocations of resources are needed, to institutions involved in poverty reduction and can help to form part of an evidenced-based policy approach.

**Table 2.2: Poverty Scoring System**

Item	Response	Score
Wall type	Brick/Block/Concrete	3
	Wood and Concrete	2
	Wood	1
	Wattle/Tapia/makeshift	0
Toilet type	WC to sewer/cess pit	1
	Pit latrine/None	0
Light Source	Electricity or gas	1
	Kerosine/none	0
Possessions***	TV/Telephone/Video/Stove/Fridge/Washing machine	0.5 each
	Car/pick-up	1
No. persons per bedroom	<1	3
	1-1.99	2
	2-3	1
	3.01 or more	0
Education of head (summary)	Tertiary/university	5
	Secondary complete	4
	Secondary incomplete	3
	Primary complete	2
	Primary incomplete	1
	None	0
No. employed to total number of persons	1	3
	$x < 1, x > 0.49$	2
	$x < 0.5, x > 0.25$	1
	$x < .25$	0
Maximum Score		20



## CHAPTER 3 – INTERNATIONAL AND MACRO ECONOMIC CONTEXT

### 3.1 COUNTRY HISTORY AND BACKGROUND

Antigua and Barbuda gained independence in 1981. The Queen of England is the Head of State, and is represented by the Governor General. Most countries of the English speaking Caribbean have opted to follow this arrangement rather than to develop a republican system. However, they all enjoy a status independent of Britain, and Antigua and Barbuda is no exception, in that regard.

Like other Caribbean countries, early settlement was disputed among the European powers at the time (Spanish, French and British), before the British established effective control in 1667. Antigua became the archetypical plantation economy, with the total concentration of production on sugar, dependent on slave labour imported from Africa.

Its relatively flat terrain, as well as soil and weather conditions, made it ideal for the growing of sugar cane. As was the case with Barbados and St. Kitts/Nevis, the fact that this was a settled sugar economy determined the shape of the colonial economy and its evolution to the modern period. The coming of Emancipation did not lead to any radical change in social relations. The total domination of the plantation system left the ex-slaves and their descendants in a situation of

dependency and entrapment that continued for almost a century.<sup>9</sup>

There are two other islands – Barbuda and Redonda – that make up the nation state. It is one of the smallest states among the mini-states of the Caribbean and its population at the last census (2001) was estimated at 75,500. According to the World Bank, the population was just over 80,000 in 2005, with a growth rate estimated at about 1.1 percent per annum.

CARICOM, the OECS, CDB, and the ECCB are the most significant agencies in respect of its regional affiliations and all have some bearing on internal operations in the country, as well as in the structure of the relationship with the rest of the world.

It is the largest of the Leeward Island states, and is a member of the Organisation of Eastern Caribbean States (OECS), which links the Windward and Leeward Islands in an ever deepening political and economic union. The Eastern Caribbean Central Bank (ECCB), exercises control over monetary matters among member countries of the OECS. This has meant that in managing its fiscal difficulties in recent years, it was not possible for the Government to resort to the printing of money, with the result that only

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<sup>9</sup> A moving and vivid account of the post-emancipation plantation life in Antigua is given by a grandson of ex-slaves who recalled the stories of his folk in, K. Smith and F.C. Smith, 1986 *To Shoot Hard Labour: the Life and Times of Samuel Smith – an Antiguan Workingman, 1877-1982*. Edan Publishers, Scarborough, Canada.

borrowing by the Government could allow public expenditure to exceed revenues.

CARICOM member countries are participants in the African, Caribbean and Pacific Group (ACP) which links some of the colonies of the past with the former colonial powers, according them special trade and other privileges, as well as assistance in the structuring of their economies to meet the challenges of globalization.

CARICOM is also in the process of deepening to a single market, with the expectation of moving eventually to a single economy. The country is also a signatory to this CARICOM Single Market and Economy (CSME), and is an active participant in a number of regional and international agencies, having also been the beneficiary of support from a number of these – the CDB, UNDP, United Nations Economic Commission for Latin America and the Caribbean (UNECLAC), Food and Agriculture Organisation of the United Nations (FAO), United Nations Educational Scientific and Cultural Organisation (UNESCO), International Labour Organisation (ILO) and Organisation of American States (OAS).

Antigua and Barbuda is committed to the achievement of the Millennium Development Goals (MDGs), and other important international conventions, such as the Climate Change Convention – the Kyoto Protocol.

Antigua and Barbuda was one of the few countries in the Commonwealth Caribbean in the period of self-government or political independence, to have accepted very early the non-viability of its sugar industry in the emerging dispensation to the late 20<sup>th</sup> century. However, unlike some of the others that had taken an earlier exit out of sugar, the reorganization of agriculture did not lead to a preoccupation with another export primary crop, but rather to the development of small farmers focusing equally on the domestic and external markets.

This thrust in strategy was complemented by the move to diversify the economy through the development of tourism, light manufacturing and subsequently, financial services. The country is blessed with some of the finest beaches in the Caribbean, and these amenity assets have made it attractive for inward investments on the part of a number of hotel operators as this major growth industry of the late 20<sup>th</sup> century evolved and created major possibilities for small Caribbean countries. Antigua and Barbuda took full advantage of the opportunities, and became one of the examples of tourism-led development following in the footsteps of Barbados.

Its early efforts at industrialization had some encouraging success, as such measures as the Caribbean Basin Initiative (CBI) created an opening for output from small scale manufacturing and assembly operations dedicated to satisfy United States markets in clothing and electronic products. The international division of



labour at the time and relative wage costs allowed Antigua and Barbuda some level of benefit, at least up until the formation of the North American Free Trade Area, and the rise of major offshore processing operations in such places as the Dominican Republic vitiated the slight competitive edge that smaller Caribbean countries like Antigua and Barbuda had enjoyed.

The fact that the decision was made very early to opt out of sugar meant that the country could move without distraction to the development of new poles of growth. Its immediate post-independence experience was, therefore, one of relatively decent rates of growth and of employment creation. In its favour were the substantial growth in international tourism and the place that the Caribbean held in this emerging market.

Its presence in international tourism and its geographic location allowed for the development of another related niche: strategic decisions on the development of regional communications resulted in the country becoming a major hub for regional and international travel. With that, Antigua's international airport became a service point for aircraft serving the region, and this contributed to employment and income growth in the transportation sector.

Thus, Antigua and Barbuda arrived at levels of income that made it one of the better-off countries in the Caribbean and among the developing world. However, while some degree of diversification was achieved through tourism, light manufacturing and then subsequently,

through financial services, the limitations of its economic structure were readily betrayed when slow-down came in light manufacturing, and when competition from the neighbouring Caribbean and other destinations slowed growth in its tourism sector. Financial Services faced its own share of problems with the attack mounted by OECD countries on off-shore financial services in the Caribbean, based on the accusation that these locations harboured money laundering and tax evasion by nationals of developed world states.

Antigua and Barbuda quickly upgraded its regulatory framework and was able to disarm critics of its legislative and other provisions for the operations of its financial services sector. It had also encouraged the development of the gaming industry, with a market primarily in the United States. In that regard, the country was taking advantage of a niche that the advances in technology allowed it to enter. Subsequently, the Government of the United States sought to destroy this emerging competition in the services sector, with the result that Antigua and Barbuda took the matter to WTO, the highest court in disputes over trade among countries.

Antigua and Barbuda won. However, instead of abiding by the decisions of the court, the United States has changed its internal legislation, risking this being seen as a subterfuge against the likes of Antigua and Barbuda. The Internet Gambling Prohibition and Enforcement Act (HR441) was passed which effectively prevents access to the United States market by

service providers from abroad. The experience has served to underline the high level of dependence of Antigua and Barbuda on the international economy and the rules that apply therein. Moreover, when this country observes the rules, there is no guarantee that it would prevail, and reap the expected rewards.

### **3.2 VULNERABILITY, SPECIAL AND DIFFERENTIAL STATUS**

Since the 1970s, the Commonwealth Caribbean countries have clamoured for special treatment in the face of the difficulties that they have faced in attempting to restructure their economies as they sought to change the dispensation left by the colonial order. The structure inherited on independence was not designed to provide growing incomes and employment for national populations, a problem that had attracted Caribbean scholarship, in the latter half of the 20<sup>th</sup> century, especially among economists and political scientists as well as the political activists.

At the wider international level, there has been some increasing but still, grudging acceptance of the relevance of the arguments of this long line of thinkers. Empirical work on small island states (SIDS) by the Commonwealth Secretariat and by other international institutions has established the utility of a vulnerability index in differentiating SIDS from other countries. Briguglio (1995) was one of the first academics to provide wider theoretical underpinning for what Caribbean

economists like Demas (1965) had established more than two decades before. According to Briguglio (1995), SIDS are characterised by their inability to shelter themselves from forces outside of their control<sup>10</sup>.

Vulnerability is evinced usually, in four areas - (i) economic exposure, (ii) remoteness (iii) insularity, and (iv) susceptibility to environmental events. In the latter half of the twentieth century, Antigua and Barbuda was able to correct for geographic remoteness. With the advances in air-transport, it has been able to create a niche as a hub, especially within the northern Caribbean, and is the first port of call for a number of airlines serving the link between the North Atlantic and the Caribbean.

Antigua and Barbuda as a country is highly susceptible in terms of economic exposure and environmental episodes. The events of September 11, 2001 in the United States of America (USA) led to an immediate decline in tourist arrivals and while these were restored after two seasons, the impact on a country so heavily dependent on tourism, was severe. The industry contributes heavily to employment and to government revenue and has been the most important sector in terms of the earning of foreign exchange.

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<sup>10</sup> Briguglio, L. 'Small Island Developing States and their Economic Vulnerabilities,' *World Development*, Vol. 23, No. 9, 1995.



The country had challenged the USA on its restraint of trade in services relating to internet gambling. The costs of doing so have been substantial for a small country. But, most critically, this sector that opened new employment possibilities to some of the more technology-savvy young people entering the labour market in Antigua and Barbuda, has suffered decline and retrenchment of labour as a result of the actions taken by the United States Government. Moreover, in the effective rejection of the World Trade Organisation (WTO) ruling by the United States, the contribution of the sector to vital foreign exchange earnings has been considerably reduced. Nor has there been any compensation for Antigua, with the damage remaining unrequited by USA.

### **3.3 MACROECONOMIC PERFORMANCE**

Table 3.1 illustrates the contribution to GDP of the various economic sectors in Antigua and Barbuda, over the period 2000 to 2005. The data show that output grew by 19.7 percent over the period 2000 to 2005. Agriculture expanded by 9.3 percent, Manufacturing by 10.6 percent, tourism (Hotels and Restaurants) by 9.6 percent and Financial Services (Banks and Insurance) by 18 percent over the entire period. On the other hand, Construction increased by almost 41 percent and Government Services, by 21.6 percent. Construction is a heavy utiliser of foreign exchange and the expansion of Government Services is dependent on the rate of growth of revenue, and on Government borrowing.

Table 3.2 provides data on the distribution of the supply of credit to the various economic sectors in Antigua and Barbuda over the period 2000-2005. Between 69.1 percent and 75.5 percent of credit was allocated to the category referred to as 'Personal'. Moreover, the percentage rose over the period. While this category may include some of the productive sector, the share of the traded goods and services sectors seemed not to have risen. Notably, the share of Agriculture and Fisheries fell by one half, from 0.6 percent to 0.3 percent. Even more worrying, the share of tourism which is the key driver in the economy, and the main tradable good sector, fell from 9.0 percent to 6.5 percent.

### **3.4 FISCAL OPERATIONS**

One of most critical issues that the country has had to deal with is accumulated debt, which has created a crisis in its fiscal operations. According to the World Bank, seven Caribbean countries have been among the ten most indebted in the world. Antigua and Barbuda held the dubious distinction of being among the leaders in the seven countries.<sup>11</sup> This would have marred its efforts to secure external financing for its development.

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<sup>11</sup> World Bank, *A Time to Choose: Caribbean Development in the 21<sup>st</sup> Century*, World Bank, Washington, 2005.

Table 3.1: Gross Domestic Product by Economic Activity in Constant Prices (EC\$ mn)

Economic Activity	2000	2001	2002	2003	2004	2005 <sup>P</sup>
Agriculture	43.32	43.29	43.72	44.82	46.01	47.38
Crops	12.86	12.60	12.73	12.92	13.31	13.74
Livestock	10.15	10.30	10.50	10.92	11.21	11.43
Forestry	0.79	0.79	0.79	0.79	0.79	0.79
Fishing	19.52	19.60	19.70	20.19	20.70	21.42
Mining & Quarrying	23.57	24.04	24.52	25.86	22.63	28.70
Manufacturing	30.94	31.71	32.73	35.33	33.91	34.21
Electricity & Water	48.21	49.03	51.06	49.69	52.88	56.28
Electricity	38.08	40.06	41.17	40.86	42.23	44.00
Water	10.13	8.97	9.89	8.83	10.65	12.28
Construction	167.42	174.12	180.21	192.27	197.08	235.51
Wholesale & Retail Trade	119.95	117.55	114.31	118.39	121.86	125.81
Hotels & Restaurants	159.24	146.76	149.91	165.27	176.43	174.50
Transportation	143.33	138.04	133.51	153.08	175.37	172.72
Road Transport	72.66	70.72	65.71	74.35	85.25	86.92
Sea Transport	20.78	20.08	19.12	27.23	33.23	30.68
Air Transport	49.89	47.24	48.68	51.50	56.89	55.12
Communications	134.76	141.62	142.22	144.16	148.60	160.50
Banks & Insurance	134.14	126.16	140.92	137.71	152.58	158.34
Banks	118.97	109.99	124.42	120.85	135.16	140.57
Insurance	15.17	16.17	16.50	16.86	17.42	17.77
Real Estate & Housing	90.18	93.34	96.14	99.02	102.49	106.08
Government Services	201.07	208.66	220.53	227.01	237.38	244.50
Other Services	81.64	82.47	85.36	87.20	89.83	93.42
Less: FISIM	127.95	107.79	120.59	129.45	136.17	141.62
GVA ( Basic Prices)	1,249.82	1,269.00	1,294.55	1,350.36	1,420.88	1,496.33
Growth Rate (%)	3.27	1.53	2.01	4.31	5.22	5.31
Plus: Product Taxes less Subsidies	193.07	205.68	217.48	240.85	285.33	288.13
GDP (Market Prices)	1,442.89	1,474.68	1,512.03	1,591.21	1,706.21	1,784.46
Growth Rate (%)	1.49	2.20	2.53	5.24	7.23	4.59

Source: Eastern Caribbean Central Bank

Table 3.2: Supply of Credit by Sector

Credit By Economic Activity	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	Dec-05
	%					
Agriculture + Fisheries	0.6	0.6	0.5	0.4	0.4	0.3
Manufacturing + (Mining & Quarry)	3.0	3.0	2.9	3.4	3.4	2.7
Construction	5.3	6.4	7.0	5.8	6.9	5.7
Distributive Trades	12.9	12.4	11.5	10.3	9.7	9.2
Tourism	9.0	8.2	8.1	7.7	6.5	6.5
Personal	43.3	43.5	42.7	41.0	42.0	47.3
Acquisition of Property	22.1	22.8	21.7	23.2	25.9	27.0
Home Construction & Renov	14.6	14.8	13.8	13.8	18.9	17.6
House & Land Purchase	7.5	8.0	7.9	9.4	7.0	9.4
Durable Consumer Goods	7.3	6.4	4.4	5.3	5.1	5.9
Other Personal	13.9	14.3	16.7	12.5	11.1	14.4
Other	25.8	26.0	27.2	31.3	31.0	28.2
TOTAL LOANS AND ADVANCES	1,674.70	1,699.92	1,815.06	1,896.43	1,914.32	2,083.13

Source: Eastern Caribbean Central Bank

Even more disconcerting was the lack of information on the various components of the debt. An international consultant, hired to assist the Government in restructuring its debt, indicated at a National Economic Symposium held in July 2006, that there had been difficulties in developing a full inventory of the debt held by the Government, both locally and externally:

because of poor documentation. Moreover, the Government had little recourse but to commit and pledge tax revenues and tax receipts because of the size of the debt stock: in other words, various lines of taxes were specifically earmarked for particular creditors.<sup>12</sup> Table 3.3 summarises the data on current expenditure for the period 1999-2003.

<sup>12</sup> Antigua Sun, July 24, 2006 'Poor records compound debt problems.'

Table 3.3: Central Government Expenditure (EC\$ mn)

Year	1999	2000	2001	2002	2003
<b>Current Expenditure</b>	<b>388.64</b>	<b>381.27</b>	<b>410.30</b>	<b>489.28</b>	<b>538.54</b>
Personal Emoluments	219.96	214.60	220.01	252.33	268.93
Other Goods & Services	98.52	87.58	111.78	128.17	108.89
Interest Payments	31.81	38.51	40.55	60.02	83.06
Domestic	23.45	28.08	31.85	36.89	38.26
External	8.37	10.43	8.70	23.13	44.80
Transfers & Subsidies	38.35	40.58	37.96	48.76	77.66
Of which: Pensions	17.14	16.31	17.67	16.41	28.79

Source: Eastern Caribbean Central Bank

According to the International Monetary Fund (IMF), Antigua and Barbuda experienced 'high debt, weak institutions, and substantial arrears for many years'<sup>13</sup>. Admittedly, five major hurricanes in the 1990s had exacerbated an underlying fiscal challenge arising out of the restructuring of the economy out of sugar into alternative foreign exchange earning sectors. The administration of the period had recourse to public sector employment as growth slowed, with the result that the Government became not only the single largest, but the near majority employer in the country.

It is estimated that at the end of 2003, just before the change in political administration, the current and overall deficits amounted to 7.86 percent and 11.51 percent of GDP respectively. Debt service increased from 4 percent of GDP in 1998 to 5.0 percent in 2003.<sup>14</sup> Moreover, tax

collection in relation to GDP was very low, while at the same time, expenditure was growing in excess of 5 percent per annum, mainly as a result of the increase in wages and salaries for non-established workers. The debt stock was just under EC\$3 billion, or 130 percent of GDP. Table 3.4 shows the estimated debt stock relative to GDP for the current decade for the OECS. The data show that Antigua and Barbuda was much above the average for member states of the ECCB.

The high debt overhang was complemented by one of the lower levels of tax to GDP ratios in the region. As Table 3.5 shows, the Government of Antigua and Barbuda raised a smaller percentage of GDP by way of taxes than most Governments in the region. Given the high percentage that was allocated to personnel, it is unlikely that the expenditure brought commensurate benefits, in any event.

<sup>13</sup> IMF Executive Board Concludes 2005 Article IV Consultation with Antigua and Barbuda, February 1, 2006.

<sup>14</sup> Government of Antigua and Barbuda, 'Home-grown Economic and Stabilization Programme,' June 2006.

Table 3.4: Total Public Sector Debt Outstanding for ECCB Member Countries (EC\$ mn)

Country	2001	2002	2003	2004	2005	Jan-Sept 2006
Anguilla	20.5	20.2	20.2	23.6	25.4	24.9
Central Government	10.4	10.4	11.8	17.3	20.3	21.3
Public Guaranteed	10.1	9.8	8.4	6.3	5.1	3.6
Antigua and Barbuda	130.0	137.7	138.9	144.3	123.0	126.8
Central Government	121.0	129.2	130.9	134.7	114.6	119.4
Public Guaranteed	9.0	8.5	8.1	9.6	8.3	7.4
Dominica	131.1	131.9	131.2	114.2	117.3	117.6
Central Government	108.2	105.4	105.0	90.2	95.5	96.3
Public Guaranteed	22.9	26.5	26.1	24.1	21.8	21.3
Grenada	82.2	114.5	112.9	136.6	117.6	122.3
Central Government	62.6	85.4	86.8	107.1	101.5	105.8
Public Guaranteed	19.6	29.2	26.1	29.5	16.2	16.5
Montserrat	29.6	19.3	14.9	11.9	10.7	10.2
Central Government	11.5	10.5	5.8	4.2	3.6	3.6
Public Guaranteed	18.1	8.8	9.1	7.7	7.1	6.6
St. Kitts and Nevis	137.4	158.7	177.2	191.6	196.6	206.1
Central Government	90.3	108.5	119.7	115.3	117.8	124.7
Public Guaranteed	47.1	50.2	57.5	76.3	78.8	81.4
St. Lucia	50.1	55.9	62.9	68.9	67.8	74.9
Central Government	34.5	40.9	47.6	55.1	54.4	60.4
Public Guaranteed	15.6	14.9	15.3	13.8	13.4	14.6
St. Vincent and the Grenadines	73.5	72.9	79.1	83.5	86.1	90.5
Central Government	65.7	66.4	70.5	72.6	73.5	77.1
Public Guaranteed	7.8	6.5	8.6	11.0	12.5	13.4

Source: Eastern Caribbean Central Bank

Table 3.5: Comparative GDP/Tax Ratios in Selected OECS Countries

Percentage of Gross Domestic Product Raised by Taxes: for the period 1997- 2003							
Country	1997	1998	1999	2000	2001	2002	2003
Anguilla	17.0	18.2	20.8	20.3	18.7	20.4	22
Antigua and Barbuda	18.5	17.5	17.2	15.7	22.9	25	17.9
Dominica	22.1	24.8	24.7	23.9	23.3	26.8	24
Grenada	21.2	21.6	22.7	23.9	23.9	24.6	27.9
Montserrat	22.9	20.1	25.7	26.4	25.8	25.6	24.2
St. Kitts and Nevis	22.5	22.6	22.3	21.2	21.1	22.3	23.5
Saint Lucia	22.9	23.9	23.5	24.1	24.7	21.2	21.7
St Vincent and The Grenadines	25.6	24.8	24.9	23.9	25.3	26.8	26.8

Source: Eastern Caribbean Central Bank

In addition, tax collection failed to keep pace with expenditure. The main source of revenue, Taxes on International Trade, proved relatively inelastic, having regard to the pressure to shift from this item as a source of revenue, as the countries of the region lowered import duties and approximated a common external tariff. Table 3.6 provides some insight into the emerging fiscal challenges.

The new party in Government as of March, 2004 in seeking to address the problem introduced a comprehensive reform programme comprised of, but not limited to:

- Improved accountability and transparency in public operations, including in the Customs Department;

- Reduction of fiscal debt, and generally, an improvement in debt management;
- Promotion of private sector investment and development;
- Tax reform;
- Rationalization of tax concessions;
- Implementation of a Public Sector Investment Programme;
- Introduction of Sales Tax;
- Improved expenditure controls in the public sector;
- Voluntary Separation Package for public servants; and
- Reintroduction of personal income tax.

Table 3.6: Central Government Revenue (EC\$ mn)

Central Government Revenue	1999	2000	2001	2002	2003
<b>Tax Revenue</b>	<b>302.42</b>	<b>283.71</b>	<b>316.45</b>	<b>339.39</b>	<b>383.99</b>
Taxes on Income & Profits	35.15	37.49	47.81	51.96	62.53
Of which:					
Company	33.58	35.09	42.96	47.37	56.99
Business Tax	1.54	2.2	1.15	1.18	0.64
Turnover Tax	n/a	n/a	3.45	3.28	4.71
Taxes on Property	4.22	4.69	5.95	7.43	11.07
Taxes on Domestic Goods & Services	63.27	59.77	67.13	74.97	76.76
Of which:					
Stamp Duties	14.35	13.03	16.09	16.41	21.4
Hotel and Guest Tax	22.31	22	23.06	19.96	22.68
Telecommunications Tax	9.98	9.8	9.56	9.75	8.35
Taxes on International Trade & Transactions	199.78	181.76	195.56	205.03	233.63
Of which:					
Import Duty	57.2	56.69	55.88	52.7	56.98
Consumption Tax	88.12	71.63	76.84	83.6	85.74
Customs Service Charge	30.08	26.41	38.90	42.68	52.83
Foreign Currency Levy	7.95	9.33	6.52	6.68	8.8
<b>Non-Tax Revenue</b>	<b>44.67</b>	<b>41.31</b>	<b>39.33</b>	<b>39.9</b>	<b>43.02</b>
<b>Current Revenue</b>	<b>347.09</b>	<b>325.02</b>	<b>355.78</b>	<b>379.29</b>	<b>427.01</b>
<b>Capital Revenue</b>	<b>n/a</b>	<b>6.34</b>	<b>1.36</b>	<b>2.37</b>	<b>3.04</b>
Grants	n/a	2.68	0	18.05	3.23
Of which: Capital Grants	n/a	2.68	0	18.05	3.23

Source: ECCB Economic and Financial Review 2000-2004 Note: S

Generally, the Government set itself the objective of realizing a current account surplus of 4 percent of GDP in five years, reducing disbursed outstanding debt to the region of 60 percent of GDP within ten years, and getting the debt service to current revenue ratio to 15 percent within five years.

This entailed the reorganisation of the tax structure, in addition to addressing the

expenditure side. The Personal Income Tax (PIT) and the Antigua and Barbuda Sales Tax (ABST) are radical measures in the tax culture of the country. They were perhaps inevitable, in the context of fiscal reform. Customs duties and taxes on hotel rooms had been the major source of Government revenues. Commitments under CARICOM have required all member countries to move to a Common External Tariff (CET). Countries like Antigua and Barbuda which

have relied heavily on indirect taxation, have found it necessary to introduce new tax measures to replace customs duties as a major source of government revenue.

According to the IMF, the measures have proved efficacious, by and large, in closing the primary deficit. The external current account had fallen to 11 percent of GDP in 2005, in part, because of foreign direct investment. Moreover, the new administration was able to convince some of the lenders of the need for restructuring of the debt and for debt forgiveness, all of which have improved the fiscal operations.

However, the commitments that the country had made for the Cricket World Cup incurred major capital expenditure on the part of the Government. Moreover, in its quest to shield the most vulnerable from the ravages of adjustment, the Government also expanded social expenditures on old age pensions and on such programmes as school feeding and the provision of books and uniforms to primary and secondary school children.

In its most recent assessment of economic performance, the IMF concluded that the reforms undertaken by the Government have led to positive 'macro-economic

outcomes, especially on the fiscal side.' In addition, the indicators suggest that growth had accelerated in 2006 and economic prospects had improved generally.<sup>15</sup>

### **3.5 VISITOR ARRIVALS**

The weakening of the economy of the United States in 2000 coupled with the impact of the terrorist attack of 2001 resulted in a decline in both stay-over and cruise visitors, but recovery started as early as 2003. The data on Visitor Arrivals in Table 3.7 and show that Britain and the United States are the largest market for visitors to Antigua and Barbuda.

With the relative depreciation of the US dollar vis-à-vis the British pound, the country attracted a larger number of visitors from the UK than the United States in the more recent past. There has also been an increase in the number of visitors coming from the Caribbean, as a result of target marketing by the tourism authorities in recent years. The hosting by Antigua and Barbuda of the more important games in the Cricket World Cup triggered considerable construction activity, including the expansion of the hotel and guest house plant of the country, as well as other public infrastructure investment.

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<sup>15</sup> Statement by an IMF Mission at the conclusion of the 2006 Article IV Consultation discussion with Antigua and Barbuda, September 12, 2006.



Table 3.7: Antigua and Barbuda Visitors Arrivals by Country of Origin - 1998 to 2004

Source/Year	1998	1999	2000	2001	2002	2003	2004
United States	65,995	64,953	59,012	60,176	60,680	64,363	70,531
Canada	14,783	11,758	14,007	12,839	10,184	8,603	9,452
United Kingdom	57,500	71,313	74,957	67,785	72,401	83,447	97,829
Other Europe	19,663	15,554	15,092	10,330	9,506	15,218	15,204
Caribbean	32,270	38,040	34,419	34,260	37,371	39,843	48,593
Rest of the World	8,747	6,244	9,384	7,786	8,043	12,558	3,847
<b>Total Stay over Visitors</b>	<b>203,958</b>	<b>207,862</b>	<b>206,871</b>	<b>193,176</b>	<b>198,085</b>	<b>224,032</b>	<b>245,456</b>
Cruise Visitors	336,455	328,038	427,436	408,812	312,241	385,686	522,753
<b>TOTAL ARRIVALS</b>	<b>540,413</b>	<b>535,900</b>	<b>634,307</b>	<b>601,988</b>	<b>510,326</b>	<b>609,718</b>	<b>768,209</b>

Notes: 1. Stay over Visitors do not include Antiguan Resident Abroad

2. Total Arrivals exclude "Other Sea Arrivals" and Excursionists

Source: Ministry of Tourism & the Environment and ECCB. Various Reports: P = provisional; Pj = project

### 3.6 THE POLITY

The Post-War political development of the country has evolved into a two party system. The longest established political party was born out of the labour movement of the late 1930s and early 1940s. Vere Bird, the founder of the Antigua Labour Party (ALP), led the country in the early stages of self-government. While the party was relegated to opposition benches during the latter period of self-government, it returned to power and was in Government when the country attained independence in 1981. It retained power in the elections following until 2004, when it was displaced by the UPP, led by Baldwin Spencer. Vere Bird had earlier been succeeded by his son, Lester Bird, in 1994, under whose leadership, the party finally lost power in 2004.

The elections of 2004 were among the most keenly contested elections in the country. The present administration, in its platform

for change, focused on what were alleged as the negatives in the history of the previous administration – corruption, political cronyism, lack of transparency, debt crisis and fiscal mismanagement. The main elements of its manifesto are provided in Appendix I. The ALP administration was swept from power as Antiguan and Barbudans embraced the opportunity for change en masse.

### 3.7 MIGRANT WORKERS

A large percentage of the country's work force is comprised of nationals of CARICOM countries. Because of its relatively superior rate of growth compared to some of the surrounding economies, it has attracted migrants from elsewhere in the Caribbean, with the result that there is a significant component of non-nationals in the work-force. A significant proportion of these are non-English speaking immigrants from the Dominican Republic. Antigua and

Barbuda was historically a source of migrants in earlier circum-Caribbean flows. In the early 20<sup>th</sup> century, there were outflows from the country to Panama and then to Curacao and Aruba. Subsequently, there was emigration to the Dominican Republic, where Antiguan and Barbudans, men mainly, formed family relations, and/or had children there. Some of the latter, in more recent times, or their descendants, have explored their rights under the existing laws of the country, as the progeny of Antiguan and Barbudans who had migrated to that country in earlier years. They have settled either permanently or for short periods in the land of some of their forebears in the face of the economic stagnation or structural reorganization of the economy of the Dominican Republic, and have set in train inflows of other relatives from the Dominican Republic.

The expansion of the tourism sector and the influx of immigrant men have been alleged to be associated with an increase in prostitution in the country with women from the Dominican Republic comprising many of those who, it is suggested, resort to prostitution. It is also alleged in some quarters that native Antiguan men are part of the clientele of these prostitutes and that women from the Dominican Republic are particularly favoured for being 'butter-skinned', a reference to the role of skin complexion in the status gradations of the society on the basis of a black-white skin colour continuum.

Another sizeable inflow of migrant labour derives from Jamaica and also from

Guyana, countries in the Commonwealth Caribbean that have experienced major structural adjustment problems as their export sectors declined, with severe impact on key macro-economic indicators. Guyana had the additional push factor of political instability. The resulting economic conditions have been the trigger to large scale emigration, over the last three decades.

The present administration in Antigua and Barbuda, while pledging to abide fully by the terms of the CSME, has had a demurral on the matter of the unrestricted movement of professional personnel. The position of the Government is that the country already welcomes large numbers of such personnel and needs to manage labour supply such that nationals who are being trained for higher level positions would have the opportunity of employment and absorption in the local economy on completion of their studies.

### **3.8 GOVERNMENT AND BUSINESS RELATIONS**

In recent years, there is evidence that a few of the larger business groups in the country exercise considerable influence in the society, even beyond the business sector. While some of the initiatives may be well-meaning and consistent with good corporate citizenship, there is thin line between contribution to the social advances in the society, and intervention in the exercise of political power. The activities of such groups have occasionally sparked heated debate in the society and among

political circles. Given their relative size and spread, a political administration cannot be oblivious to the possibility of such groups seeking to influence the politics of the country.

One such organization in recent years has been the Stanford Group, which has come to play a very significant and almost ubiquitous role in the private sector of the country. This Texas based company, led by R. Allen Stanford, has demonstrated interests spanning a wide range of areas – real estate development, international banking and financial services, airlines, and more recently, sports and entertainment.

The Company became the major contributor to the Empowerment for Ownership Fund that the Government established in 2005 to provide a source of funds for micro and small business start-ups.<sup>16</sup> This was one of the planks in the manifesto of the current administration and is regarded as a major complement to its programme to adjust the size of the public service to more manageable proportions: the avenue has been created for some of those on the voluntary separation and early retirement package (VSEP) on leaving the public service to create their own businesses.

Another important aspect of the Fund and of the contribution of the Stanford Group was the announced commitment to provide training in business to the prospective borrowers from the fund. Some of the

business executives of the company were expected to be involved in the delivery of training courses. The Company had also agreed to investment in facilities with a view to improving training and education in the country.

By the end of February 2007, the Government and the Company were at logger-heads, as a result of certain activities undertaken by its Chairman which were seen as hostile to the interests of the country, the Government and, surely to the party in power. At the time of preparation of this report, it is not clear what will be the impact of the Government/Company spat on the Empowerment Fund. This illustrates the difficulty faced by any political administration in Government when fiscal difficulties circumscribe its capacity to secure resources for the development of the country and the population.

### **3.9 OIL PRICES**

One of the major challenges that country has had to face is the increase in oil prices in the last two years. The Government has sought to offset the effect on the transportation sector of the country by adjusting the consumption tax that is derived from the sector. However, given the fiscal straight-jacket in which it finds itself, there is an early limit on the degree to which it can absorb increases in the price of oil by reducing the taxes that are collected from the sector.

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<sup>16</sup>  
[http://ab.gov.ag/gov\\_v2/government/speeches/2005/speech\\_2005aug10\\_id1.html](http://ab.gov.ag/gov_v2/government/speeches/2005/speech_2005aug10_id1.html)

The Government has also taken advantage of the loan arrangements put in place by the Government of Venezuela, under the Petrocaribe deal by which countries of the Caribbean region can secure loans to offset the rise in costs of the price of oil.<sup>17</sup> The agreement was signed in 2005 and allows Antigua and Barbuda financing over as long as 25 years in dealing with any escalation of the price.<sup>18</sup>

### **3.10 LABOUR**

For much of its recent history, the divide between the two main political parties has been mirrored in tensions within the trade union movement. This has militated, over the years, against any steps to form a central federation among the workers of Antigua and Barbuda. In 2004, there seemed to have emerged a new dawn in the movement with the erstwhile contending factions joining together to form the Trade Union Congress (TUC) of Antigua and Barbuda. With assistance from a number of agencies from outside, including the British TUC and the Caribbean Congress of Labour, structures were put in place to promote solidarity in the movement.

The change in political administration led to an increase in influence of sections of the labour movement which had been previously marginalized in the governance structures of the country. The present Prime Minister had been an active trade unionist, and would have been deemed to be in the

lead of a trade union in opposition to the then political administration in power. There are signs that some sections of the Antigua Trade and Labour Union, which has been closely associated with the previous administration, the Antigua Labour Party, have been very reluctant to embrace the Trade Union Congress.<sup>19</sup>

### **3.11 THE PRESS**

While there were problems relating to press freedom some decades ago, in the more recent past, the country has enjoyed full freedom of the press. There are radio stations and newspapers that span the political divide. There are also talk shows that enjoy a wide listenership and attract large sections of the population to join in the debate on many aspects of the social, political and economic evolution of the country. This has allowed for the full ventilation of views spanning all spectra of the society.

### **3.12 GOVERNANCE INDICATORS AND HUMAN RIGHTS**

Table 3.8 highlights key governance indicators compiled by the World Bank for a number of countries, including some in the Caribbean, for 2004 and 2005. The indicators cover five areas, namely:

- Voice and Accountability
- Political Stability
- Government Effectiveness
- Regulatory Quality
- Rule of Law
- Control of Corruption

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<sup>17</sup>[http://ab.gov.ag/gov\\_v2/government/speeches/2005/speech\\_2005oct06\\_id4.html](http://ab.gov.ag/gov_v2/government/speeches/2005/speech_2005oct06_id4.html)

<sup>18</sup> <http://www.caribbeanetnews.com/2005/07/12/signs.shtml>

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<sup>19</sup>[http://ab.gov.ag/gov\\_v2/government/speeches/2005/speech\\_2005may09\\_id1.html](http://ab.gov.ag/gov_v2/government/speeches/2005/speech_2005may09_id1.html)

Table 3.8: Governance Indicators by Country (Percentile Ranks, 2004-2005)\*

Countries	Governance Indicators					
	VA	PS	GE	RQ	RL	CC
Antigua and Barbuda	62	92	64	73	82	82
	62	72	68	68	72	78
Bahamas	87	81	88	75	88	88
	87	75	87	77	89	89
Barbados	88	98	86	78	87	80
	86	89	86	78	88	85
Belize	74	66	61	62	58	55
	74	57	59	55	55	53
Cayman Islands	71	99	89	81	86	86
	70	91	89	90	83	89
Costa Rica	84	83	68	71	66	77
	76	70	64	69	66	67
Dominica	86	89	64	67	68	64
	86	83	71	71	68	72
Grenada	72	82	60	63	62	72
	71	62	63	63	59	72
Guyana	66	33	50	47	40	46
	61	33	34	40	26	38
Haiti	9	4	0	14	2	1
	10	4	5	12	2	1
Jamaica	64	37	61	57	43	39
	63	35	51	60	37	40
Singapore	44	97	100	99	96	100
	38	84	100	100	96	99
St. Kitts and Nevis	70	95	52	65	70	68
	72	94	79	85	77	81
St. Lucia	78	95	62	67	72	66
	82	87	84	85	77	84
St. Vincent and Grenadines	76	92	63	67	74	68
	82	88	83	85	77	81
Suriname	66	58	46	30	46	69
	69	55	56	36	50	58
Trinidad and Tobago	62	49	67	70	56	59
	60	43	64	70	53	56
United Kingdom	94	72	94	95	94	95
	93	59	94	94	93	95

The first line relates to 2004 and the second to 2005.

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](http://www.worldbank.org/wbi/governance).

The data suggest some movement downwards on political stability, government effectiveness, rule of law and corruption. It is a moot point whether there has been a decline in the quality of governance in the country with the change of government. The country is undergoing some level of transition with the reduction of the size of the public service, and with the attempt to secure fiscal balance, in conditions acknowledged to be among the most highly indebted.

One important advance in the governance structure of the country has been the recognition that the Government has accorded to the Island Council of Barbuda. In addition to the acceptance of the principle of communal land for Barbuda, which has been the tradition on the island, there is now planned devolution of some aspects of governance, to the Island Council.

The fact that there has been a relatively peaceful change after a dominant party lost power after more than two decades in power, attests to the robustness of the democratic traditions that this relatively young country has created. The elections were judged by observers to have been free and fair, (US Department of State, 2006).<sup>20</sup> There is general respect for human rights, even though there have been reported cases of excesses by the police, and conditions at the prison are deemed to be substandard with flush toilets generally unavailable to

prisoners (US Department of State, op.cit.). The constitution prohibits arbitrary arrest, and this is well respected by the Government. There still exist elements of gender discrimination, but there exists also an active Gender Affairs Division.

The constitution of the country provides also for a judiciary independent of the Executive, and the highest Court of Appeal has been the Privy Council in the United Kingdom. This sense of extra-territoriality will be retained when the Caribbean Court of Justice fully replaces the Privy Council: the Parliament of Antigua and Barbuda ratified the agreement establishing the Caribbean Court of Justice in 2004. The people of Antigua and Barbuda, like others elsewhere in the Commonwealth Caribbean, see these courts fully independent of any power brokers in their respective nations.

### **3.13 SUMMARY**

The citizenry of Antigua and Barbuda, live in a modern economy, with societal structures that accord the rights to all, consistent with the highest principles set by the international community through such agencies as the United Nations System and its various organs. This sets the context in which problems of poverty, social and economic equity and structural adjustment are being addressed. The population is aware of the global forces that impact on their livelihoods and quality of life.

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<sup>20</sup> US Department of State, Country Reports on Human Rights 2006, <http://www.state.gov/g/drl/rls/hrrpt/2006/788>

This study measures poverty and provides a range of socio-economic data that have not been assembled in the past. In documenting the views of the population about their reality, and in identifying the actions taken by the existing institutions, the country is afforded the opportunity of rising to the challenges created for a small developing state, which, on the basis of the

key indicators, is highly vulnerable, but still enjoys levels of income and quality of life that puts it in the high human development category, according to the Human Development Index of UNDP: the country was placed 59<sup>th</sup> among 177 countries.<sup>21</sup> Prima facie, it should be able to address poverty problems effectively, having regard to its resource base.

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<sup>21</sup> UNDP, *Human Development Report, 2006*

## **PART II: POVERTY IN ANTIGUA AND BARBUDA - FINDINGS OF THE CPA**





## CHAPTER 4 – THE FACE OF POVERTY IN ANTIGUA AND BARBUDA

This section reviews the social characteristics of the poor on the basis of the quantitative estimates generated in the SLC/HBS of 2005/06 and the qualitative perspectives on poverty gleaned from the PPA. The Chapter begins with a discussion on the various types of poverty as a precursor to presenting the summary findings of the study. This Chapter aims to provide answers to such questions as:

- Who are the poor in Antigua and Barbuda?
- Where do they live?
- What are the general physical living conditions in which they survive?

### 4.1 CHARACTERISING POVERTY

The study aims to capture three fundamentally different categories of persons living below the poverty line:

- the chronic poor, or those individuals and households that have been poor for more than one generation;
- the new poor or those individuals, or households living below the poverty line that have only recently become impoverished as a result of recent changes in the economy; and
- the seasonal poor or those individuals or households that move into and out of poverty on a seasonal basis.<sup>22</sup>

Chronic or long-term poverty is characterized by incapacity to escape the entrapment of poverty for a variety of reasons. This form of poverty is intergenerational in character. The chronically poor are generally bereft of capabilities that would allow them to function adequately in the labour, credit and financial markets. In practical terms, they may be elderly or otherwise unable to participate in the labour market, and may lack the accumulated resources to sustain decent living. In that regard, social provisions through such mechanisms as Old Age Pensions, or transfers from relatives and friends may be inadequate, relative to their specific needs.

Chronically poor persons usually lack educational and skill certification, have no access to land, beyond miniscule parcels, or other forms of physical capital, lack valued assets, and tend not to be richly endowed in terms of social capital. Psychologically, they may suffer the 'poverty of mind' which leaves them enervated and incapable of initiating steps to escape poverty. They may not have access to social networks that extend outside of their immediate communities and which would place them in good standing for accessing income generating assets.

In the course of the PPA, respondents alluded to conditions of chronic poverty.

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<sup>22</sup> This characterisation has been developed by Thomas. See Thomas, C.Y. (1997). "The Interrelationship between Economic and Social Development," in Norman Girvan (ed.) *Poverty*,

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*Empowerment and Social Development in the Caribbean*. Kingston, Jamaica: Canoe Press, University of the West Indies.

Apart from the elderly, another group that appears to be at risk of chronic poverty is single mothers in unstable relationships: there is often higher fertility among such women, which traps them and their children in chronic poverty. With few marketable skills, they are often either unemployed or working in low level jobs for very low wages that are insufficient to meet the basic needs. In the final analysis, because of their deficiencies in educational attainment, and in financial capital and because of other handicaps, the chronic poor tend to be socially marginalized and disempowered.

Several individuals who may be employed at particular times or seasons in the year may find themselves poorer at one time than at another. In Antigua and Barbuda, as in the rest of the Caribbean, this is particularly true of those who are employed in the tourism and construction industries. The seasonal poor may therefore include males as well as females: the former would benefit from higher wages when there is a construction boom and the latter from the high season of the tourism industry. However, in both cases during the “low season”, they and their households would tend to have less income at their disposal and may manifest characteristics of poverty.

The structural poor may be in need of training or access to credit to prepare them for participation in another area of the economy or in another part of the country, in response to changing economic circumstances. The distinguishing feature of chronic poverty is that while other types of

poverty are more easily amenable to solutions based on employment creation or on measures that ease the entrée of the poor into income generating activity, this is not true of chronic poverty, a fact that has very significant ramifications for policy aimed at poverty reduction.

## 4.2 KEY POVERTY INDICATORS

### 4.2.1 INDIGENCE, POVERTY AND VULNERABILITY

The *poverty line* is a monetary measure of the minimum consumption, in dollar terms, of goods and services that would allow a household to meet its basic needs. The poverty line, thus, represents a minimum budget that a household could be expected to spend, over a defined period, if it is to meet its basic minimum food and non-food requirements.

The poverty line is constructed in two stages: first an indigence (or food-poverty) line is estimated then, an adjustment is made for non-food basic needs. The methodology involved in the construction of the poverty line is detailed in the Technical Appendix to this chapter.

The concept of *indigence* is premised on the notion that every individual must satisfy certain basic nutritional requirements for survival. The Caribbean Food and Nutrition Institute (CFNI) estimates this to be 2,400 kilocalories per day for an adult male. A basket of goods is selected using a very specific software programme, in such a way as to maximise nutrient intake at the lowest possible cost, given current market prices. Thus, the indigence line represents the

monetary cost of purchasing this selected basket of basic food items. Households unable to meet the cost of obtaining this basket of food items are categorised as *critically poor*, or *indigent*.

**The indigence line for Antigua and Barbuda in 2005/06, was estimated at EC\$2,449 (US\$917) per annum or EC\$6.71 (US\$2.51) per day.** The indigent population, which may include many of the chronically poor, was estimated to have been 3.7 percent.<sup>23</sup> In other words, 3.7 percent of the population lacked the wherewithal to meet the level of expenditure that would be necessary to afford them the minimum nutrition required to maintain good bodily health.

**The poverty line in Antigua and Barbuda was estimated at EC\$6,318 (US\$2,366) per annum, when adjustments were made for non-food expenditure.** The most commonly quoted statistic in reference to the status of poverty in a country is the headcount index. This is the percentage of the total population that belongs to households whose adult equivalent adjusted per capita consumption falls below the poverty line. The data in Table 4.1 show a headcount of 18.3 percent in 2005/06.

Table 4.1 presents the above information in summary form. Figure 4.1 shows the composition of the population according to socioeconomic status. Figure 4.2 shows

comparative estimates for selected Caribbean countries.

The *vulnerability line* is set at 125 percent of the poverty line (that is 25% above it). It measures the number of persons who are susceptible to falling below the poverty line, should an unanticipated event such as a natural disaster or some type of economic shock were to eventuate. **In this regard, the data show that an additional 10.0 percent of the population was deemed to be vulnerable.**

Table 4.1: Poverty Estimates 2005/06

Socio-Economic Status	Frequency	Percent
<b>Households</b>		
Poor	4,187	13.4
Indigent	970	3.1
Poor But Not Indigent	3,217	10.3
<b>Non – Poor</b>	<b>26,939</b>	<b>86.5</b>
Vulnerable	2,252	7.2
Non vulnerable	24,687	79.3
<b>Total</b>	<b>31,126</b>	<b>100</b>
<b>Individuals</b>		
Poor	15,485	18.3
Indigent	3,144	3.7
Poor But Not Indigent	12,341	14.6
<b>Non – Poor</b>	<b>68,849</b>	<b>81.7</b>
Vulnerable	8,414	10
Non Vulnerable	60,435	71.7
<b>Total</b>	<b>84,334</b>	<b>100</b>

<sup>23</sup> The case of John Carter below illustrates the experience of the chronically poor.

Figure 4.1: Socio Economic Status of Population

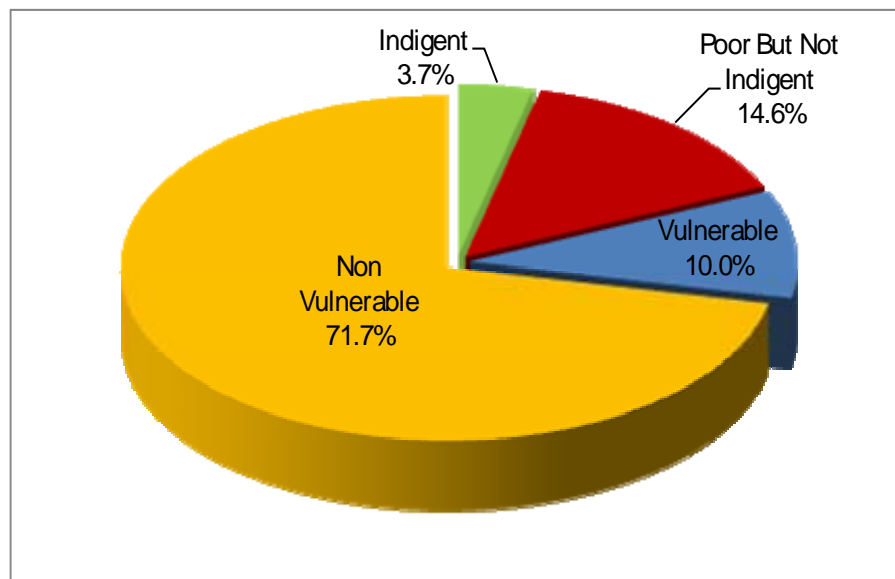


Figure 4.2: Poverty Estimates for Selected Caribbean Countries

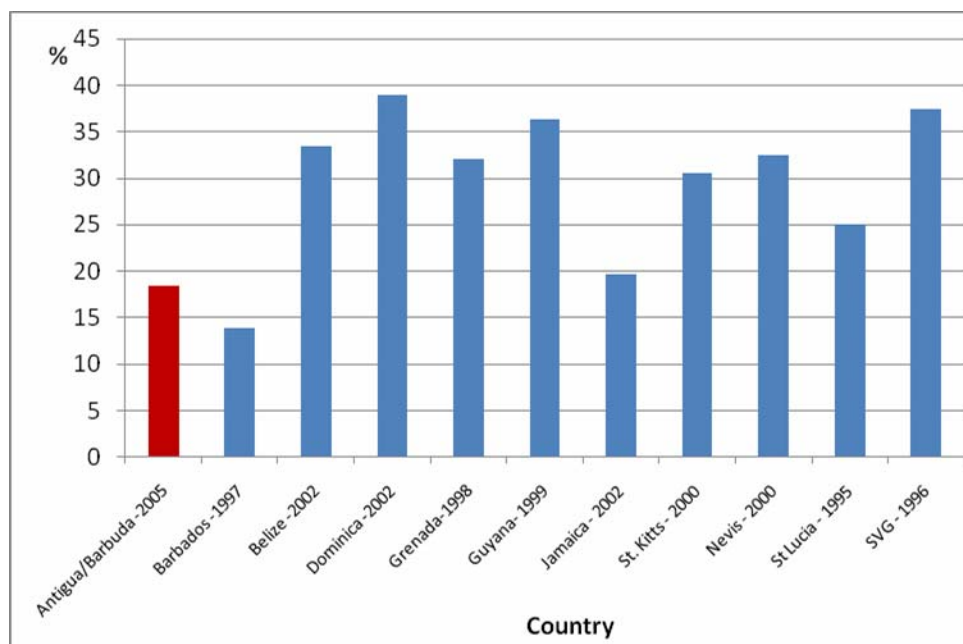


Table 4.2: Summary Vulnerability Indicators Antigua and Barbuda 2005/06

Indicator of Vulnerability	% Households	% Individuals
Poverty Line (Annual in local currency)	n.a	6,318
Vulnerability Line (Annual in local currency)	n.a	7,897.5
Poverty Headcount Index (Adult Equivalent)	n.a	18.3
Low per capita household consumption (below 125% of poverty line)	34.2	45.3
Low adult equivalent household consumption (below 125% of poverty line)	20.9	28.8
Low educational attainment (defined as not having passed any school examination)	n.a	52.3
No schooling (school age children not attending school last week for at least one day)	n.a	4.2
No employment (no adult employed in the household)	21	13.4
Insufficient employment (less than one in two adults employed in the household)	26.7	23.9
High dependency ratio (less than one person of working age for every two persons not of working age)	5.8	8.7
Poor access to safe water (if no piped water)	6.0	5.5
Poor quality of housing (toilet is a pit latrine or worse)	22.7	20.4
Low asset base (whether household has 3 or less out of 9 possible common durables)	11.6	8.8

*Note: Definitions of the terms in this table are provided in the Technical Appendix to this chapter.*

#### 4.2.2 INEQUALITY

The standard measure used in assessing inequality is the Gini coefficient. The closer it is to 1.0, the more unequal is the distribution of income in the society; the closer it is to zero, the lower the level of inequality. One long standing thesis is that as a country becomes more developed,

inequality may rise initially, but then plateaus and eventually falls. Thus, Gini coefficients of 0.3 and less, tend to be found mainly in developed countries.

The Gini coefficient for Antigua and Barbuda was estimated at 0.48 in 2005/06. This figure is high, even by Caribbean standards, and must be seen from two

perspectives.<sup>24</sup> Firstly, the Government of Antigua and Barbuda has, in the past, eschewed direct taxes almost on ideological grounds. Reliance on indirect taxes usually results in taxing regimes that are not inherently conducive to enhancing equity. Secondly, a Government that raises revenue by indirect taxes, but weights its expenditure heavily on the needs and requirements of those at the lower end of the economic spectrum, may yet achieve high levels of equity. In other words, while the tax process may be inequitable, the expenditure regime can correct, in theory, for the inequity of the revenue generating mechanisms. There is little to suggest that fiscal management in the past displayed any such preoccupations. Indeed, it has been suggested that tax exemptions for a variety of reasons were so widespread, that revenue foregone approximated 10 percent of GDP.<sup>25</sup>

Table 4.3 provides a decile distribution of consumption expenditure. The data show that the first two deciles together consumed less than five percent of total expenditures, while the tenth (X) decile consumed 41.2 percent of expenditures. Further, the two richest deciles or the fifth quintile accounted for as much as 56.3 percent of total expenditure. This explains the high Gini index found for the country. The Lorenz curve in Figure 4.4, provides the graphical

representation of the Gini, and establishes the substantial divergence from the line of perfect equality.

While discussions on poverty usually invite an examination of the issue of inequality, there is nothing in the literature that suggests that inequality in itself causes poverty. However, inequality and poverty, it would seem, are synergistically related. The existence and acceptance of inequality in any society legitimizes the existence of poverty in that society even when there are sufficient resources to effectively address the condition. Similarly, the acceptance of poverty as a normal condition of society feeds the acceptance of social inequality and undermines the development of an egalitarian ethos. The two phenomena also support each other in more practical ways as well. The existence of marked inequalities buttresses and reinforces the ill effects of poverty. Thus, in those societies where there is marked inequality, the health status of the poor is likely to be worse off than that of persons of similar or even worse economic means that live in societies characterized by socioeconomic egalitarianism.<sup>26</sup>

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<sup>24</sup> Gini indices for developed countries tend to approximate 0.25 as a lower limit, e.g., the Nordic Countries. See UNDP Human Development Report, 2003.

<sup>25</sup> Government of Antigua and Barbuda, 'Home-Grown Economic and Stabilisation Programme,' June 2006. It was unlikely that the exemptions were weighted in favour of lower income groups.

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<sup>26</sup> D.A. Brown, "Reported Health and Poverty in the Caribbean: How useful are the LSMS Data?"

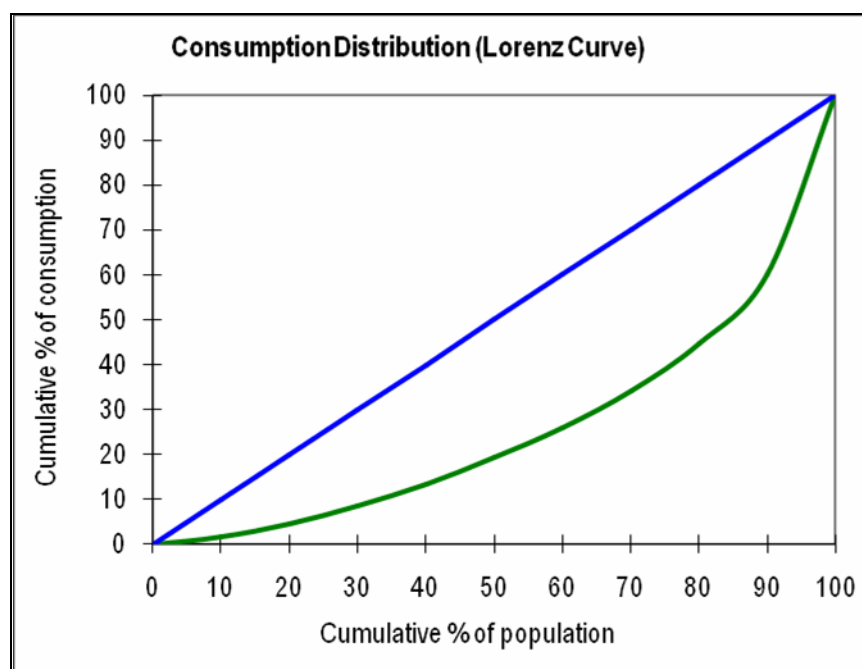
*Social and Economic Studies*, SALISES, Mona, Forthcoming.

A.Sen's comparisons of income levels and mortality across nation states illustrates this point.

Table 4.3: Distribution of Expenditure by Decile

Total Antigua and Barbuda					
Deciles	%		% cumulative		Gini
	Consumption	Population	Consumption	Population	
I	1.5	10.0	1.5	10	0.002
II	3.0	9.8	4.5	20	0.006
III	4.0	10.1	8.6	30	0.013
IV	4.9	10.0	13.5	40	0.022
V	5.8	10.0	19.3	50	0.033
VI	6.7	10.0	26.0	60	0.045
VII	8.2	10.0	34.1	70	0.060
VIII	10.6	10.1	44.7	80	0.079
IX	15.5	10.0	60.2	90	0.105
X	39.8	9.9	100.0	100	0.159
Total	100.00	100.00			
Gini (with deciles)					0.4755

Figure 4.3: Lorenz Curve Antigua and Barbuda 2005/06





On the other hand, there has been protracted debate on this matter, with some suggesting that in a Lewisian world, there may be need to allow for high accumulation on the part of the wealthy since in amassing wealth they may be encouraged to undertake many rounds of investment, which, in the final analysis, lead to the creation of employment which absorbs previously idle labour, whose unemployment might have been the cause of poverty in the first place. Again, there is nothing to suggest that these issues had been matters of consideration among policy-makers in Antigua and Barbuda, and, in any event, there have been little data prior to this study that might have elucidated debate.

In practical terms, data on the children of the poor are good markers of the character of poverty and the extent of inequality in any society. Table 4.4 provides information on the nutritional and immunization status of children from two poor communities in Antigua, based on data provided by the Ministry of Health<sup>27</sup>. On the matter of immunization, this seems to be well institutionalized if the information from these two communities is any guide. Malnutrition was low in Bendals, but somewhat disturbing in Clare Hall, where 10.3 percent of children of children were deemed to be malnourished.

**Table 4.4: Nutritional and Immunization Status of Children - Selected Communities (2005)**

Indicator	Bendals %	Clare Hall %
The percentage of children suffering from malnutrition, seen at the clinic over the past twelve (12) months	1.2	10.3
The Mortality rate among children 0-4 years old over the past twelve (12) months	0	0.5
The level of immunization coverage of children in the area served by the clinic.		
DPT, HIB, Hepatitis B	100	100
Oral Polio	100	100
Measles, /mumps, rubella	100	97

Another area of sensitivity in terms of any intervention related to inequality is the degree of gender segmentation that exists. Gender inequality and gender discrimination can and do contribute to poverty among women and may even also contribute to poverty among men. Structural inequality and inequity in the distribution of resources may put some women and some men at a disadvantage and may limit their ability to meet their strategic and practical needs. There may exist structural differentials that are gender related. Differential labour market participation between men and women can lead, at the level of the household, to differential poverty status.

<sup>27</sup> These data were provided by the Ministry of Health and are based on information collected at the District Health Clinics in the respective communities. The data were compiled in response to a direct query from the Team of Consultants and the National Assessment Team, and refer to the reference year 2005.

Interventions to correct for inequality will need to take these into account. These may not always be as immediate and as obvious as would be expected. One thesis, for example, suggests that the high rates of fertility among poor women, which we have seen are major contributors to the reproduction of poverty across the generations, are the result of power differentials between men and women that inhere in the culture of the society. The argument suggests that these can only change when there is a change in women's views of the 'moral economy' which governs the ways in which resources are accessed in the society. This in turn is seen as a function, not of human agency, but broader structural changes in the economy (economic diversification, increased employment opportunities etc). Gender relations, then, are properly understood by this viewpoint to reside in the character of the macro economy and the extent to which the changes that have taken place within it in have resulted in an expansion of the economic space available to women.<sup>28</sup>

Other commentators on this matter have painted a picture of the woman not so much as victim, but rather as a negotiator using her offspring as leverage to gain access to the man's income. These arguments hold important implications for poverty eradication strategies. They support the position that suggests that meaningful reductions of poverty usually tend to be associated with macro economic

improvements. At the same time, they direct attention to the significance of micro-level factors such as attitudes and values, and alert us to the fact that interventions have to take place at both levels if poverty is to be effectively addressed.

#### 4.2.3 POVERTY SEVERITY AND DEPTH

The *poverty gap index* is the mean proportionate distance across the poor population from the poverty line. It gives a good indication of depth of poverty since it is a function of the distances of the poor below the poverty line, and identifies what is required to bring the poor above the poverty line. The *Poverty Severity Index (Foster-Greer-Thorbecke P2 Index)* is a weighting of the poverty gaps of the poor based on those poverty gaps. This measure can be thought of as being composed of two components: an amount due to the poverty gap, and an amount due to the inequality amongst the poor. Although these measures may be more difficult to interpret, they allow a more effective ranking of the distributions and do have several policy applications. **Overall, for Antigua and Barbuda, the reported Poverty gap index was 6.63 and poverty severity index, 3.75.**

#### 4.3 HOUSEHOLD CHARACTERISTICS

Table 4.5 provides estimates on household characteristics by the quintile distribution. The data show that in Antigua and Barbuda, 51.6 percent of households were male headed and 48.4 percent female headed. Overall, the average household size was found to be 3.8, but the average household size in the poorest quintile was

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<sup>28</sup> Handwerker, W. Penn, 1989 *Women's Power and Social Revolution: Fertility Transition in the West Indies*: Newbury Park, CA: Sage.

5.2 compared to 2.8 in the fifth quintile. It is noteworthy that, as is the case in other Caribbean countries, poorer households tended to be larger, and better-off households smaller - in terms of number of members. In Antigua and Barbuda, the average number of children per household tended to be higher in poorer households than in the richer households, 2.1 in the poorest quintile compared to 0.59 in the fifth quintile. However, the average number of children is decidedly low by Caribbean standards, suggesting that Antigua and Barbuda is well within the demographic phase of declining birth rates.

Another interesting feature of the findings is that the numbers of earners per household is generally unchanged across consumption quintiles, implying that poverty may not be so much linked to a lack of employment but rather with the quality of employment that is available. The country attracts substantial numbers of immigrants from neighbouring countries, who are mainly persons seeking employment. This fluidity in the labour market would tend to allow for clearance of the labour market at lower wages, than might have applied in a tighter labour market scenario.

**Table 4.5: Comparative Quintile Estimates of Household Characteristics**

Indicator	Per Capita Consumption Quintiles					All Antigua and Barbuda
	Poorest	II	III	IV	V	
Sex of Heads of Household	%					
Male	52.2	51.8	54.8	49.7	50.6	51.6
Female	47.8	48.2	45.2	50.3	49.4	48.4
Both Sexes	100.0	100.0	100.0	100.0	100.0	100.0
	Mean					
Age of Head	50	48	46	51	51	49
Household Size	5.2	4.2	3.8	3.2	2.5	3.8
Children Per Household	2.1	1.6	1.2	.73	0.59	1.3
Earners Per Household	1.5	1.6	1.7	1.6	1.5	1.6
Percentage of Females in Household	52.8	56.5	56.6	57.0	57.2	56.0

#### 4.4 HOUSEHOLD CONSUMPTION

Table 4.6 provides the findings in respect of average annual expenditure - total food, total non-food and total expenditure by quintiles. The average food expenditure of the poorest quintile was EC\$5,719. The corresponding amount for the fifth quintile was EC\$ 14,356, with the average for all of Antigua and Barbuda being EC\$9,013. The average annual non-food expenditure of the poorest quintile was EC\$8,378, while that of those in the fifth quintile was 7.5 times higher (EC\$63,927). The national average of annual non-food expenditure was EC\$27,467.

Table 4.7 compares the share of food and non food expenditure in total expenditure across quintiles. The data show that the food share (of total household expenditure) falls with movement from the poorest to the richest quintile. Whereas food expenditure accounts for 40.6 percent of total expenditure in the poorest quintile, it accounts for 18.3 percent of total expenditure of households in the fifth quintile. This result shows that the data are well behaved in terms of the demonstrated elasticity of food expenditure relative to income: the richer the household, the smaller the percentage of income devoted to food.

Table 4.6: Mean Annual Expenditure –Food and Non Food - by Quintiles

Expenditure Per month	Consumption Quintiles					Antigua & Barbuda
	Poorest	II	III	IV	V	
	Mean EC\$					
Total Food	5,719.12	8,610.62	8,144.49	8,006.90	14,355.99	9,013.18
Non Food	8,378.37	14,353.93	21,087.08	28,031.38	63,926.58	27,467.16
Total Expenditure	14,097.49	22,964.55	29,231.57	36,038.28	78,282.57	36,480.34

Table 4.7: Share of Food and Non Food Expenditure by Quintiles

Expenditure	Consumption Quintiles					Antigua & Barbuda
	Poorest	II	III	IV	V	
	Mean EC\$					
Total Food	40.6	37.5	27.9	22.2	18.3	24.7
Non Food	59.4	62.5	72.1	77.8	81.7	75.3
Total Expenditure	100.0	100.0	100.0	100.0	100.0	100.0

## **4.5 THE GEOGRAPHIC DISTRIBUTION OF POVERTY**

Antigua and Barbuda is divided into eight (8) administrative divisions: six (6) parishes – St. George, St. John, St. Mary, St. Paul, St. Peter, St. Philip - and two (2) dependencies – the islands of Barbuda and Redonda. The country's capital city, St. John's, is located in the parish of St. John.

The population distribution of the country displays the rural urban drift that characterizes most Caribbean states. Just over half of the population is resident in the districts of St. John's City and St. John's Rural. This is the area of the country that has witnessed the most rapid growth between the census years of 1991 and 2001. The designation of 'rural' to the parts of St. John's harks back to its earlier condition when Antigua was very much a plantation economy. Most of the adult population in St. John's Rural is likely to be engaged in urban pursuits, but remain resident outside of the city of St. John's.

The decline of sugar, and then the closing of the industry, and the fact that it has not been replaced by an alternative form of agriculture, would have led to the rural urban drift. The poor seeking employment in the formal economy would have gravitated to where such jobs may be concentrated and this would be in the urban areas of the country or the peri-urban areas, which because of their proximity to the location of jobs, would reduce the costs of transportation to the poor.

Some communities or districts have become the victim of circular causation. Thus, because an area was poorer in the past, it may have become stigmatized, such that property values would have fallen, and persons seeking lowest cost accommodation, i.e. the poor, have no recourse but to seek to live there.

The two districts with higher than average poverty levels were St. John's City and St. Philip. The first is the most heavily urbanized in the country, and the percentage poor was 22.3 percent; the latter, St. Philip, is the most 'distant' of the parishes- 25.9 percent of its population was deemed to be poor. This latter case might have been associated with earlier remoteness of this part of the country from the main town. This parish experienced little growth in population between 1991 and 2001: it has the smallest share of the population among all the parishes in the country.

Table 4.8 details the headcount, poverty gap, and poverty severity indices by District. The lowest levels of poverty were found for Barbuda (10.5%) and St. George (12.28%). The finding for Barbuda might be surprising, but recent economic activity there – government services and tourism – appears to have been adequate in providing the residents with the wherewithal to satisfy their needs in spite of the apparent remoteness of the island from the dynamism of the more developed sister island of Antigua.

**Table 4.8 Headcount, Poverty Gap and Poverty Severity by District 2005/06**

District	Head count	Poverty Gap	Poverty Severity
St. John's City	22.29	9.33	5.84
St. John's Rural	18.41	6.63	3.64
St. Paul	15.63	5.62	2.80
St. Mary	13.57	2.63	1.11
St. George	12.28	2.75	1.06
St. Peter	15.03	6.05	3.72
St. Philip	25.85	7.47	3.23
Barbuda	10.53	3.31	1.15
All Antigua & Barbuda	18.36	6.63	3.75

Furthermore, comments made during the PPA discussions seem to indicate greater access to natural resources such as the sea and land that appear to go some way to mitigating the effects of income deprivation. Figure 4.4 provides a graphical representation of the poverty estimates.

Table 4.9 provides some other insights on the geographic distribution of poverty. In respect of the distribution of the poor population, St. John's City accounted for 31.8 percent of the total poor population, and 54.1 percent of the indigent. St. Mary accounted for 8.8 percent of the poor population but reported zero indigence. According to Table 4.10, the most well-off district in the country was St. George, with 84.2 percent of the population deemed to be non-vulnerable, followed by St. Paul (82.0%).

A graph of the frequency distribution of the geographic location of the poor (Figure 4.5) confirms that the majority of the poor reside in St. John's City and St. John's Rural, which together account for 65.9 percent of the country's poor population. The island of Barbuda accounted for only 1.0 percent of all poor persons.

**Figure 4.4: Percentage Population Poor in Antigua and Barbuda by District**

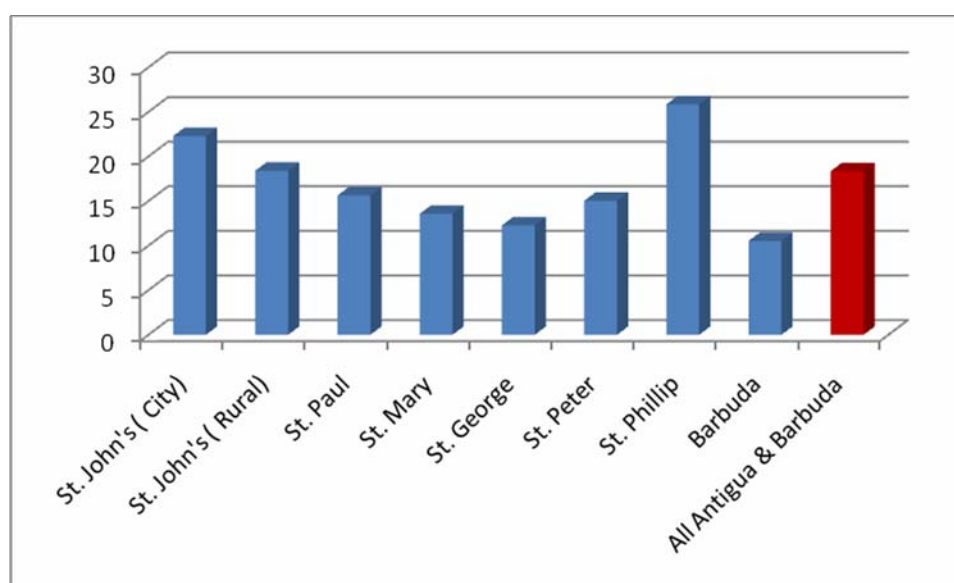


Table 4.9: Percentage Distribution of District Population  
According to Socio Economic Status

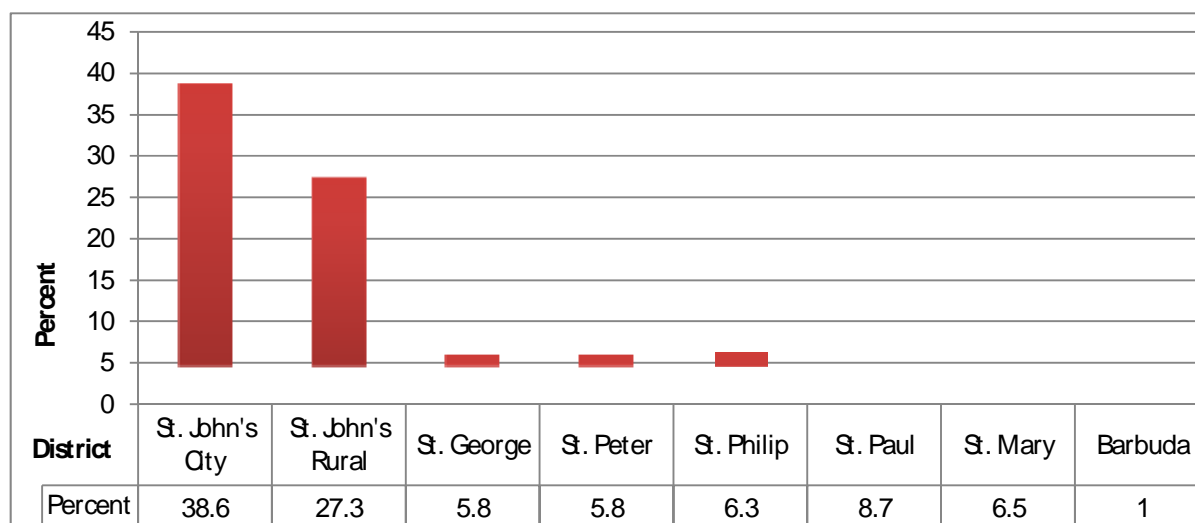
District	Indigent	Poor But Not Indigent	Vulnerable	Non Vulnerable	Total
St John's City	54.1	32.8	33.5	29.6	31.8
St John's Rural	24.8	28.2	30.6	26.5	27.2
St George	1.0	7.6	5.1	10.1	8.7
St. Peter	5.7	5.8	8.8	7.1	7.1
St. Philip	6.1	6.4	5.6	3.8	4.5
St. Paul	8.4	8.8	4.6	11.7	10.2
St. Mary	0.0	9.0	9.5	9.3	8.8
Barbuda	0.0	1.4	2.3	1.8	1.7
Total (%)	100.0	100.0	100.0	100.0	100.0
Total (N)	4,252	11,233	10,980	57,869	84,334

Table 4.10: Distribution of District Population across Socioeconomic Groups

District	Indigent	Poor	Vulnerable	Non Poor	Total
	%				
St John's City	6.3	16.0	11.1	66.6	100.0
St John's Rural	4.0	14.4	10.7	70.9	100.0
St. George	0.0	12.3	3.5	84.2	100.0
St. Peter	4.0	11.0	14.5	70.5	100.0
St. Philip	0.7	25.2	12.9	61.2	100.0
St. Paul	2.9	12.7	2.4	82.0	100.0
St. Mary	0.0	13.6	12.0	74.4	100.0
Barbuda	0.0	10.5	17.5	71.9	100.0
Total (%)	3.7	14.6	10.0	71.7	100.0
Total (N)	3,144	12,314	8,414	60,435	84,334



Figure 4.5: Geographic Location of the poor



## 4.6 DEMOGRAPHIC DISTRIBUTION OF POVERTY

### 4.6.1 AGE

Table 4.11 provides information on the distribution poverty by age cohorts. The data show that one of the highest levels of indigence was recorded for babies and children under five years of age, which was much above the national average. By and large, higher levels of overall poverty and vulnerability were found for children over five and for early youth than in other age cohorts.

The results suggest that in focusing on households with children and youth, it may be possible to target poverty and vulnerability in Antigua and Barbuda. The introduction of a school feeding programme would mute the impact of poverty on children at the household level, as would sensitivity to the presence of children in the

distribution of transfer payments by way of public assistance to needy families.

Table 4.12 shows the composition of each socioeconomic group according to age. The data show that the indigent are disproportionately young: 0-14 year olds account for 32.5 percent of the total indigent population, and 36.2 percent of the non-indigent poor, as against 26.6 percent of the population. There is greater risk of poverty in the early years of life. In the latter years, and by age 65, and above, there is a higher probability of being indigent than average.

St. John's (City and Rural combined) had the largest share of indigent children (84.0%), in excess of its representation in the population. The data, presented in Table 4.13, suggest that to the extent that pro-poor programmes may be introduced in the form of school-feeding and the provision of books and uniforms, there might be need to concentrate these transfers on the St. John's area.

**Table 4.11: Distribution of Age Cohorts across Socioeconomic Groups**

Five Year Age Groups	Indigent	Poor	Vulnerable	Non Poor	Total
	%				
0-4	5.3	12.9	10.9	70.9	100.0
5-9	3.5	23.5	13.3	59.7	100.0
10-14	5.0	21.6	12.0	61.4	100.0
15-19	3.7	19.2	17.4	59.7	100.0
20-24	4.5	15.5	13.6	66.4	100.0
25-29	5.2	9.2	7.1	78.5	100.0
30-34	4.6	14.6	7.1	73.8	100.0
35-39	2.0	7.6	8.1	82.4	100.0
40-44	1.3	12.8	10.2	75.6	100.0
45-49	3.0	15.0	6.9	75.1	100.0
50-54	1.4	12.5	7.1	79.0	100.0
55-59	4.3	8.4	8.4	78.9	100.0
60-64	4.2	11.1	5.3	79.4	100.0
65+	4.2	10.9	5.8	79.1	100.0
All ages (%)	3.7	14.6	10.0	71.7	100.0
Total (N)	3,144	12,341	8,414	60,435	84,334

Table 4.12: Age distribution within Socioeconomic Status

Five Year Age Groups	Socio Economic Status				
	Indigent	Poor	Vulnerable	Non Poor	Total
	%				
0-4	9.5	5.9	7.4	6.7	6.8
5-9	8.6	14.5	12.1	7.5	9.1
10-14	14.4	15.8	12.9	9.2	10.7
15-19	8.6	11.4	15.2	7.2	8.7
20-24	8.4	7.4	9.6	6.5	7.0
25-29	8.4	3.8	4.3	6.6	6.0
30-34	8.6	6.9	4.9	7.2	7.0
35-39	4.5	4.4	7.0	9.9	8.6
40-44	2.9	7.1	8.4	8.6	8.2
45-49	4.8	6.0	4.1	6.1	5.8
50-54	1.9	4.5	3.7	5.7	5.2
55-59	3.7	1.8	2.7	3.5	3.2
60-64	3.7	2.5	1.7	3.6	3.3
65+	11.9	7.8	6.0	11.5	10.5
Total (%)	100.0	100.0	100.0	100.0	100.0
Total (N)	3144	12341	8414	60435	84334

Table 4.13: Distribution of Indigent Children (Aged 0 -14) by District

District	Five Year Age Groups			Total (0-14)	
	0-4	5-9	10-14	%	N
	%				
St John's City	33.3	28.6	38.1	100	604
St. John's Rural	25	25	50	100	256
St. Peter	25	25	50	100	138
St. Paul	0	0	100	100	25
Total	29.3	26.5	44.2	100	1,023

#### 4.6.2 ETHNICITY

The majority of the population is of African descent – just over 93 percent. However, like other parts of the Caribbean, Europeans were the colonizers who brought in other groups into these islands, as the indigenous population succumbed to new diseases, to force, and in some cases, to physical annihilation. Thus, whites have held a dominant economic and social position since the incorporation of the country into the emerging world system.

With independence and with the effort to attract capital from abroad, the primary source of entering entrepreneurs has been from countries with a dominant European population. This has allowed the traditional association of colour and economic status to be sustained. In more recent times, the inflows into the country have included

economic migrants, from Guyana, the Dominican Republic and Jamaica. Jamaicans would blend phenotypically into the majority population. The other immigrant groups – East Indians from Guyana and nationals of the Dominican Republic – are more distinctive in the context of Antigua and Barbuda.

Tables 4.14 and 4.15 provide information on the ethnic distribution of the population. While 92.0 percent of the population is of African descent, they accounted for 84.5 percent of the richest quintile and 96.8 percent of the poor. White/Caucasians represented one percent of the population, but accounted for 4.1 percent of those in the richest quintile. East Indians accounted for a larger percentage of the first two quintiles than they did for the entire population, suggesting their absorption at the lower levels of the labour market.

Table 4.14: Distribution of Population by Ethnicity and Quintiles

Ethnicity	Per Capita Consumption Quintiles					Total
	Poorest	II	III	IV	V	
	%					
African Descent/Negro/Black	96.8	91.7	92.8	94.0	84.5	92.0
Indigenous People Amerindian/Carib)	0.3	0.4	0.9	0.3	0.2	0.4
East Indian	1.7	2.9	0.3	0.2	0.3	1.1
Chinese/Asian	0.0	0.0	0.5	0.0	0.9	0.3
Portuguese	0.0	0.2	0.2	0.0	0.2	0.1
Syrian/Lebanese	0.0	0.2	0.9	0.8	1.9	0.7
White/Caucasian	0.0	0.4	0.0	0.4	4.2	1.0
Mixed	0.0	2.2	1.7	2.6	6.5	2.6
Other	0.3	1.0	0.7	0.8	0.2	0.6
Not Stated	0.8	1.0	2.1	0.8	1.1	1.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

Table 4.15 Population Distribution by Quintile According to Ethnicity

Ethnicity	Per Capita Consumption Quintiles					Total
	Poorest	II	III	IV	V	
	%					
African Descent/Negro/Black	20.9	20.1	20.2	20.5	18.3	100.0
Indigenous People (Amerindian/Carib)	15.9	18.4	40.8	15.9	8.9	100.0
East Indian	31.3	53.1	6.2	3.1	6.2	100.0
Chinese/Asian	0.0	0.0	36.0	0.0	64.0	100.0
Portuguese	0.0	35.3	29.4	0.0	35.3	100.0
Syrian/Lebanese	0.0	5.2	23.3	20.7	50.8	100.0
White/Caucasian	0.0	7.2	0.0	8.9	83.9	100.0
Mixed	0.0	17.3	12.9	20.1	49.7	100.0
Other	11.1	33.3	22.2	27.8	5.6	100.0
Not Stated	13.3	17.6	35.7	14.1	19.4	100.0
Total	19.9	20.1	20.0	20.1	20.0	100.0

#### 4.7 PEOPLE'S PERSPECTIVES ON POVERTY

The perspective of members of a population of their poverty status may not accord with the estimates of poverty generated in the study. Respondents were asked to rate their households on a scale of 1 to 5, with five being the highest and thus relating to the highest quintile. Table 4.16 provides the results of that exercise: 20 percent of the actual poor based on per capita expenditure perceived themselves as belonging to the poorest group. However, 41.5 percent of the actual poor perceived themselves as belonging to quintile II which is *not* the poorest quintile.

Table 4.17 shows a comparison of the subjective socio economic status expressed by quintile group with the actual status of the households by expenditure quintile. The data in this table show for example that only 22.7 percent of the poorest rate themselves as being poor: the majority regard themselves as belonging to quintiles II and III to which they do not belong. On the other hand, as much as 9.0 percent of those in the richest quintile regarded themselves among the poorest, and only 0.5 percent of the richest quintile regarded themselves as belonging to quintile V.

Table 4.16: Socio-Economic Status Based on Poverty Line and Perceived Socio Economic Rating of Household

Socio Economic Status Based on Poverty Line	Perceived Socio-Economic Rating				
	Poorest	II	III	IV	Rich
	Row %				
Poor	20.0	41.5	35.8	2.7	0.0
Non Poor	18.7	31.3	44.2	5.6	0.2

Table 4.17: Per Capita Expenditure Rating versus Subjective Poverty Rating of Household

Actual Quintile Group based on Per Capita Expenditure	Subjective Poverty Rating of Household % within Quintile Group					Total
	Poor	II	III	IV	Rich	
<i>Poorest</i>	22.7	37.9	35.9	3.0	0.5	100.0
<i>II</i>	26.2	31.7	40.6	1.5	0.0	100.0
<i>III</i>	20.5	34.2	41.6	3.7	0.0	100.0
<i>IV</i>	18.0	33.0	46.5	2.5	0.0	100.0
<i>V</i>	9.0	25.9	50.7	13.9	0.5	100.0
<i>Total</i>	19.3	32.5	43.1	4.9	0.2	100.0

This divergence between perception and reality was corroborated in the sentiments expressed in the PPA. There was ambivalence and, in some cases, vociferous denial of the presence of poverty in Antigua and Barbuda.

To suggest that there was poverty invoked invidious comparison with what people saw in the mass media as the lot of populations in Africa: it gnawed at the sense of self-esteem of Antiguan and Barbudans, to suggest any comparison.

*"Even though people in Grays Farm are poor they think very highly of themselves. They don't like people to look down on them and they don't*

*like to get handouts from persons other than their family."*

*"Poverty does not exist in Bendals."*

*"No poverty here." (Liberta)*

*"While there maybe some poverty, we are still better off, we can satisfy our basic needs." (Urlings)*

*"Although things are bad they could be a lot worse" (Clare Hall)*

*"There is some poverty but we are not the worst." (Bendals)*

*"Everyone has a roof over their heads and most people eat two or three meals a day." (John Hughes)*

*"Extreme poverty does not exist here, the community spirit makes up for what is lacking." (Willikies)*

In Barbuda, participants in the workshop did not readily accept that poverty existed there. According to them, they have natural resources; the sea as the basis of economic activity, access to free land, and full ownership of housing without the burden of mortgages.

On the other hand, there were participants in the PPA who admitted to some relative deprivation among citizens of the country. In comparing themselves and their communities to others, residents in some of the communities felt that they were better off than many. There was a search for redeeming factors that could explain why there might be evidence of poverty, in the minds of some residents.

*"While there are persons experiencing some level of poverty, there is no one in the community who is in absolute poverty." (Point)*

*"There may be pockets of poverty but on a very small scale." (John Hughes)*

There were a few who admitted that:

*"There is a large number of persons who are relatively poor." (Potters)*

There was a greater willingness to admit to poverty in the urban areas than in the rural areas. One factor that was advanced as an explanation for the visible poverty was the influx of people from abroad, seeking an escape from poverty in their own country.

*"A large number of the residents are not born in Potters."*

*"Because here is known as the ghetto it attracts all kinds of non-nationals." (Grays Farm)*

*"The influences of Caribbean nationals are responsible for overcrowding, for poor housing and for the dumping of garbage." (Grays Farm)*

*"There are several non-nationals here. (Clare Hall)*

*"The arrival of CARICOM nationals seeking better opportunities contributes to poor living conditions because it is difficult for them to get employment." (Ebenezer.)*

Thus, participants reasoned that to the extent that there was evidence of poverty in Antigua and Barbuda, it is partly imported. Clearly, the country was better off than most of its neighbours and that is why it attracted so many from abroad. It could not be a country with too many of its nationals living in poverty.

One explanation that was offered for the presence of nationals among the poor was the failure of the political directorate to discharge their responsibilities. Several persons were of the view that the political leaders and the government had contributed to poverty because of their neglect of the communities and their failure to provide proper infrastructure, facilities and services, and programmes that would enable people to meet their basic needs. Indeed, public poverty was far more evident as a problem in the view of some residents, through the lack of well functioning public facilities and social services.

*"The roads are bad, they need fixing."*

*"We need street lights"*

*"Utilities are too high, low income persons can't meet the expenses."*

*"Medical facilities are inadequate."*

*"Poor drainage is a problem."*



There was unanimity on the factors that would contribute to poverty generally. These included low levels of education, and lack of skills, on the one hand, as well as other self-inflicted factors like lack of motivation, and laziness. It was felt that these could precipitate criminal activity.

*"No money or access to an income so they may have to beg or steal."*

*"Training is critical to deter poverty."*

*'Jobs are there but the youth too lazy.'*

*"Laziness contributes to poor living conditions."*

Residents alluded also to the indirect factors that led to poverty. Thus, even when people are employed, wages might be so low and inadequate in meeting basic needs, that they are forced to work at two or more jobs to supplement their incomes. Children may be

left unattended, thereby contributing to potential problems of delinquency that had become endemic in urban communities.

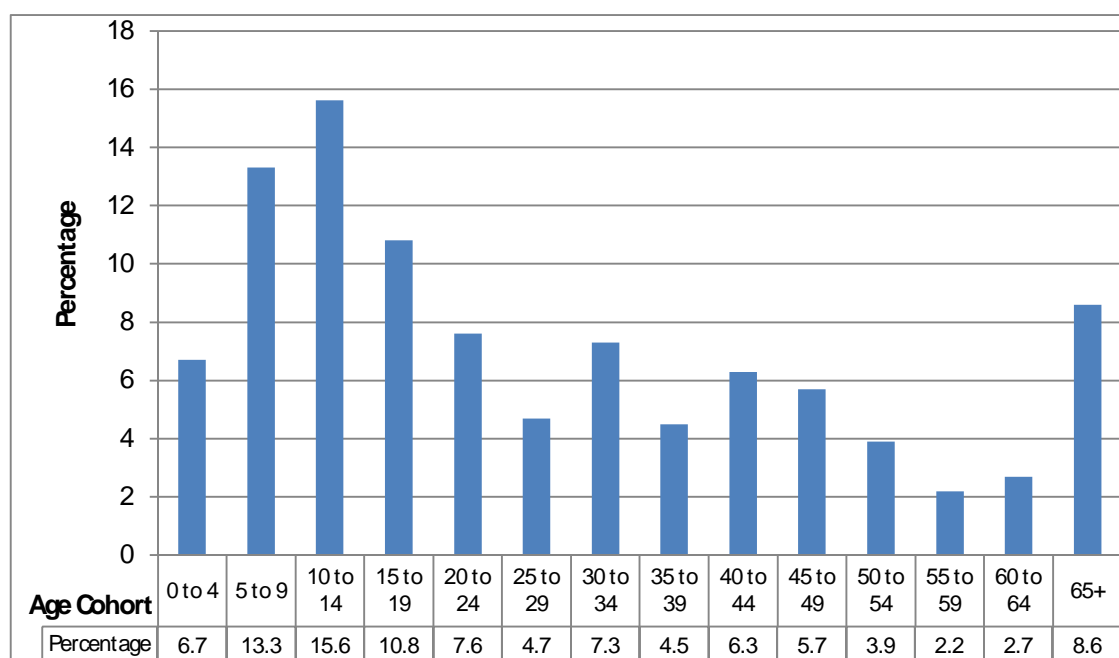
## 4.8 CHARACTERISTICS OF THE POOR

This section looks at the poor population only and uses frequency distributions to highlight some of the distinguishing features of the group.

### 4.8.1 AGE DISTRIBUTION

Figure 4.6 shows the distribution of the poor by age cohorts. This Table shows that 55.5 percent of the poor were between the ages of 5-19 years. Additionally, 8.6 percent of persons falling below the poverty line were over 65 years of age.

Figure 4.6: Distribution of the Poor by Five-year Age Cohorts



## 4.8.2 GENDER DISTRIBUTION

Table 4.18 gives the distribution of the poor by gender. The data show that 52.8 percent of the poor were female and 47.2 percent were male. This result suggests that males are over-represented amongst the poor when compared to their presence in the general population.

Table 4.18: Distribution of Poor and National Population by Gender

Sex	Poor %	Population %
Male	47.2	44.0
Female	52.8	56.0
Total	100.0	100.0
Total (N)	15,485	84,334

## 4.8.3 HOUSEHOLD SIZE AND COMPOSITION

The household size of poor households is demonstrated in Table 4.19. Most poor households (17.4%) had four members. But interestingly, while 60.8 percent of poor households had between three and six household members, most (23%) poor households had no children (Figure 4.7).

The dependency ratio is a measure of the portion of a population which is composed of dependents (people who are too young or too old to work). It is equal to the number of individuals aged below 15 or

above 64 divided by the number of individuals aged 15 to 64, expressed as a percentage. A rising dependency ratio is a concern in many countries that are facing aging populations, since it becomes difficult for pension and social security systems to provide for a significantly older, non-working population.

Table 4.19: Size of Poor Households

Household Size	N	%
One	868	5.6
Two	1,287	8.3
Three	2,009	13.0
Four	2,699	17.4
Five	2,310	14.9
Six	2,394	15.5
Seven	1,228	7.9
Eight	870	5.6
Nine	863	5.6
Ten	289	1.9
Eleven	668	4.3
Total	15,485	100.0
Mean	5.2	

Table 4.20 highlights the dependency ratio for the poor population. The larger size of poorer households has its correlate in higher dependency ratios.

Figure 4.7: Number of Children in Poor households

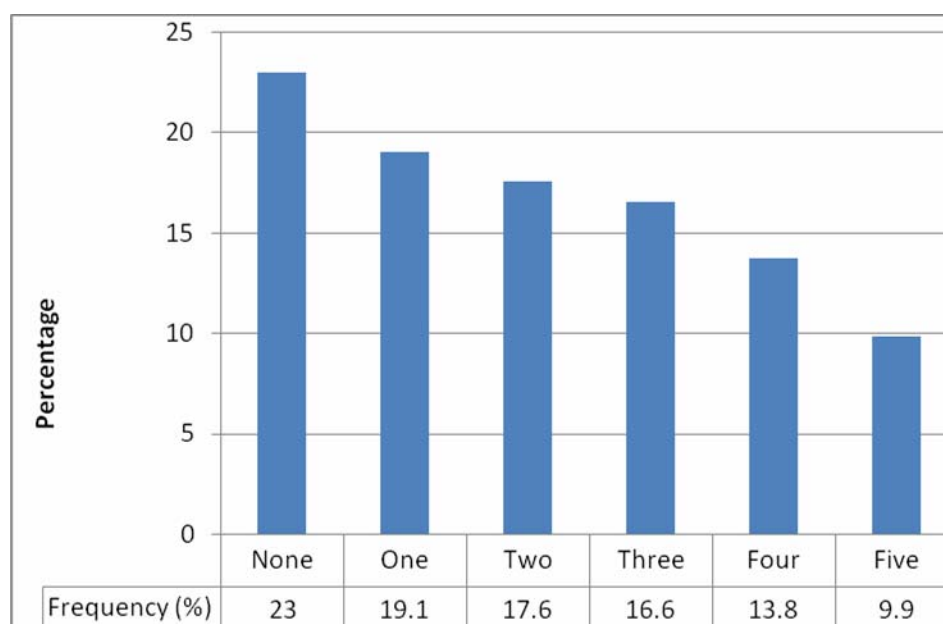


Table 4.20: Dependency Ratio for Poor Population

Age Groups	N	%
Children - 0-14	5,505	35.6
Elderly - 65+	1,337	8.6
Persons 15 to 64	8,643	55.8
Total	15,485	100.0
Youth Dependency Ratio	63.7	
Elderly Dependency Ratio	15.5	
Overall Dependency Ratio	79.2	

#### 4.8.4 HOUSEHOLD DURABLES OWNED BY POOR HOUSEHOLDS

Key household durables owned by poor households are presented in Table 4.21. The data show that 82.4 percent of poor households own a television, 77.6 percent own refrigerators, 90 percent own a stove. Further, 46.1 percent of poor households own water tanks, 45.0 percent own washing machines, and 20.3 percent own a motor vehicle.

The presence of a number of material comforts is partly related to the fact of international migration. Since emancipation, emigration - short and long term, or permanent - has been an avenue for improving one's life chances. Both the poor and the non-poor are part of international families, resident in the metropole, and barrels received by households usually contain a mix of household items as well as items for personal consumption.

Table 4.21: Assets Owned by Poor Households

	TV	Video	DVD	Stove	Electric Iron	Refri- gerator	Radio/ Stereo/ CD	Washing Machine	Motor Vehicle	Computer	Sewing Machine	Water Tank	Cistern	Weed Eater/ Lawn Mower
Own Item	%													
Yes	82.4	27.4	29.4	90.7	79.0	77.6	88.5	45.0	20.3	10.7	7.8	46.1	11.5	10.9
No	16.0	58.3	55.6	8.3	18.6	20.2	8.2	47.5	66.8	74.1	77.4	44.4	74.9	72.1
Not Stated	1.6	14.3	15.0	1.0	2.4	2.2	3.2	7.5	12.9	15.2	14.7	9.5	13.6	17.0
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100

#### 4.8.5 EDUCATIONAL ATTAINMENT

Table 4.22 shows the frequency distribution for the highest level of education attained by those below the poverty line. The data show that 22.3 percent of poor persons had received at most a primary level education, but most (42.9%) had attained secondary level education. The high non-response rate does however suggest caution in interpreting the results.

**Table 4.22: Highest Level of Education Attained by Poor Persons 15 Years and Over**

Highest Level of Education	N	%
None	25	.3
Primary	2,196	22.0
Secondary	4,284	42.9
ASC	330	3.3
University	83	.8
Vocational/Technical Institution	34	.3
Other	118	1.2
Not Stated	2,910	29.2
Total	9,980	100.0

#### 4.9 THE PROBABILITY OF BEING POOR IN ANTIGUA AND BARBUDA

A logistic regression model was applied to the data for Antigua and Barbuda to establish the chances for a given household of being poor, given various conditioning factors including but not restricted to, age, gender, adult equivalent household size, education, sector of employment, region,

unemployment and being out of the labour force, among others.<sup>29</sup>

The choice of exogenous variables is based on the confounding and effect modifying (interaction) impacts they create, but final selection is based on theory, precedent of use in other studies and limitations in the Antigua and Barbuda household micro dataset.

Several different variable types are used based on inherent natural contrast, such as, the unemployed in contrast to the employed and non participants in the labour force; Indian as opposed to black in the case of ethnicity of the head of household; for gender, it is male versus female headed households. Variables such as age and adult equivalent family size are continuous variables and their impact on the condition of poverty is interpreted in terms of the percentage contribution one additional year or one additional equivalent adult household member would add to the odds of being poor, respectively.

The model shows that:

1. When household income increases by 5 percent the odds of the household being poor falls by 89 percent;
2. While most research on poverty identifies unemployment as a major contributing factor, in Antigua and

<sup>29</sup> The use of adult equivalent scales in this study improves the specification of the absolute poverty line when compared to a per capita measure by according higher relative weights to adults over children. This study however does not explore the possibility of economies of household size in consumption which has been shown in some studies to be significant (Ranjan Ray, 1999).

Barbuda, where the unemployment rate is approximately 4 percent, neither unemployment nor the number of earners in the household was found to be a significant factor in the determination of the level of poverty

3. The adult equivalent household size, was found to be significant at the 1 percent level: with each additional equivalent adult added to the household, the risk of poverty increases by 175 percent. This is not an unexpected result as larger household sizes are associated with greater levels of deprivation, social and material deficiencies.
4. Households headed by non-Africans were poorer by a factor of 221 percent. The influx of persons from Guyana and the Dominican Republic and other nationals who deem themselves not to be “black”, has increased among the ranks of the poor in Antigua and Barbuda.
5. Overcrowding at the household level was one of the most statistically significant variables affecting the determination of a poor household than any other. The improvement of housing conditions can, conditioning on the other variables included in this model, improve the situation of the poor by up to 153 percent.
6. Where the household head had at least primary school education, the odds of the household being poor was reduced by 91 percent, compared to household heads who possessed no education. The incremental reduction in the odds of being poor falls with increasing levels of education: with respect to secondary and tertiary education the incremental odds are 41 percent and 26 percent respectively. This is very strong evidence in support of ensuring that poverty reduction be accompanied by very deliberate and sustained emphasis on primary and secondary level education. The incremental returns fall with higher levels of education.
7. The odds of being poor for households in St Philip’s are the highest - 276 percent greater than the average district studied. St. John’s City is the second most severe case, having a poverty risk of 170 percent. These findings corroborate the summary statistics on the poverty gap and poverty severity indices at the district level reported earlier.

A full elaboration of the approach and the statistical results are provided in Appendix II.



## CHAPTER 5 – SPECIAL GROUPS AT RISK

Research on poverty suggests that there are differential impacts of economic and social change on the groups that constitute the society: this is corroborated by the findings of this study. This Chapter is devoted to a deeper exploration of the impact of poverty on selected at-risk groups – women, children, youth, and the elderly.

It should be noted that the data generated in the HBS/SLC, suggests that men may also be considered an at-risk group in the case of Antigua and Barbuda, however, this group is not a subject of focus in this chapter. While persons with disabilities are recognised as a group at risk, insufficient information was available from the results of either the SLC/HBS or the PPA to allow for further discussion on the plight of this group in the case of Antigua and Barbuda.

The PPA is the primary source of information presented in this chapter, with data from the SLC used to support the statements being made wherever possible. It should be noted that participants in the PPA were not selected in a random process, but represent those who volunteered to participate in community meetings and workshops or focus groups discussions, and thus they are not, strictly speaking, representative of the population at large. However, the information presented reflects

the actual experience of those living in poverty in Antigua and Barbuda.

### 5.1 WOMEN

The ninety six women, who participated in the PPA in various communities, were generally employed in the civil service, in the private sector in occupations such as receptionists and waitresses, or in domestic services.

Many of the women were aware of poverty in their communities, although several claimed not to be poor themselves. Those, who admitted to being poor, defined poverty in terms of deprivation of basic needs. For them it meant:

*"Not having the basic necessities of life."*

*"Not having access to resources."*

*"When things hard and you have to break one bread for two."*

*"Hand to mouth ... and scarcely that."*

The data from the survey show that labour force participation of women, defined as females 15 years and above, increases with socioeconomic status for women: in the poorest quintile, labour force participation was 40.5 percent for those in the poorest group compared to 62.7 percent for the non-vulnerable (Table 5.1).



Table 5.1: Labour Force Participation of Women by Socio-Economic Status

Labour Force Participant	Socio Economic Status				Total %
	Indigent	Poor	Vulnerable	Non Poor	
	%				
Participant	40.5	53.3	56.4	62.7	60.3
Non Participant	59.5	46.7	43.6	37.3	39.7
Total	100.0	100.0	100.0	100.0	100.0
Total (N)	1,093	4,396	3,285	26,618	35,393

The statistical data in the SLC/HBS suggest, prima facie, that unlike in other countries, women were only marginally more affected by unemployment than men. Interestingly, unemployment for women was very low (4.1% across all quintiles) and unemployment fell as socioeconomic status improved (Table 5.2). However, the general statistic on unemployment masks the gender segmentation that exists in the labour market, as elsewhere in the Caribbean. Women outside of the public service would have been exposed to different labour market conditions to those faced by men. Men dominated the Construction Sector, while women dominated the sector, Hotels and Restaurants. This sector, as well as the Administrative/Social services/Government and Medical, and Education sectors provided much more employment for women than for men.

To the extent that differential rates of growth and differential contractual relations existed between the sectors dominated by women and those dominated by men, their life chances would have been different. This would have had implications for

households, and especially for female single headed households.

Table 5.2: Employment Status of females 15 years and Over

Employment Status	Socio Economic Status				Total %
				Non	
	Indigent	Poor	Vulnerable	Poor	
	%				
Employed	100.0	93.0	95.2	96.3	95.9
Unemployed	0.0	7.0	4.8	3.7	4.1
Total	100.0	100.0	100.0	100.0	100.0
Total	443	2,345	1,852	16,701	21,341

Poor women who participated in the PPA expressed the view that the lack of job opportunities or low paying jobs not only kept them in poverty, but limited their ability to provide for their children. As a result, although a significant proportion of poor women were employed, they would have been employed in low-skill jobs, and thus fell among the ranks of the working poor. Because of low wages they would have found it difficult to maintain their families and found themselves either living

“hand to mouth” or unable to “provide a proper meal” for their children.

Several women expressed the view that poverty affects them adversely, especially women who are single parents and who have sole responsibility for the welfare of their children and their families.

*“I am a single parent and I have to make sacrifices.”*

*“(My pay is) not enough to maintain the family and have to depend on others for help.”*

*“I can’t send the children to school.”*

The information from the survey suggests that as much as 81.5 percent of indigent women, and 67.4 percent of poor women would have had gone to secondary school, as can be seen in Table 5.3.<sup>30</sup> This is interesting, given that the level of education establishes the capacity for training and educational upgrading which is likely to be an important mechanism for poverty reduction in Antigua and Barbuda, and more so for poor women.

The data from the SLC/HBS suggest that most women were paid private employees irrespective of consumption quintile. More than 30 percent of women were paid government employees, with no discernible pattern across quintiles (Table 5.4).

Table 5.3: Women in Labour Force by Highest Level of Education and Socioeconomic Status

Women in labour force /highest level of education	Socio Economic Status			
	Indigent	Poor	Vulnerable	Non Poor
	%	%	%	%
None	0	0	0	0
Nursery	0	0	0	0
Pre School/ Kindergarten	0	0	0	0
Special Education	0	0	0	0.2
Primary	18.5	22.7	13.5	15.6
Secondary	81.5	67.4	68.3	51.2
ASC	0	6.8	8.6	13.7
University	0	1.5	3.6	14
ABBIT	0	0	0	0.6
Hotel School	0	0	2.5	0.5
Vocational/Technical Institution	0	1.6	1.5	1.5
Other	0	0	1.9	2.4
Not Stated	0	0	0	0
Not Applicable	0	0	0	0.3
Total	100	100	100	100
Total (n)	328	2,108	1,679	16,036

<sup>30</sup> The high percentage of indigent women with secondary education must be seen in the context of the small percentage of persons assessed to be indigent in Antigua and Barbuda.

Table 5.4: Distribution of Female Workers 15 Years and Over by Type and Quintiles

Type of Worker	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Paid Employee - Government	39.4	36.2	30.4	31.2	35.0	34.1
Paid Employee - Statutory	2.2	2.5	1.5	3.4	3.4	2.7
Paid Employee - private	47.9	55.5	56.5	56.9	51.0	53.8
Self employed without employees	9.5	4.4	8.4	7.7	3.2	6.3
Self employed with employees	1.0	0.7	2.3	0.7	6.8	2.6
Unpaid family worker	0	0	0.8	0	0.5	0.3
Other	0	0.7	0	0	0	0.1
Total (%)	100	100	100	100	100	100
Total (N)	2,876	3,850	3,818	4,529	5,228	20,301

The phenomenon of women having children by different fathers in serial relationships, was also evident in Antigua and Barbuda: in other words, the country is not dissimilar from the rest of the Caribbean. The ubiquity of the missing male in the household and the apparent inability or unwillingness on the part of men to support their families and children were seen by participants in the PPA as a major factor that contributed to women and their children living in poverty. Although counter intuitive as a coping strategy, poorer women continued to resort to serial relationships to secure assistance from men for themselves and their children. This is how participants described the situation:

*"Going from man to man just to get some financial support."*

*"A woman will get pregnant for one man, he will leave her and not support the child, she gets pregnant again for another man and hopes that*

*he will stay and be the provider, but he does not and the cycle continues."*

In the quest to secure a stable long term companion, women may invest their slim resources to win over another man, but this gamble often fails to secure the desired result.

*"Instead of using the money from the children's father to feed them, some women spend it on themselves or give it to another man."*

This phenomenon must be seen as one half of a totality in which biology and gender operate within a mould formed by material deprivation. Poverty impels the poor woman to enter into casual relationships in the hope of longer term material sustenance from a longer term relationship. This same poverty constrains the man from meeting his family obligations, undermines the stability of relationship, and he moves on.

The woman is left with the product of the union, which increases her need for material support and propels her into yet another relationship.

Table 5.5 shows the findings in respect of marital status from the survey. The data show that the poorest were no more likely to have been in any particular union status than any other socioeconomic grouping, and were less likely to be divorced.

Table 5.6 provides a closer look at the current union status and fertility of poor women (poor females 15 years and above that live in households with per capita consumption below the poverty line). The data suggest that persons in common law unions were more likely to have more than 3 children than any other represented union status, while the majority (57.7%) of those in visiting partnerships had no children.

**Table 5.5: Females (15+) by Union Status and Socio-economic Status**

Present Union Status	Socio Economic Status				
	Indigent	Poor	Vulnerable	Non Poor	Total
	%				
Legally married	22.2	22.2	16.4	23.8	22.9
Common Law union	5	6.8	7.8	7.2	7.1
Visiting partner	0	8.9	8.5	10.4	9.7
Married but not in union	0	0	0.9	2.4	1.9
Legally separated and not in a union	2.9	0.7	0	0.8	0.8
Widowed and not in union	5.3	2.6	2.6	7.3	6.2
Divorced and not in union	0	1.3	1.7	2.4	2.1
Not in a union	54.4	57	55.9	42.2	45.7
Don't know/Not stated	10.2	0.7	6.1	3.5	3.6
Total (%)	100	100	100	100	100
Total (N)	10,93	43,96	32,85	26,618	35,393

Table 5.6: Poor Women by Present Union Status and No. of Live Births

Present Union Status	No of live births							Total	
	0	1	2	3	4	6	Not Stated		
	%							N	%
Legally married	0	5	9.4	15.5	13.7	21.3	35.1	1,218	100
Common Law union	0	18.2	0	16.4	26.2	24.6	14.6	351	100
Visiting partner	37.7	16.4	15.6	6.5	0	7.4	16.4	390	100
Married but not in union	0	0	0	0	0	0	0	0	0
Legally separated and not in a union	0	0	0	0	52.7	0	47.3	61	100
Widowed and not in union	0	0	0	16.6	0	0	83.4	173	100
Divorced and not in union	0	0	50	0	50	0	0	57	100
Not in a union	34.2	10.1	11.8	7.6	2.8	10	23.4	3,099	100
Don't know/Not stated	38.6	0	0	0	20.5	0	41	140	100
Total (all union status)	23.0	9.1	10.4	9.8	7.9	12.5	27.3	5,489	100

The view was also expressed that poverty impacted on women's health and self-esteem and their ability to change their situation. 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 seemed to take their toll on their health.

*"When you are deprived of things it makes you sick."*

*"...is plenty of stress."*

*"Sometimes you just want to cry because you have nothing."*

*"Even if you want to do something you do not have the courage."*

The view was also expressed that a woman's poverty extended directly to her children, and it was argued that the frustration with their condition led some women to direct their rage at their children.

*"Poverty makes some women ill-treat their children because the father does not support them."*

### 5.1.1 ACCESS TO SERVICES AND FACILITIES

There do exist some initiatives directed at the provision of services to women in difficult circumstances, but the strong sense of pride may dissuade women from availing themselves of the services that are accessible. In any event, the reach of facilities was said to be less than universal.

In Grays Farm, one of the communities acknowledged to be poorer, participants alleged that there were problems accessing resources in their community.

*"There are no facilities or resources in the community."*

*"We don't have a thing."*

*"We don't have medical benefit cards so we can't go to the hospital."*

*"Although the library is there we have no access to it."*

*"If you don't have money you can't access some of the resources."*

### 5.1.2 HOW WOMEN COPE WITH POVERTY

Women in poverty resorted to a range of strategies, including careful budgeting, buying only the essential things, growing fruits and vegetables for domestic consumption, working at more than one job, making do with what they have, depending on men, neighbours and friends, and committing themselves to being satisfied with what they have.

*"You buy and put down when you have."*

*"When I am hungry I cook rice and eat it without meat."*

*"...sacrifice and put the children first."*

*"I try to live within my means and use what I have to provide for the family."*

*"I grow my own fruits and vegetables."*

In their efforts to cope and in the face of low paying employment, some women sought to work at more than one job. This usually resulted in their children being left unattended and falling prey to abuse, delinquency or other social ills.

*"Children are being left alone when parents go to work and they get involved in all kinds of illicit activities."*

*"Some children steal because their parents can't provide for them."*

Some female participants in Grays Farm observed that the Spanish speaking women employed different coping strategies from their English speaking counterparts and that they appeared to be able to save and "make do" with the little they had. This might have been related to their immigrant status and some initial insulation from the surrounding culture in respect of the need to 'keep up with the Joneses' in a new country of residence.

## 5.2 YOUTH

Across eleven communities, two hundred and forty three (243) young people, more or less equally balanced in terms of gender, participated in focus group discussions. About 30 percent had gone no further than the primary level in respect of education, and the rest had some amount of secondary level schooling; only a very small percentage were pursuing tertiary level education. About one quarter of them lived in single parent households.

In a few of the communities (e.g. Urlings), the young people questioned whether there was poverty in Antigua and Barbuda.

*"Everyone has lights and water and everyone can send their children to school."*

*"No we are not poor, we are just in need of more activities for everyone."*

*"We have plenty of food in the community."*

As with the more adult members of the community, poverty conjured up images more readily identified with other places than Antigua and Barbuda. However, there was some acceptance of the fact that there were people in the country, including in their communities, who were in difficult circumstances and therefore poorer than their compatriots. Living in poverty then could be interpreted as not having the basic needs of food, clothes and shelter, and having to do without things that they needed or wanted. They said that lack of a job and of money also contributed to poverty because this prevented people from being able to maintain themselves and provide for their families.

*"Poverty is when you feel hungry till you feel to faint."*

*"When you are homeless" or "You can't afford new clothes or perfumes."*

*"...unable to have or wear the latest fashions and brand name shoes and clothes."*

*"When you don't have anything and can't maintain yourself"*

*"You can't know poverty till you live in it."*

For many young people, the ability to wear brand name clothing and shoes is important for them to be accepted by their peers and to feel that they belong. The inability to

afford these things was said to lead to their being ostracized by peers and to damaging of their self esteem. Those who admitted to being poor did express a sense of marginalization and loss of self-esteem.

*"Being poor frightens me."... "I feel depressed and stressed."*

*"I feel funny mixing with the other young people in the community."*

Whatever poverty existed in their communities, they attributed to the failure of the Government to provide employment. It would appear that they were aware of the attempt by the Government to rationalize the work-force in the public service which would have reduced the prospects for employment for themselves, as well as those who were to be released in the separation package being developed by the Government. There was also recognition of the role of education in improving labour market chances and reducing poverty; to the extent that parents might be unable to provide for their children's education and attendance at school, children and youth could be affected in the long run.

*"My mother looking for a job since 2003."*

*"Many poor people have no job."*

*"The government responsible."*

*"The government should invest in the infrastructure and this would provide jobs for people."*

*"There is a general lack of education in the community. That is why there is poverty and so much violence."*

*"Because of poverty your education may suffer."*

*"When you do not have anything to eat you will not be able to learn."*



*"Some parents have it very hard they can't afford food or bus money so the children can't go to school."*

This has to be seen against the data from the SLC/HBS which demonstrate that youth and children were more likely to be represented among the poor and surely in the poorest quintile: there were at least three times as many persons in the age groups 5-9, 10-14, and 15-19, in the poorest quintile than in the richest quintile. Many of those who participated in the PPA were also of the view that children and youth were the ones most severely affected by poverty.

The data from the survey show that 21 percent of all youth – persons aged 15-24 – lived in households with per capita consumption below the poverty line, and another 15.7 percent were deemed to be vulnerable (Figure 5.1).

Most (88.7%) of the youth in the country would have attained at least a secondary level education, of which as many as 16.8 percent had attained university level education (Table 5.7).

Many participants in the PPA felt that dropping out of school puts one at a disadvantage. While some young men were forced to sacrifice their education and look for work because they are poor, some young women may have dropped out of school, some as early as in Form two, because of pregnancy.

The data from the survey suggest low levels of fertility among youth: less than 4 percent of females aged 15-24 were pregnant at the time of the survey and that among those aged 15 to 19 the numbers were even smaller (Table 5.8).

Figure 5.1: Socio-economic Status of Persons Aged 15-24

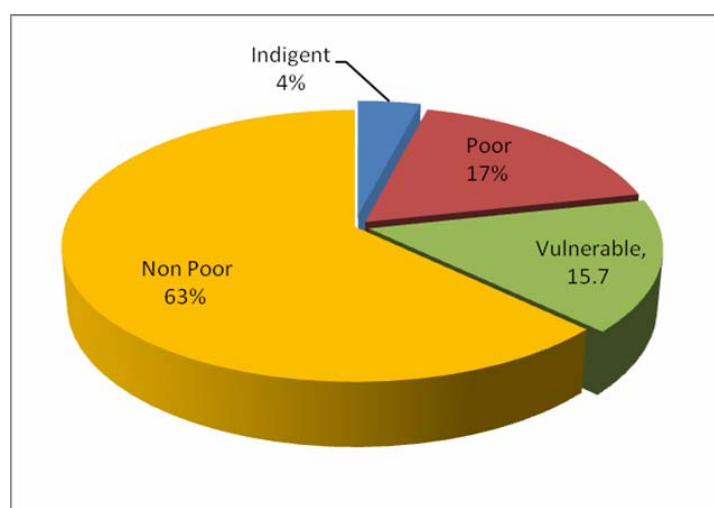


Table 5.7: Youths (aged 15-24) Currently Attending School by Type of School/Grade by Sex

Type of School/Grade	Sex					
	Male		Female		Total	
	N	%	N	%	N	%
None	0	0	0	0	0	0
Pre School	0	0	0	0	0	0
Special Education	0	0	58	1.7	58	1
Primary	319	12.1	268	7.9	586	9.8
Secondary	1608	61	1803	53.5	3412	56.8
ASC	259	9.8	650	19.3	909	15.1
University	417	15.8	589	17.5	1007	16.8
Not Stated	34	1.3	0	0	34	0.6
Total	2638	100	3369	100	6006	100

Table 5.8: Female Youths (aged 15-24) Currently Pregnant by Age Group

Five Year Age Groups	Currently Pregnant							
	Yes		No		Not Stated		Total	
	N	%	N	%	N	%	N	%
15-19	86	34.8	3,247	50.2	544	72.7	3,877	52.0
20-24	162	65.2	3,219	49.8	204	27.3	3,585	48.0
Total	248	100.0	6,466	100.0	748	100.0	7,462	100.0

Many young people were of the view that it was imperative for the Government to provide the opportunity for young people so disadvantaged to attend night school.

*"Free night schooling should be provided for adults and youth who have dropped out."*

*"Children who have to stay home to take care of younger brothers and sisters can attend night school."*

*"The drop outs can learn a skill and this will help them to find a job and be productive."*

### 5.2.1 COPING WITH POVERTY

Begging and stealing, washing cars, and doing other odd jobs were some of the activities that engaged poorer youth. Several admitted to using and selling drugs, and to being involved in gangs and crime and while some saw these activities as a means of providing them with the money they needed to get the things they wanted, others said that they limited their spending and spent their money wisely as a way of managing in poverty.

*"Some youths turn to a life of crime to buy the latest clothes and shoes."*

*"I spend what I have wisely."*

*"After school I work in a job."*

*"I try to save."*

The young people mentioned the importance of facilities for continuing education including libraries and facilities through which they can gain access to information and to communication technologies like the internet and the world-wide-web. Indeed, there was considerable interest in the internet as a way of helping the youth.

*"Computers will help to keep us off the street and keep us out of trouble."*

## 5.3 THE ELDERLY

In terms of the elderly some 110 persons in ten communities participated in the PPA. The majority of participants were women – 80 percent. Two thirds of those who participated were over 65 years of age, some were over eighty years of age, and one was ninety years old. About 70 percent had only a primary education, and a few of them had no formal education. A few were still involved in some income generating activity.

Several readily admitted to being poor, which condition was associated with not having the basic needs, having no money to buy food or clothes, or to pay bills. Invariably, it meant:

*"Can't get nothing to eat, no food." and/ or "No proper house."*

*"I am so hungry sometimes I feel dizzy."*

*"I don't know where the next dollar is coming from."*

*"The electricity bills too high, we are retired, we can't pay them."*

*"When you finish paying the bills there is no money left to do anything else."*

*"If we could get the road fix, the bus could pick up my daughter and take her to the centre for the disabled."*

According to participants in the PPA, advancing age and inability to continue working contributed to their being poor. Even though the existing social networks were said to be strong, it was acknowledged that the society was changing and was

rapidly being denuded of the traditional networks of relatives and extended family, sometimes due to migration. Consequently, several elderly persons had ended up abandoned, living alone, or with no one to care for them.

*"I am eighty five years old and I can't work any more."*

*"Although I live in my own house, I live alone and I have no money so I am poor."*

*"Sometimes I get help from family abroad."*

Those who could still count on relatives were found to be in a superior condition. However, the fact of relatives abroad was no guarantee of support. Some felt that the investment made earlier in bringing up children and grandchildren had not "paid off":

*"My children overseas don't help." ... "I have children overseas but only one sends a shirt for me sometimes."*

*"The grandchildren don't treat me good, I took care of them when they were small and now they won't even make a cup of tea for me or ask me how I feeling."*

They could find themselves disrespected by their relatives and without any recourse or redress.

*"My grand children bring men to sleep in the house. I don't like it ...but I have no place to go."*

Several reflected on their lives, recounted their experience of always having been poor and alluded to intergenerational poverty that had kept them trapped. The role that education could have played if they had had access was well appreciated.

*"Education was there but only a few could stay in school and receive it, the others had to spend part time in school and the other part in the field with their parents."*

*"My mother did not have education and my father was not around, we had to go to the hills to get bush tea and sell to get money to buy food."*

*"I live in a poor condition with the rest of my family in the same yard and things are bad."*

### 5.3.1 ACCESS TO SERVICES AND FACILITIES

Health issues were a major preoccupation of the elderly participants, many of whom were not in good health. Both men and women were afflicted by the life style diseases – diabetes, hypertension, arthritis, and cancers, and eye problems were common. While there were complaints about the high cost of health care and about the difficulties of accessing health services, there was fulsome praise for the services provided in the health clinics by health care professionals.

*"The clinic is a good distance from my house. I have no transport and I am too weak to walk."*

*"I can't complain about health care because the nurses are always at hand to help."*

*"We are proud of our nurses and doctor."*

*"The clinic is of benefit to me."*

### 5.3.2 COPING WITH POVERTY

While a small number of elderly persons do receive some public assistance, the amount received was insufficient to buy food and medicine and to pay bills: yet, for some, this is their only source of income.

*"I can barely make ends meet."*

*"I get a small change from Social Security and \$100.00 every fortnight from the Board of Guardians."*

*"I get a small pension from social security every month but it only pays some of the bills so I do odd jobs."*

There was some bewilderment about the basis on which support can be counted on from the State. Social Security and the Board of Guardians did not seem to provide a coherent system, in the view of some of the elderly.

*"Since my husband died eighteen years ago I never get 'nothing' from Social Security. I can't understand, my husband used to pay social security and still I am getting nothing."*

*"Social security has stopped giving me assistance."*

The churches appeared to be an important source of support, providing food stuff and/or cooked meals on a regular basis. This mitigated the stress and anxiety for some:

*"On Tuesdays I get a cooked meal from the Moravian Church."*

An abiding faith in God buoyed some up in the face of their respective afflictions. They coped by praying and trusting in God.

*"Whenever I have a need, I pray to God and something always comes in."*

### 5.3.3 CASE STUDY

The case John Carter, presented below, is an interesting example that demonstrates the plight of the elderly. His words express the compromises that have to be made in the face of chronic poverty.

## BOX 1 – CASE STUDY JOHN CARTER

### JOHN CARTER, 77 YEARS OF AGE (ANTIGUA-BARBUDA)

*Mr. Carter and his experiences fall into two conceptual categories of importance in the study of poverty. He is an example of the aged poor and his poverty is intergenerational. His mother was an agricultural labourer who worked on a sugar estate in the east of the country. According to Mr. Carter, "Mi born cum meet dem ah use hoe..mi born cum meet mi ole lady ah work ah estate....so we nuh get much learning cause wi have fi go help she." Mr. Carter's father was a cane cutter. His mother had ten children for his father who then left her and married another woman. Mr. Carter and his nine brothers therefore felt an obligation to assist their mother who struggled to raise her family. He left school at 17 years and worked at the furnace on the estate for 14 years. His mother died when he was 21 years old.*

*Mr Carter had his first child when he was 19 and four more subsequently (three boys and two girls). He had his last child in 1981. He had each child with a different woman. All of his children went to primary school. Two of his sons live overseas, while one lives in the same neighbourhood as Mr. Carter. This son he, says, would want to provide him with food but has eight children and is not able to do so. The son who lives in Antigua-Barbuda works on a boat. Of his two daughters he says in a completely amoral way, "dem work pon dem back....dem nuh go no wey go work, but walk and look chance every night." In reply to the question of whether or not his daughters have any children he replies, "one have 3 and one have 4, mi naw go tell no lie fi dem." His two sons who live abroad supply him with clothes, but never send money. "Up to last week mi get mi parcel from dem." He stopped worked in 1984 when he was 55 years old. He has lived in the area for 14 years.*

*Mr. Carter's living conditions are quite appalling. When asked to show us the house where he lives Mr. Carter replies, "What house? Mi caan carry nuhbody deh man!" He continues, "for several years mi ah look one good house fi go ina because up deh nuh good. When rain come mi have fi double up like a leech. It leak, but mi have fi satisfy." The 'house' is a room made of galvanized zinc on the land of a family he has known for some years. They live next door in a small, but sturdy lower middle income house. Mr. Carter's room has just enough space for a bed made of board and sponge. Very little else holds in the space. The dwelling has no light, water, kitchen or toilet. He gets light at night from the street light. He obtains water from the neighbour. He washes for himself at the public standpipe. His mother died and left a house, but it is occupied by an older sibling who is not willing to share it with anyone. Mr. Carter says he has never owned a home for himself because, "mi naw work fi nuh money", an allusion to the fact that all his working life his pay has been small.*

*Mr. Carter works occasionally by going to sea on a fishing boat. "When me go sea one time me nuh go back again (ie he does not go often).... and mi buy the little food, but that cant serve mi...mi have fi get up a morning time fi mek little tea. Ah three time a day me eat and me have fi tek tablet and so on(reference to his medicine)." All he earns is what he calls, "one days pay" from the fish he sells. When asked if he ever is hungry he replies, well right now me hungry, me run out, mi nuh even have a dollar." This happens to him all the time. Sometimes mi find myself a go two three months without money and me nuh beg no one nutten." So how do you eat? Well mi neighbour, this one here and that one down there and the two Jamaican gal weh live cross this road yah, dem will call me and give mi a food."*

*Mr. Carter suffers from arthritis in his knees. He gets medical treatment from the government clinic and free medicine in a nearby district. Mr. Carter finds companionship from friends in the community. He has no contact with the mother of children. According to him, "When you hear me lef one woman me lef dem fi good. Nah pass back fi dem way again."*

*Mr. Carter says he gets no assistance from the government. No social security. Even though he never contributed he is entitled to some assistance. Mr. Carter does not know this and has never formally applied for social security (though he says that he has asked for assistance from some agency and received none). This is a clear case of a communication gap that frustrates policy intent and implementation. Mr. Carter has appealed to his MP for assistance for help with housing after the hurricane destroyed his previous dwelling five years ago. When asked what he thinks about the future and prospects for improvement he says, "God will work it out." He then laments that he is not working and therefore the future is not so bright. His children, but for the ones in USVI, do not help him. Those abroad only send him clothes, to which he says he needs food, "because if mi nuh have food ina mi belly nuh clothes caan stay on mi."*

*Mr. Carter's experiences and his present condition give exemplification to the situation of the chronic poor when they become elderly. He was the child of poor agricultural labourers. Although he went to school until age 17 he did not acquire any certification or skill that moved him beyond being a labourer. His mother's fertility behaviour (10 children) would have reinforced her material deprivation and lessened her capacity to improve her situation in life.*

*A lifetime of low income limited his ability to meet his manly responsibilities of caring for family and is quite likely related to the instability that seems to attend his relationship with women. He had five children with five different women with none of whom he has managed to maintain a relationship. According to him, "when yuh hear sey mi lef a woman, mi nuh turn back fi haar way again" (Once I have left a woman, I have no more dealings with her). This position amounts to a defence of ego in the face of the absence of a capacity that is associated with being a man. This approach to familial relationships can be misread as simple worthlessness and irresponsibility. While this factor cannot be said to be non-existent it should also be recognized that this type of behaviour can also be understood to be an adaptation to resource deprivation and constraint, informed by gender roles and expectations that prevail in the culture.<sup>31</sup> These ways of relating to his families of procreation probably account for the fact that his children provide limited support to him in his time of need.*

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<sup>31</sup> Mr. Carter's is the other side of the coin of the search for a long term and sustainable relationship with a man by poorer women, which results in their having a series of what turn out to be casual relationships.





## **CHAPTER 6 – THE LABOUR MARKET, INCOME AND POVERTY**

The economy of Antigua and Barbuda is highly integrated into the international economy, through tourism, financial and other services, from which it generates foreign exchange earnings, and through the range of imports that satisfy domestic demand and which is heavily weighted on goods and services from abroad. Its formal economy supplies employment and income for most of its population and includes both the traded and the non-traded goods and services sectors. The quality of life and the social and economic profile generated by the SLC/HBS on households in the country are the outward visible evidence of the relationship of members of the household to the formal economy.

Since income is a suitable indicator of achievable living standards and levels of consumption, this chapter forms an integral part of the analysis of living conditions of the residents of Antigua and Barbuda. The results of the SLC/HBS survey and the PPA provide insights into the structure of the labour market and the sources of income of households which allows for good understanding of the process of income generation and the impact on households of economic forces, both in terms of the real time implications and as well in respect of the prospects in the medium term.

### **6.1 LABOUR FORCE PARTICIPATION**

The data from the survey show that labour force participation increases with consumption quintile; higher consumption quintiles have higher rates of labour force participation than lower consumption quintiles, irrespective of gender (Table 6.1).

#### **6.1.1 MALE LABOUR FORCE PARTICIPATION**

The distribution of labour force participants across consumption quintiles by age and gender, shows that the distribution of males across quintiles improves with age then falls: 20.3 percent of 15-19 year old males who participate in the labour force belong to the poorest consumption quintile and only 7.6 percent belong to the Quintile V, while in the 45-49 and 50-54 year age groups, the situation was reversed – with 17.2 percent, and 15.0 percent, and 33.7 percent and 45.7 percent respectively in the lowest and highest consumption quintile (Table 6.2).

#### **6.1.2 FEMALE LABOUR FORCE PARTICIPATION**

In terms of female labour force participants in Antigua and Barbuda, the pattern is the same as with the males: 15-19 year old participants are more likely to be in the poorest quintile than any other single group and presence in Quintile V improves with age (Table 6.3).

Table 6.1: Labour Force Participation Rate by Sex and Consumption Quintile

Labour Force Participants/Gender		Per Capita Consumption Quintiles					Total	
		Poorest	II	III	IV	V	N	%
Male (15 years +)	Participant	14.7	15.7	21.6	22.6	25.4	18,602	100.0
	Non Participant	26.8	22.5	16.9	19.1	14.7	7,942	100.0
	Total (male)	18.3	17.8	20.2	21.5	22.2	26,543	100.0
Female (15 years +)	Participant	14.2	18.7	19.6	22.1	25.5	21,341	100.0
	Non Participant	21.0	19.9	17.5	22.5	19.2	14,052	100.0
	Total (female)	16.9	19.2	18.7	22.2	23.0	35,393	100.0

Table 6.2: Male Labour Force Participants by Consumption Quintiles According to Age

Male/ Five Year age groups	Per Capita Consumption Quintiles					Total	
	Poorest	II	III	IV	V	N	%
	%						
15-19	20.3	13.4	32.3	26.4	7.6	674	100.0
20-24	19.2	21.5	30.2	14.3	14.9	1,852	100.0
25-29	20.8	13.5	23.8	26.0	15.8	2,145	100.0
30-34	13.3	12.5	19.0	27.4	27.8	2,450	100.0
35-39	8.8	18.3	23.1	24.7	25.2	2,950	100.0
40-44	12.9	19.2	27.6	19.0	21.3	2,120	100.0
45-49	17.2	14.2	18.8	16.0	33.7	2,124	100.0
50-54	14.7	11.7	9.3	18.6	45.7	1,572	100.0
55-59	13.3	20.8	18.9	22.4	24.6	912	100.0
60-64	16.0	15.5	20.7	31.1	16.7	556	100.0
65+	74.6	65.7	61.2	137.3	135.8	1,248	100.0
Total	14.7	15.72	21.6	22.6	25.4	18,602	100.0

Table 6.3: Female Labour Force Participants by Age and Consumption Quintiles

Female/ Five Year age groups	Per Capita Consumption Quintiles					Total	
	Poorest	II	III	IV	V	N	%
	%						
15-19	14.3	34.5	10.2	31.3	9.5	600	100.0
20-24	15.8	24.5	15.3	22.0	22.3	2,622	100.0
25-29	11.1	24.8	23.5	17.3	23.3	2,327	100.0
30-34	21.7	20.3	17.8	20.5	19.8	2,747	100.0
35-39	9.5	16.0	23.2	25.3	26.1	3,642	100.0
40-44	12.4	16.5	16.7	24.4	30.1	3,799	100.0
45-49	19.4	17.7	27.6	17.5	17.8	1,699	100.0
50-54	8.1	15.3	23.8	21.7	31.2	1,962	100.0
55-59	9.1	9.9	14.2	27.1	39.6	1,098	100.0
60-64	12.7	7.2	7.2	13.7	59.5	402	100.0
65+	347.6	62.0	100.0	57.1	23.8	2.1	100.0
Total	14.2	18.7	19.6	22.0	25.5	21,341	100.0

### 6.1.3 LABOUR FORCE PARTICIPATION BY HOUSEHOLD HEADS

Table 6.4 presents the distribution of household heads by consumption quintile and labour force participation. For household heads collectively (both male and female), average labour force participation across quintiles was 70.1 percent, but the range between the two sexes was 12 percentage points, with average female head participation falling as low as 63.9 percent - 12 percentage points below the average for both sexes.

The data show that female heads of households in the poorest quintile are more likely to be participants in the labour force than male heads in the poorest quintile: 64.2 percent of females in the poorest quintile are in the labour force compared to 57.9

percent of their male counterparts. However, male heads had consistently higher participation rates than female heads in Quintiles II to V.

The low level of labour force participation among poor males appears to be due to perceptions of difficulty in finding jobs that are “men’s work” and to a lack of skills for the jobs that are available. This may be related to high reservation wages in a segmented labour market. At the lowest level of the labour market, there are jobs that are deemed to be male jobs and others female jobs. Some poor men may stay out of the job market (withdraw) in the face of a lack of male jobs. Participants in the PPA commented that:

*“Most of us are not equipped for the job market.”*

*“Lack of training tends to keep us in poverty.”*

Table 6.4: Household Heads by Labour Force Participation According to Consumption Quintile

Household Heads Sex		Per Capita Consumption Quintiles					
		Poorest	II	III	IV	V	Total
		%					
Male Household Heads	Participant	57.9	77.0	78.4	80.0	79.6	75.9
	Non Participant	42.1	23.0	21.6	20.0	20.4	24.1
	Total (%)	100	100	100	100	100	100
	Total (N)	2,320	2,523	3,048	3,328	4,648	15,867
Female Household Heads	Participant	64.2	68.9	71.4	57.6	61.6	63.9
	Non Participant	35.8	31.1	28.6	42.4	38.4	36.1
	Total (%)	100	100	100	100	100	100
	Total (N)	2121	2350	2513	3372	4531	14,887
Total (Both Sexes) Household Heads	Participant	60.9	73.1	75.2	68.7	70.7	70.1
	Non Participant	39.1	26.9	24.8	31.3	29.3	29.9
	Total (%)	100	100	100	100	100	100
	Total (N)	4441	4872	5562	6700	9179	30754

In the PPA men admitted that they employed a number of strategies to meet their needs and to survive. Among these were saving, hustling, doing odd jobs, engaging in illegal activity, working at more than one job, and trying to live within their means. A few even turned to alcohol.

*"I survive by any means as necessary, I do odd jobs, sell herb, go fishing...."*

*"We help out each other."*

*"I try to live within my means."*

*"I work at more than one job."*

In the view of the men who participated in the PPA, lack of stable employment and the poverty and vulnerability it creates, threatens their sense of masculinity, affects their relationships with women, and their ability to perform their role as provider for their families, and consequently has a negative effect on family life.

*'Family life is important, but poverty affects it.'*

*No woman would want to associate with you if you poor.'*

*'Poverty marginalizes men.'*

*"As a man you can't meet your demands."*

#### 6.1.4 NON PARTICIPANTS BY SEX AND AGE

Non participants are more likely to belong to the 15-19 and the 65 and over age groups, irrespective of sex, but females were almost twice as likely to be outside of the labour force than males (14, 052 compared to 7,942). Of all male non-participants, 35.0 percent were in the 15-19 age-group. Female non-participants were less likely to belong to the 15-19 age-group than their male counterparts, but in the 30-49 year age groups, females were more likely to be outside of the labour force than males (Table 6.5).

Table 6.5: Persons 15+ Outside the Labour Force by Sex and Age Group

Five Year Age Groups	Sex		Group Total
	Male	Female	
	%	%	%
15-19	35.03	23.32	27.55
20-24	6.09	6.85	6.58
25-29	3.58	2.44	2.85
30-34	0.37	4.66	3.11
35-39	2.27	3.32	2.94
40-44	2.88	5.29	4.42
45-49	2.61	6.34	4.99
50-54	4.16	3.73	3.88
55-59	2.35	3.53	3.1
60-64	7.88	8.33	8.17
65+	32.79	32.19	32.41
Group Total	100	100	100
Total	7,942	14,052	21,994

The thrust to universalize secondary education would have increased participation of the age-cohort 15-19 in the educational system. Moreover, there is a growing participation in post-secondary and tertiary among this group, as some degree of preparation at this level is deemed appropriate for labour market entry in the better rewarded occupations. The data in Table 6.6 suggest that 32.6 percent of male non-participants and 23.0 percent of female non-participants are enrolled in classes. In respect of the 65 years of age and older, most would be non-participants by reason of their having retired formally from the labour market.

Table 6.6: Non participants by Status of Enrollment in Classes

Attending Classes	Non Participant Sex		
	Male	Female	Total
	%		
Yes	32.6	23.0	26.5
No	66.3	75.7	72.3
Not Stated	1.1	1.2	1.2
Total (%)	100	99.9	100
Total (N)	7,942	14,052	21,994

#### 6.1.5 NON PARTICIPANTS BY SEX AND EDUCATIONAL ATTAINMENT

Table 6.7 provides data on non-participants in the labour force by educational attainment and sex. Most non participants had attained at least primary level education (30.3%), while a large percentage had attained secondary level education (23.5%). Of females not in the labour force, a large proportion had attained secondary

level education: thus, it is possible that if the labour market conditions were to improve, there may well be some 'additional worker' effects. The high non response rate suggests that caution should be taken in interpreting the results in this table.

**Table 6.7: Non-Participants by Sex and Educational Attainment**

Highest Level Education	Sex		
	Male	Female	Total
	%	%	%
None	0.3	0.4	0.4
Nursery	0	0	0
Pre School/Kindergarten	0	0	0
Special Education	0	0.2	0.1
Primary	26.5	32.4	30.3
Secondary	18.3	26.4	23.5
ASC	2.5	2.2	2.3
University	3.3	2.6	2.8
ABBIT	0	0	0
Hotel School	0	0.2	0.1
Vocational/Technical Institution	1.9	0.7	1.1
Other	1.8	1.5	1.6
Not Stated	45.3	33.4	37.7
Total (%)	100	100	100
Total (N)	7,942	14,052	21,994

## 6.2 EMPLOYMENT STATUS

Table 6.8 presents data on the employment status of household heads in the labour force by sex and socio-economic status. The data show that of all unemployed male household heads 6.4 percent unemployment rate for male household heads in the poorest quintile, 4.2 percentage points higher than the average for the group.

Female household heads experienced a 3.3 percent unemployment rate across all quintiles, with unemployment in the poorest quintile at 5.5 percent.

While the unemployment rate was found to be low among household heads, this did not appear to translate to an escape from poverty. In other words, it may mean that household heads could not afford to be unemployed. Thus, while the employment being created might not have led to jobs that are rewarding to many labour force participants, they were left with little option but to take these and, where possible, seek two or more jobs to secure income more in keeping with their needs.

Information collected in the PPA suggests that while unemployment might not have been their problem, the incidence of poverty among the ranks of the employed (the working-poor) made it difficult to take care of their families and many found themselves feeling trapped.

*"I working but can't afford most things."*

*"If month end was one day more you would die of hunger."*

*"You work but can barely meet the basic needs."*

Table 6.9 provides data on the distribution of unemployment by age cohort and sex. The data show that unemployed males are more likely to be poor than unemployed females, and young males (under the age of 30) are disproportionately affected: 30.6 percent of unemployed males are poor, compared to 18.8 percent of unemployed females.

Table 6.8: Distribution of Household Heads in Labour Force by Employment Status and Quintiles

Sex		Per Capita Consumption Quintiles					Group Total
		I	II	III	IV	V	%
		%					
Male	Employed	93.6	100.0	96.4	97.8	99.1	97.8
	Unemployed	6.4	0.0	3.6	2.2	0.9	2.2
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
	Total(N)	1,344	1,943	2,390	2,662	3,700	12,039
Female	Employed	94.5	100.0	96.6	92.9	98.5	96.7
	Unemployed	5.5	0.0	3.4	7.1	1.5	3.3
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
	Total (N)	1,363	1,620	1,795	1,943	2,790	9,509
Both Sexes	Employed	94.0	100.0	96.5	95.8	98.8	97.30
	Unemployed	6.0	0.0	3.5	4.2	1.2	2.70
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
	Total (N)	2,707	3,562	4,184	4,605	6,490	21,548

Table 6.9: Unemployed (15 +) by Age, Sex and Socio-economic Status

Five Year Age Groups	Sex							
	Male				Female			
	Poor	Non Poor	Total		Poor	Non Poor	Total	
	%	%	%	N	%	%	%	N
15-19	25.0	75.0	100	115	0	0	0	0
20-24	17.6	82.4	100	182	0	100	100	141
25-29	80.8	19.2	100	150	0	100	100	147
30-34	0.0	0.0	0.0	0	75.7	24.3	100	118
35-39	0.0	100	100	29	25.6	74.4	100	125
40-44	0.0	100	100	32	0	100	100	89
45-49	0.0	100	100	64	0	100	100	112
50-54	0.0	0.0	100	0	37.4	62.6	100	114
55-59	0.0	100	100	25	0	100	100	29
60-64	0.0	100	100	25	0	0	0	0
65+	44.7	55.3	100	58	0	0	0	0
Total	30.6	69.4	100	680	18.8	81.2	100	874



The data in Table 6.10 which shows the distribution of the unemployed by District suggests that unemployed persons were more likely to be resident in St. John's city and St. John's Rural than any other district and were more likely to be poor when compared to unemployed persons resident in other districts. St. John's City, St. John's Rural and St. Philip together accounted for all poor unemployed males.

### 6.3 EMPLOYMENT BY SECTOR/INDUSTRY

Table 6.11 provides some insights on the differential participation of the quintiles in the sectors of the labour market. Firstly, the higher the quintile the larger the number of workers, which is the complement to the fact that poorer households would have had more children, and would also have faced higher unemployment, leading to some labour market withdrawal. Of those in the poorest quintile, 5.3 percent was engaged in Agriculture, higher than in any other quintile.

The Services Sector was the largest single employer, including for the poorest quintile, where it accounted for 29.5 percent of the employed. Some 44 percent of those in quintile V were employed in this sector.

Hotels and Restaurants accounted for a slightly higher proportion of employment in the poorest quintiles than in quintile V. Those at the lower end of the spectrum would have faced the travails of seasonality of employment of the sector: while it is labour intensive, the period April to November tends to be a lean period in the resort industry. Significant numbers of women are employed in this sector, and at its lower end, so that their experience of poverty could be more intense and harsher in the low season. Mostly women in the poorest quintile would have been occupied in the provision of cleaning and maintenance services in this sector.

Table 6.10: Unemployed by Sex and District

District	Sex					
	Male			Female		
	Poor	Non Poor	Total	Poor	Non Poor	Total
	%	%	%	%	%	%
St. John's City	41.5	18.3	25.3	35	48.6	46
St. John's Rural	46.1	33.8	37.6	38.9	13.5	18.3
St. George	0	0	0	26.1	6	9.8
St. Peter	0	7.3	5.1	0	4.9	3.9
St. Philip	12.4	0	3.8	0	0	0
St. Paul	0	10.8	7.5	0	10.7	8.7
St Mary	0	24.5	17	0	16.3	13.2
Barbuda	0	5.4	3.7	0	0	0
Total (%)	100	100	100	100	100	100
Total (N)	208	472	680	164	710	874

Table 6.11: Distribution of Employed Persons by Industry and Quintiles

Industry	Per Capita Consumption Quintiles					Total %
	Poorest	II	III	IV	Richest	
	%					
Agriculture	5.3	2.1	2.5	2.3	2.4	2.7
Manufacturing	0.5	1.4	1.3	1.7	1.30	1.3
Construction	10.9	14.2	14.7	11.9	5.5	11.0
Wholesale and Retail	1.2	2.2	4.4	4.1	4.7	3.6
Hotel and Restaurant	7.9	9.8	11.4	7.5	6.6	8.5
Transportation	1.2	1.6	1.2	3.8	3.9	2.6
Services	29.5	33.9	34.8	38.5	44.1	37.3
Admin/Social Sec./Gov/Medical	14.4	12.9	8.4	12.2	12.3	11.9
Education	1.1	4.8	6.7	7.6	8.2	6.2
Other	27.8	17.0	14.5	10.5	11.1	14.8
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	4,982	6,681	7,310	8,630	10,288	37,892

The nondescript category 'other' employed the next largest percentage among the poorest quintile. This is likely to have been in the area of elementary occupations which provide lower level incomes.

The results from the PPA provided evidence of the role of informal sector as well as of underground economic activities and of low level elementary occupations in the lives of the poor in the society. People admitted to surviving 'by any means necessary' saying that men may resort to 'hustling' and to 'drug trafficking', and women to 'prostitution' - in effect, exposing themselves to a number of risks. In the case

of the former, there is the risk of being "caught" breaking the law, and in the case of the latter, there are the risks of pregnancy and of contracting STDs and/or HIV/AIDS.

The distribution of workers by type is shown in Table 6.12. Generally, there was a tendency for the percentage of workers employed as paid employees of Government to fall as socio-economic status improves. On the other hand, improved socioeconomic status seemed to have been associated with employment by a Statutory Agency: 1.2 percent of the poorest quintile was employed by a Statutory Agency, compared to 3.9 and 3.8 percent of the

fourth and fifth quintiles respectively. In addition, a higher the socio-economic status, is associated with self-employed status or self employed with employees.

The Government is a significant employer for all quintiles and more so for the lowest quintile. This would present challenges in the context of the current requirement for rationalizing the public sector, to treat with the fiscal problem: one outcome may be an increase in the number of women who would lose an income on which they could depend, and an increase in the number of unemployed women and those seeking alternative income earning opportunities. The challenge is in the creation of a dynamic in the rest of the economy such that more workers can be absorbed in market oriented productive activity, and

especially in export-oriented activities that are competitive.

The fact that the Government has been highly indebted and was involved in the provision of jobs for large sections of the poor, implies that there would have been some crowding out of private sector activity. The transition to more private sector driven activity is likely to increase poverty in the short run as state employment is reduced, especially when it is targeted at those who may lack the skills to sustain themselves, and face unemployment or underemployment as the structure of the economy adjusts. The workers that may have to be shed in state related employment may not be readily employable in the new industries that have to be encouraged.

Table 6.12: Distribution of Employed Persons by Type of Worker and Quintiles

Type of Worker	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Paid Employee – Government	30.6	26	22.6	25.5	28.1	26.4
Paid Employee – Statutory	1.2	2.3	2.4	3.5	3.6	2.8
Paid Employee – private	48.5	58.9	57.3	53.9	50	53.7
Self employed without employees	11.9	7.5	11.1	8.5	6.2	8.7
Self employed with employees	1.6	1.1	1.9	4.2	8	3.8
Unpaid family worker	0	0	0	0	0.3	0.1
Other	0.9	1.3	0	0	0.3	0.4
Not Stated	5.3	3	4.7	4.3	3.6	4.1
Total (%)	100	100	100	100	100	100
Total (N)	5,369	6,729	7,719	8,667	9,998	38,481

## 6.4 INCOME SOURCES

Another important issue is the structure of distribution in the economy created by the differential access to sources of income. The tradition in poverty studies is to ignore totally the data on income on the basis of the fact that there tends to be considerable under-reporting of income by some and over-reporting by others. The direction of bias is unknown. The present exercise did yield some data that seem to invite examination, if only by way of indication of the need for further research.

Table 6.13 illustrates the distribution of income by source according to per capita

consumption quintile. For the country as a whole, wages and salaries accounted for 27 percent of total incomes, but there was much disparity among quintiles. Quintile V drew only 21.8 percent of their income from this source, compared to 42 percent for the lowest quintile.

According to the data, remittances from abroad accounted for 1.6 percent of the incomes of the poorest quintile. Clearly, this could be an area of under-reporting, though not necessarily deliberately so. In addition, while the poorest quintile was the largest recipient of public assistance, this source accounted for just 1.5 percent of their incomes.

Table 6.13: Distribution of Income by Source and Per Capita Consumption Quintile

ITEM	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	Richest	TOTAL
	%	%	%	%	%	%
Amount Received In Wages And Salary	42	20.3	28.5	34.2	21.8	27
Amount Received In Wages And Salary From Other Job	0.1	0.6	0.3	6.5	1.5	2.4
Amount From Remittances From Abroad	1.6	8.2	3.6	5.7	4.7	5
Rental Income Received	0.8	0	0.2	6.5	14.3	7.6
Other Entrepreneurial Income	-	-	2.4	1.3	2.8	1.9
Dividends On Local And Foreign Income	-	-	-	-	3.8	1.6
Interest On Local And Foreign Bank Deposits	-	-	1	0	2.3	1.1
Government Retirement Pension	5.6	15.5	4.5	6.7	7.1	7.5
Pension From Other St Lucian Employer	-	2	2.6	1.8	3.2	2.4
Pension From Foreign Former Employer	0	6.4		1.4	8.9	4.8
Social Security	4.1	3.2	3.8	4.2	5.6	4.6
Insurance Annuities	0	-	0.4	0.7	3.8	1.8
Public Assistance	1.5	0.4	-	-	0	0.2
Child Support	16.1	15.1	13.8	10.2	4.2	9.2
Alimony	1.2	-	19.1	1.6	0.1	3.6
Financial Aid	0.4	0.4	0.3	0.2	2.5	1.2
Scholarships	-	-	-	0.1	1.8	0.8
Interest From Investments	-	-	-	-	0.1	0.1
Other Income	26.6	28	19.6	18.8	11.4	17.5
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Table 6.14 gives the distribution of income by type going to the respective quintiles. The richest quintile received the largest share of the income derived by way of wages and salaries – almost 60 percent of all wages and salaries – while the poorest quintile which was the one most reliant on this source of income received just over ten percent (10.2 percent) of the wage and salary income in the society. The poorest quintile received 5.7 percent of the social security payments, and the percentage received by quintiles improved according to socio-economic status. The lower the quintile, the more likely was it that workers would have been in occupations or sectors with fewer formal sector arrangements and with a lower probability of consistent contributions to the social security scheme. On the other hand, public assistance payments went in large measure to the poorest quintile (61.5 percent).

Interestingly, the richest quintile accounted for 39.24 percent of the remittance income and 77.6 percent of rental income. Local and foreign dividend income which was 1.58 percent of total income received by households went entirely to the richest quintiles. This quintile also secured 86 percent of the income from local and foreign banks.

Another important finding was in respect of Financial Aid and Scholarships. The bulk of allocations to these areas seem to have been directed at quintile V. This quintile received 97.8 percent of all income provided in the form of scholarships and 87.3 percent of Financial Aid income.

Discussions in the PPA identified the phenomenon of children in poor households not being able to access or to benefit fully from educational opportunities because of parents' inability to send them to school every day, and to provide them with food, books and other necessities. Their ability to learn would be constrained by material deficiencies, and by other forms of deprivation related to living in poverty. Given the concern of the society to improve distribution and to encourage the participation of the poor in higher education and training in preparation for the knowledge economy of the 21<sup>st</sup> century, there will be need to examine the extent to which the existing structure is oriented to improving human resource development and equity in the society. Given that there tend to be inherent problems with data on income, these findings have to be treated as indicative tendencies, that should be useful to policy-makers and researchers seeking to delve further into the structure of distribution in the economy and society of Antigua and Barbuda.

## **6.5 HOURS WORKED**

Table 6.15 below reflects the number of hours worked by the poor in the reference period (the week preceding the survey). The data show that 79.5 percent of persons worked regular hours (35-40 hours), while 13.3 percent of persons worked more than 40 hours. Some of the latter may have been working at more than one job.

Table 6.14: Distribution of Income by Type to Respective Quintiles

ITEM	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	TOTAL
	%					
Amount Received In Wages And Salary	9.8	8.7	17.2	31.1	33.2	100.0
Amount Received In Wages And Salary From Other Job	0.4	3.0	2.0	68.3	26.4	100.0
Amount From Remittances From Abroad	2.0	19.0	11.8	27.9	39.2	100.0
Rental Income Received	0.7	0.1	0.4	21.2	77.6	100.0
Other Entrepreneurial Income	0.0	0.0	20.7	17.3	62.0	100.0
Dividends On Local And Foreign Income	0.0	0.0	0.0	0.0	100.0	100.0
Interest On Local And Foreign Bank Deposits	0.0	0.0	14.0	0.0	86.0	100.0
Government Retirement Pension	4.7	23.9	9.9	22.1	39.4	100.0
Pension From Other St Lucian Employer	0.0	9.5	17.7	18.6	54.2	100.0
Pension From Foreign Former Employer	0.0	15.4	0.0	7.4	77.2	100.0
Social Security	5.7	8.0	13.5	22.6	50.2	100.0
Insurance Annuities	0.0	0.0	3.4	9.2	87.4	100.0
Public Assistance	61.5	27.6	0.0	0.0	10.9	100.0
Child Support	11.0	18.9	24.4	27.1	18.7	100.0
Alimony	2.1	0.0	86.7	10.7	0.6	100.0
Financial Aid	1.9	3.6	4.0	3.2	87.3	100.0
Scholarships	0.0	0.0	0.0	2.2	97.8	100.0
Interest From Investments	0.0	0.0	0.0	0.0	100.0	100.0
Other Income	9.6	18.5	18.4	26.4	27.1	100.0
<b>Total</b>	6.3	11.5	16.3	24.5	41.3	100.0

Table 6.15: Hours Worked by the Poor in Reference Week

Hours Worked	Frequency	Percent
1-8 hours	29	0.6
9-16 hours	118	2.5
17-24 hours	29	0.6
25-34 hours	167	3.5
35-40 hours	3778	79.5
41-50 hours	481	10.1
52-60 hours	150	3.2
<b>Total</b>	4752	100

## 6.6. COPING STRATEGIES

Low income and the consequential limits in various income sources in providing for the needs of persons, especially in the lower quintiles, triggered differential responses. In Urlings and John Hughes, two of the communities studied in the PPA, low income earners alluded to their predicament in the face of the high cost of utilities - presumably escalating with the movement in the international price of oil - and their inability to pay their bills.

*'The cost of living too high and wages too low'*

*'We can't afford to pay the bills'*

*'The money you get goes back into food and bills.'*

Although unemployment was low among residents in some rural communities like Ebenezer, John Hughes, Urlings and Wilikies, there were pockets of unemployment among the youth, especially young males, some of whom resorted to the drug trade as a source of income. It might well be that the formal sector was inadequate to absorb the quantities of youth entering the labour market, or that young people were not equipped with the education and skills required. There were allusions that suggested enough of a demonstration effect from drug-trafficking to encourage the more venal to this path rather than search for low income in elementary occupations.

Residents in a number of communities expressed concern about the emergence of a drug culture:

*'Some young people who cannot get work may turn to crime and drugs for their income.'*

In Bendals, residents noted that:

*'Illegal drugs were never a big thing in the community, but today nearly everyone is trying drugs to get rich.'*

In Point, Potters and Clare Hall, residents noted the emergence of 'drug houses'.

Like the labour market, the underground economy is also segmented by gender, and while there are women who are also involved in the drug trade, the latter is dominated by males. In the face of economic difficulties and poverty, females, including several who are single mothers, are more likely to be engaged in the sex trade, contractual sex and prostitution.

*'.... they have to sell their bodies to provide for their children.'*

There was perhaps a certain coherence in participation in the underground economy in a country where per capita income is high enough to provide a market for the international narcotics trade, at the same time as its location in the Caribbean Sea and as an airline hub make it ideal as a transshipment centre. Limited resources for policing have reduced the costs of entry into this market for youth who have not had the level of education and training to secure good formal sector jobs. The underground economy, in spite of the risks, beckoned participation. There is evidence that participation in the underground is becoming institutionalized such that it no longer attracts the level of social opprobrium that it once did.



Households in difficult economic circumstances did not all have recourse to underground activities. Several of the communities in the PPA identified remittances from relatives abroad in providing them with some of their needs. In Bendals, residents organized box or 'su su' in mobilizing resources for revolving credit. Also, credit at shops in the local district helped tide them over rough times, but residents were acutely aware of the trap to which they could succumb:

*'Credit is easy to get but it keeps you in poverty because you pay more when you credit.'*

*'You will always be owing somebody.'*

There is evidence that intra-community support systems are still at work and residents can secure the help of neighbours, friends and relatives in the face of economic challenges.

*'Some people may get help from family and friends.'*

Parents are sometimes forced to keep elder children at home to assist in the care of

younger ones, with possible negative impact on performance in school. Therefore, they run the risk of recreating the conditions for intergenerational poverty.

*'Children have to stay home to help, so they miss school.'*

In sum, the labour market remains the primary source of income for most households and more so for those in the poorest quintile. In mounting any attack on poverty, it will be necessary to adopt measures that improve incomes from sustainable employment. The challenge faced by a small open economy is in developing those sectors that can provide the jobs generating internationally competitive goods and services. Failure in that regard would encourage some number, including young entrants to the labour market, to join the underground economy which, through its international connections, has been attractive and rewarding enough to serve as a counterpoint to participation in the formal economy.



## **CHAPTER 7 - EDUCATION AND HEALTH**

The provision of education at the primary and secondary levels and increasingly at the post-secondary level and the development of universal primary health care systems, and the complement of good hospital care, have come to be viewed as a critical elements in the assessment of the contribution of any government to the development of the country. This Chapter assesses the performance of the educational and health care systems, to the extent that data from the SLC/HBS and of the PPA permit of insights thereof.

### **7.1 EDUCATION**

Low levels of investment by family and society in the education and development of disadvantaged children translate into poorer outcomes, including reduced employment and lower wages, higher and earlier rates of fertility and non-marital child-bearing, with all the concomitant risks to family health and well-being. Thus, the nature of the education system, from preschool through high school, forms a major part of any research on poverty and poverty reduction strategies.

#### **7.1.1 ENROLLMENT AND ATTENDANCE**

Table 7.1 shows the distribution across quintiles of children enrolled in school. The data show that 4.5 percent of children 5-19, enrolled in school are indigent, and another 21.1 percent is poor (i.e. they live in households with per capita consumption falling below the poverty line but not below the indigence line). The situation is

marginally worse for boys than for girls – 26.4 percent of enrolled boys are poor or indigent compared to 24.7 percent of enrolled girls.

Table 7.2 and 7.3 show the results by age, sex and geographic location for children that are not attending school. The data show that an estimated 178 children between the ages of 5 and 14 are not attending school, and boys are almost twice as likely to be not-attending than girls.

A closer look at the socioeconomic distribution of those not attending school attests to the fact that the indigent are not among them, but that rather it is the non-indigent poor (67.9%) and the vulnerable (32.1%) that constitute those not enrolled. Further, those not attending school appeared to be concentrated in St John's Rural, and St. Paul's. One hypothesis is the in respect of the former area, the children of immigrants may be dominant among them.

Table 7.4 and 7.5 show the findings of the survey in respect of enrolled students that missed school in the week preceding the survey (the reference period). The data show that girls are marginally more likely to have missed school than boys overall, and absent girls were more likely to belong to the non-poor than absent boys. Most students cited illness as their reason for absence from school: only a small percentage of students stated financial problems as the main reason for non-attendance.

Table 7.1: Distribution of Enrolled Children by Age Cohort and Socio-economic Group

Five Year Age Groups	Indigent	Poor	Vulnerable	Non- poor	Total	Total
	%					N
Male						
5-9	4.0	25.6	15.7	54.8	100	3,054
10-14	4.4	22.4	13.1	60.1	100	4,303
15-19	3.3	18.7	21.1	56.9	100	2,511
Total	4.0	22.4	15.9	57.7	100	9,868
Female						
5-9	3.2	20.7	6.2	69.9	100	2,886
10-14	5.8	19.8	11.4	63	100	4,584
15-19	5.2	19	15.5	60.3	100	3,021
Total	4.9	19.8	11.2	64.1	100	10,491
Both Sexes						
5-9	3.6	23.2	11.1	62.1	100	5,941
10-14	5.1	21	12.2	61.6	100	8,886
15-19	4.4	18.8	18.1	58.7	100	5,533
Total	4.5	21.1	13.5	61	100	20,360

Table 7.2: Children (aged 5-14) Out of School by Age Cohort and Socio-economic Group

Age Group	Indigent	Poor	Vulnerable	Non Poor	Total	
	%				N	%
Male						
5-9	0	55.6	44.4	0	57	100
10-14	0	100	0	0	57	100
Total	0	77.8	22.2	0	115	100
Female						
5-9	0	50	50	0	64	100
10-14	0	0	0	0	0	0
Total	0	50	50	0	64	100
Both Sexes						
5-9	0	52.7	47.3	0	121	100
10-14	0	100	0	0	57	100
Total	0	67.9	32.1	0	179	100

Table 7.3: Children (5-14) Out of School by District and Socio-economic Group

District	Indigent		Poor		Vulnerable		Non Poor		Total	
	N	%	N	%	N	%	N	%	N	%
St John's City	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
St John's Rural	0	0.0	96	75.0	32	25.0	0	0.0	128	100.0
St George	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
St Peter	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
St Philip	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
St Paul	0	0.0	25	100.0	0	0.0	0	0.0	25	100.0
St Mary	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Barbuda	0	0.0	0	0.0	25	100.0	0	0.0	25	100.0
Total	0	0.0	121	67.9	57	32.1	0	0.0	178	100.0

Table 7.4: Children (5-14) Enrolled in School and Missed at Least One Day in Reference Period

Five Year Age Groups	Socio Economic Status								Total	
	Indigent		Poor		Vulnerable		Non Poor			
	N	%	N	%	N	%	N	%	N	%
Male										
5-9	32	13.0	57	23.4	0	0.0	156	63.6	246	100.0
10-14	0	0.0	54	32.3	0	0.0	114	67.7	168	100.0
Total	32	7.7	112	27.0	0	0.0	270	65.3	414	100.0
Female										
5-9	0	0.0	32	16.8	32	16.8	126	66.4	190	100.0
10-14	0	0.0	51	19.3	0	0.0	214	80.7	265	100.0
Total	0	0.0	83	18.3	32	7.0	340	74.7	455	100.0
Both Sexes										
5-9	32	7.3	89	20.5	32	7.3	283	64.8	436	100.0
10-14	0	0.0	106	24.4	0	0.0	328	75.6	433	100.0
Total	32	3.7	195	22.4	32	3.7	610	70.2	869	100.0

Table 7.5: Enrolled Students that Missed School at Least One Day  
by Reason for Absence from School

Reason for Not Attending School in last 5 days	Socio Economic Status									
	Indigent		Poor		Vulnerable		Non Poor		Total	
	N	%	N	%	N	%	N	%	N	%
Illness	32	8.0	115	28.8	32	8.0	221	55.2	400	100.0
Menstrual Problems	0	.0	0	.0	0	.0	29	100.0	29	100.0
Financial Problems	0	.0	29	100.0	0	.0	0	.0	29	100.0
Not worth going	0	.0	0	.0	0	.0	34	100.0	34	100.0
School closed/holidays	0	.0	0	.0	0	.0	171	100.0	171	100.0
Truant/Delinquent (no reason)	0	.0	25	46.9	0	.0	29	53.1	54	100.0
Other	0	.0	0	.0	0	.0	102	100.0	102	100.0
Not stated	0	.0	26	50.4	0	.0	25	49.6	51	100.0
Total	32	3.7	195	22.4	32	3.7	610	70.2	869	100.0

### 7.1.2 SCHOOL FEEDING AND TEXTBOOK PROGRAMMES

At the time of the survey, a school feeding programme had been only recently introduced, on a phased basis, with a select group of schools. The data suggest that where a meal service is available, persons are required to pay to access the service (Table 7.6). Thus few among the poor and none among the indigent said that they receive a meal from the service. Those who said they received a meal from the service appeared to be concentrated in St John's City (17.5%), St. John's Rural (25.9%) and St Paul's (20.6%) (see Table 7.7).

Students generally owned and had exclusive use of the required textbooks (Table 7.8). Even in the poorest quintile,

84.2 percent of students reportedly had all textbooks, and only 7.7 percent said that they had only "some" of the books. It is interesting that the percentage of students with "none of the required books" did not appear to fall with increasing per capita consumption quintile: 6.9 percent of those in the poorest quintile said that they had none of the books, but so did 10.2 percent of those in quintile IV and 6.4 percent of those in quintile V.

Table 7.9 shows textbook access by geographic distribution. The data show that St George and St Mary and to a lesser extent St Peter have the highest concentration of students who have either only some or none of the required textbooks.

Table 7.6: School Feeding Programme Availability and Access by Socio-economic Status

School Feeding Service	Socio Economic Status					
	Indigent	Poor	Vulnerable	Non Poor	Total	
	%	%	%	%	N	%
School Feeding Programme Available						
Yes	0	8	15.1	77	763	100
No	4.5	20.4	13.5	61.5	23450	100
Not Stated	0	1.6	5.6	92.8	1643	100
Total	4.1	18.9	13.1	64	25856	100
Pay for School Feeding Service						
Yes	0	7.5	6	86.5	427	100
No	0	0	23.4	76.6	247	100
Not Stated	0	21.7	24.2	54.1	132	100
Total	0	7.5	14.3	78.2	806	100
Receives Meal Or Snack From This Service						
Yes	0	6.5	5.2	88.4	494	100
No	0	0	27.7	72.3	209	100
Not Stated	0	27.8	30.9	41.3	104	100
Total	0	7.5	14.3	78.2	806	100

Table 7.7: Meal Service Access by District

Receives Meal Or Snack From This Service	District								
	St John's City	St John's Rural	St George	St Peter	St Philip	St Paul	St Mary	Barbuda	Total
	%								
Yes	17.5	25.9	0	14	5.2	20.6	11.7	5.2	100
No	27.5	0	20.5	0	0	24.3	27.7	0	100
Not Stated	27.8	30.9	41.3	0	0	0	0	0	100
Total	21.4	19.8	10.6	8.6	3.2	18.9	14.3	3.2	100

Table 7.8: Textbook Access by per capita Consumption Quintiles

Has All Textbooks Required For School	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes, has books for exclusive use	84.2	83.1	81.5	79.5	63.6	80.0
Yes, but shares with other family members	0	1	0.4	0	0	0.3
Has only some books	7.7	6.8	6.1	3.4	5.8	6.2
Has none	6.9	5.9	7.3	10.2	6.4	7.2
Not Stated	1.2	3.3	4.6	7	24.2	6.3
Total	100	100	100	100	100	100
Total (N)	6,600	6,068	5,771	4,112	3,305	25,856

Table 7.9: Textbook Access by District

Has All Textbooks Required For School	Parish								
	St John's City	St John's Rural	St George	St Peter	St Philip	St Paul	St Mary	Barbuda	Total
	%								
Yes, has books for exclusive use	81.6	84	65.9	77.2	87.5	76.6	75.9	80	80
Yes, but shares with other family members	0	0	0	0	0	0	2.3	6.7	0.3
Has only some books	7.9	3.6	22.7	5.3	2.1	4.7	1.1	0	6.2
Has none	3.6	6.7	4.5	10.5	2.1	8.4	20.7	6.7	7.2
Not Stated	6.9	5.8	6.8	7.0	8.3	10.3	0	6.7	6.3
Total (%)	100	100	100	100	100	100	100	100	100
Total (N)	7,961	7,193	1,883	1,965	1,240	2,718	2,513	382	25,856



### 7.1.3 MODE AND DISTANCE TRAVELLED TO SCHOOL

Table 7.10 shows the normal mode of transportation for students attending school. The data show a close relationship between mode of transportation and per capita consumption. The proportion of students that walk to school falls as per capita consumption increases, while those that get to school via bus/minibus or private transport increases with per capita consumption quintile.

Just under 19 percent of primary school students take less than ten minutes to get to school. Most students take 20 minutes or less to get to school: 80.3 percent of primary level students and 72.2 percent of secondary level students get to school in 20 minutes or less (Tables 7.11 and 7.12). This suggests that primary schools and secondary schools are reasonably well distributed across the country such that most students live in relatively close proximity to their schools, with primary schools in closer reach compared to secondary schools.

Table 7.10: Normal Mode of to School

Normal Mode of Travel to School	Per Capita Consumption Quintiles						
	Poorest	II	III	IV	V	Total	Total
	%						N
Walking	56.6	43.1	40.1	25.3	16.6	40.5	9,796
Cycling	1.6	0.0	0.0	0.0	0.0	0.4	102
Taxi	0.0	0.0	0.0	0.0	0.0	0.0	0
Bus/Minibus	31.8	35.0	27.2	26.9	16.6	29.2	7,058
Private Transport	9.1	20.3	31.6	46.2	64.2	28.4	6,872
Other	1.0	1.6	1.0	1.6	2.5	1.4	340
Not Stated	0.0	0.0	0.0	0.0	0.0	0.0	0
Total	100.0	100.0	100.0	100.0	100.0	100.0	24,167

Table 7.11: Mean Time in Minutes to Get to School – Primary School Students

Time Taken to Get to School (Minutes)	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Under 10 Minutes	27.1	18.7	14.9	9	12.1	18.5
11-20 Minutes	62.2	66.9	56.3	71	49.5	61.8
21-30 Minutes	7.1	8.4	19.3	13.6	27.7	13.1
31-60 Minutes	3.6	5.9	6.3	6.4	7.7	5.6
Over 1 Hour	0	0	1.1	0	0	0.3
Not Stated	0	0	2.1	0	3	0.8
Total	100	100	100	100	100	100

Table 7.12: Mean Time in Minutes to Get to School - Secondary School Students

Time Taken to Get to School (Minutes)	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Under 10 Minutes	4.4	4.9	9	2.4	0	4.7
11-20 Minutes	76.7	65.8	61.5	65.1	64.5	67.5
21-30 Minutes	9.3	24.4	17.6	23.6	31.8	19.5
31-60 Minutes	8.2	3.3	11.9	6.8	3.6	7.1
Over 1 Hour	0	0	0	0	0	0
Not Stated	1.5	1.6	0	2.1	0	1.1
Total	100	100	100	100	100	100

### 7.1.4 ADULT LITERACY

The figures for functional adult literacy (15 years and above) for Antigua and Barbuda are high; most adults can read and write irrespective of consumption quintile or sex (Table 7.13).

### 7.1.5 EDUCATIONAL ATTAINMENT

Table 7.14 provides information on educational attainment by per capita consumption quintiles. The data show that persons in the poorest quintile were less likely to have achieved levels of education beyond the secondary compared to those in higher consumption quintiles.

Table 7.15 and the related tables by sex, located in the statistical tables in Volume III, give the distribution of heads of households by quintile and highest examination passed. There are a few areas in which there is a disparity between male and female heads.

In the richest quintile, males were more likely to have secured university degrees - undergraduate and post-graduate. Generally, as expected, improved educational attainment is associated with higher socio-economic status. Those in the higher quintiles generally achieved higher levels of education, and in the poorest quintile, the vast majority would have passed no examination, irrespective of gender.

The situation in respect of the achievement of technical and vocational training by quintiles is shown in Table 7.16. For the country as a whole, 58.0 percent of persons 15 years and over had no technical or vocational training, and the distribution by quintile suggests that the higher the quintile, the more likely that the respondent would have had technical or vocational training.

Table 7.13: Literacy of Population 15 Years and Above by Sex and Consumption Quintile

Functional Literacy (Individual Can Read and Write)	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Male						
Yes	98.7	98.3	98.9	96.1	99.1	98.2
No	1.3	1.7	1.1	3.9	0.9	1.8
Total	100	100	100	100	100	100
Female						
Yes	97.4	99.1	99.1	98.8	98.1	98.5
No	2.6	0.9	0.9	1.2	1.9	1.5
Total	100	100	100	100	100	100
Both Sexes						
Yes	98.0	98.8	99.0	97.6	98.5	98.4
No	2.0	1.2	1.0	2.4	1.5	1.6
Total (%)	100	100	100	100	100	100
Total (N)	10,771	11,472	11,968	13,583	13,955	61,749

Table 7.14: Highest Examination Passed by Population 15 Years and Above  
Completing School and Per Capita Consumption Quintiles

Highest Examination Passed	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
None	54.2	47.2	45.1	39.6	27.9	42.0
School Leaving	5.8	8.3	12.6	8.9	10.1	9.2
CXC Basic	2	3.9	2.5	3	4	3.1
CXC 1-4 Passes	6.7	7.8	8.7	9	10.5	8.7
CXC 5 and More Passes	2.5	2.8	4.3	7.4	4.1	4.3
A Level	0.7	0.8	1.1	1.1	2.2	1.2
Diploma	1.7	4.4	2.6	9.9	7.6	5.5
Associate Degree	0.3	1.3	0.7	2.4	6	2.3
Undergraduate Degree	0.3	1.3	0.8	2.8	5.9	2.4
Post Graduate Degree	0	0	1.2	1.1	7.3	2.1
Professional Qualification	0.8	0.5	1	1.9	3.9	1.7
Other	3.6	6.2	3.8	3.9	4.2	4.3
Not Stated	21.4	15.5	15.5	8.9	6.1	13
Total (%)	100	100	100	100	100	100
Total (N)	10840	11501	11997	13583	14016	61936

Table 7.15: Distribution of Household Heads by Highest Examination Passed, Sex and Quintiles

Highest Examination Passed	Per Capita Consumption Quintiles					
	I	II	III	IV	V	Total
	%					
None	69.8	62.4	57.1	51.8	35.8	52.3
School Leaving	4.6	10.2	11.7	10.1	11.6	10.1
CXC Basic	0.6	3.2	1	2.4	1.6	1.8
CXC 1-4 Passes	2.7	4.4	8.8	7.5	9.8	7.3
CXC 5 and More Passes	0.7	1.2	4.4	4	3.2	2.9
A Level	1.1	0	0.5	1	1	0.8
Diploma	2	3.1	1	7.7	8.1	5
Associate Degree	0	1.2	0	2.2	6.3	2.6
Undergraduate Degree	0.7	0.5	0	2.6	5.3	2.4
Post Graduate Degree	0	0	1.5	1.8	6.3	2.5
Professional Qualification	1.3	0.6	1.2	2.1	2.8	1.8
Other	2.7	6.4	5.2	2.9	4.8	4.4
Not Applicable	0	0	0	0	0	0
Not Stated	13.6	6.7	7.5	3.9	3.4	6.2
Total	100	100	100	100	100	100
Total (N)	4,441	4,872	5,562	6,700	9,179	30,754

Table 7.16: Persons 15 Years and Above and Not Attending School  
by Technical/ Vocational Training, Sex and Quintiles

Vocation or Technical Training		Per Capita Consumption Quintiles					
		I	II	III	IV	V	Total
		%					
Male	Vocational	11.0	17.0	20.6	16.4	16.1	16.4
	Technical	3.7	10.1	11.8	15.5	15	11.7
	Both	3.8	7.2	6.9	20.2	31.4	15.1
	None	67.7	58.7	55	41.5	31.3	49.3
	Not Stated	13.8	7	5.6	6.4	6.2	7.6
	Total	100	100	100	100	100	100
Female	Vocational	8.2	7.1	11.2	15	8.5	10.1
	Technical	5.3	4.8	5.2	11.2	12.3	8.2
	Both	3.3	5.2	4.8	12.3	19.6	9.8
	None	75.6	75.4	65.9	56.5	55.2	64.7
	Not Stated	7.6	7.6	12.9	5.1	4.5	7.3
	Total	100	100	100	100	100	100
Total	Vocational	9.4	11	15.6	15.5	11.8	12.8
	Technical	4.6	6.9	8.3	13	13.5	9.7
	Both	3.5	6	5.8	15.6	24.7	12.1
	None	72.1	68.8	60.8	50.1	44.8	58.0
	Not Stated	10.4	7.4	9.5	5.7	5.2	7.4
	Total	100	100	100	100	100	100

### 7.1.6 PUBLIC PERCEPTION OF THE ROLE OF EDUCATION

The findings of the PPA establish that the poor are aware of the importance of education and training in their escaping poverty. Participants in community workshops are quoted as saying:

*"There is a need to increase the level of education to get better jobs."*

*"Unskilled people have little opportunity to do anything and they feel marginalized."*

There was also wide recognition that there is now greater access to educational

opportunities and parents expressed eagerness for their children to secure a good education:

*"The opportunities are better now, more institutions are available, the teachers are more qualified and you can choose what you want to do."*

However, many of the residents in the communities studied had received only primary level education, and had either dropped out of school, or had not obtained any formal qualifications or certificates. Moreover, the risk that the current generation was not doing enough to escape

educational underperformance of their parents was, in the view of community residents in Bendals, John Hughes and Point, an explicit concern:

*"Young people are dropping out of school without a basic education and no skills."*

*"Many young people are unable to read and write even although their parents send them to school every day."*

Children's underperformance was attributed, by some community residents, to poverty manifested in poor nutrition and hunger on the one hand, and to the fact that parents had to leave children unsupervised for long hours while they sought multiple employment opportunities in order to "make ends meet". This lack of supervision they said resulted in other social problems, such as drug use and participation in illegal activities:

*"When children are hungry they can't concentrate or learn."*

*"They can't learn on a hungry belly."*

*"After school you can see little boys going to catch fish."*

*"Children could become involved in illegal activities."*

The increase in violence at schools was also noted as having an adverse impact on the creation and maintenance of a constructive learning environment, and was advanced as a possible reason for withdrawal of teachers.

Residents speculated that poor educational performance was the likely outcome for some time to come.

*"Students would continue to get poor results."*

There was no evidence in the PPA of a commitment on the part of the poor to compensate for their lack of educational preparation by participating in formal adult education classes. This was due in part to a lingering sentiment that education is about schooling and is an activity for children and to the fact that adults were too busy working at more than one job to invest time in educational upgrading.

The bar set for entry to occupations offering social and economic mobility, seemed in the psyche of residents as an impossible hurdle for those who had not achieved a certain level of education by the time that their childhood and therefore their school-days, had ended.

*"Long ago they never ask you for school paper before you get the work, but now you have to come from a university before you can get certain kinds of jobs."*

In sum, the data from the SLC/HBS and the PPA show that the country has a relatively low skill base and inadequate educational preparation of its adult population, a situation that is likely to be a source of major challenges in the competitive knowledge driven economy of the 21<sup>st</sup> century. However, the increased participation of persons in the age cohort 15-19 years of age suggests that a larger percentage of the population is completing secondary school, which in time should result in some upgrading of the work-force. The challenge is to encourage back into the educational and training system those who have left with limited preparation.

## **7.2 HEALTH**

This sub-section relies heavily on information gathered in the SLC/HBS and is supported by data from the PPA where relevant. Data on health status derived from such surveys represent 'self reported health' as distinct from more objective sources such as medical records.

The significance of this statement lies in the general tendency of those in the lower socioeconomic categories to under-report illness – a tendency that is exacerbated where the epidemiological profile is dominated by lifestyle illnesses. The poor, because they tend to be undereducated and are more likely to have limited access to good quality health care, are less likely to perceive the symptoms of disease than their better placed non-poor counterparts.<sup>32</sup> Self-Reported health data, as obtained in the case of the CPA, tend therefore to provide an inadequate basis for the formulation of health policy.

Research in this area indicates that the poor tend to succumb more readily to sickness than the non-poor and tend to suffer higher rates of mortality as a result<sup>33</sup>. The

Caribbean has experienced an epidemiological transition with somewhat ominous implications. In this transition, the incidence of exogenous type diseases with their origins in the physical environment has been overtaken by endogenous diseases or by those with their origins in physiological malfunction. The endogenous diseases are also known as 'silent killers' since their presence is not usually manifest until the final stages of the disease. Given the propensity of the poor to suffer higher levels of illness than the non-poor, there is a likelihood that this group might be experiencing higher levels of endogenous disease than that of which they are aware.

### **7.2.1 CHILD HEALTH**

Table 7.17 shows the distribution of children 0-4 years by consumption quintile. The data show a larger concentration of children in the two lowest quintiles, consistent with the fact that poorer households tend to have more children. Across all quintiles, one third of all children under the age of five were between the ages of 1 and 2.

Most of the children (89.6%) in Antigua and Barbuda are delivered at the Hospital (Table 7.18). Those in the poorest quintile were more likely to have been delivered in a hospital (94.1%) compared to those in quintile V (82.0%), consistent with the options available to those with resources who may wish to deliver at nursing homes, private clinics or other exclusive facilities (18.0%).

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<sup>32</sup> A. Sen, Health: perception versus observation, Editorial, British Medical Journal, 2002;324:860-861 ( 13 April )

<sup>33</sup> Kawachi, Ichiro, Bruce Kennedy, and Richard Wilkinson. 2002. The Health of Nations: Why Inequality is Harmful to Your Health. New York: New Press. Also Kawachi, Ichiro, Kennedy B.P, Lochner, K, and Prothrow-Stith, D. "Social Capital, income inequality, and mortality," in American Journal of Public Health Vol. 87, 1997, pp. 1491-1498. See as well, Frankson, G. Poverty and Health, mimeo, 2004 and Link, B.G. Phelan J.C. "The Fundamental Cause Concept as an Explanation for Social Disparities in Disease and Death." In Bird, C., Conrad, P., Fremont, A (2000). Prentice Hall: The Handbook of Medical Sociology.



Table 7.17: Distribution of Children 0-4 Years by Per Capita Consumption Quintile

Age in Years	Quintiles					Total
	I	II	III	IV	V	
	%	%	%	%	%	%
Under 1 Year	23.7	23.6	17.0	11.8	8.1	18.9
1 < 2 Years	30.3	26.5	27.4	46.5	51.6	33.1
2 < 3 Years	12.2	12.6	29.0	11.9	15.3	16.6
3 < 4 Years	18.4	13.4	12.9	18.0	12.1	15.1
4 < 5 Years	15.4	21.7	11.7	11.8	12.9	15.4
Not Stated	.0	2.3	2.0	.0	.0	1.0
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	1701	1522	1414	700	712	6049

Table 7.18: Place of Delivery Children 0-4 Years

Place Delivered	Quintiles					Total
	I	II	III	IV	V	
	%	%	%	%	%	%
<i>Hospital</i>	94.1	89.0	83.5	100.0	82.0	89.6
<i>Clinic/Center</i>	4.2	2.8	4.1	.0	18.0	5.0
<i>Home</i>	.0	2.3	2.0	.0	.0	1.0
<i>Other</i>	1.7	2.1	2.3	.0	.0	1.5
<i>Not Stated</i>	.0	3.8	8.1	.0	.0	2.8
<i>Total</i>	100.0	100.0	100.0	100.0	100.0	100.0
<i>Total</i>	1,701	1,522	1,414	700	712	6,049

The incidence of diarrhoea among children under five years of age tends to hint at the level of sanitation of the home environment in which children are being reared. From the SLC/HBS, this was found to be 2.7 percent overall, with children in quintiles IV and V less likely to have had diarrhoea than children in the lower consumption quintiles (Table 7.19).

Data from the SLC/HBS show that approximately 86.5 percent of all children

under five years of age had been breastfed (Table 7.20). In terms of children currently breastfed, the data show that mothers in the poorest quintile were more likely to continue breastfeeding their children beyond the age of 2 years than any other quintile. This is an interesting result, if it means that poorer parents were aware of the importance of breastfeeding in the nutrition of babies, and in the spacing of pregnancies.

Table 7.19: Proportion of Children Under 5 that Suffered Diarrhoea in the Reference Period

Had Diarrhoea (Past Two Weeks)	Quintiles					
	I	II	III	IV	V	Total
	%					
Yes	1.9	6.8	2.0	.0	.0	2.7
No	88.9	83.3	85.8	93.9	96.0	88.2
Not Stated	9.2	9.9	12.2	6.1	4.0	9.1
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	1701	1522	1414	700	712	6049

Table 7.20: Proportion of Children 0-4 Years Ever Breastfed by Consumption Quintiles

Breast Fed	Quintiles					
	I	II	III	IV	V	Total
	%					
Yes	81.0	92.2	82.2	96.4	86.5	86.5
No	8.6	5.7	7.9	3.6	13.5	7.7
Not Stated	10.3	2.1	9.9	.0	.0	5.8
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	1701	1522	1414	700	712	6049

Table 7.21: Children Currently Breastfed by Age and Consumption Quintile

Currently Breast Fed - Age in Years	Quintiles					
	I	II	III	IV	V	Total
	%	%	%	%	%	%
Under 1 Year	33.0	.0	50.0	18.1	27.8	24.8
1 < 2 Years	55.2	100.0	50.0	63.8	72.2	69.2
2 < 3 Years	11.8	.0	.0	.0	.0	3.4
3 < 4 Years	.0	.0	.0	.0	.0	.0
4 < 5 Years	.0	.0	.0	18.1	.0	2.7
Not Stated	.0	.0	.0	.0	.0	.0
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	271	208	128	140	207	954

According to the World Health Organisation's Expanded Programme on Immunisation (EPI) children are expected to be immunized against Diphtheria, Pertussis and Tetanus (DPT), Poliomyelitis (Polio), Haemophilus Influenza Type B (HIB) and Hepatitis B (Hep B) within the first year of life; and Measles, Mumps and Rubella (MMR) at age 1<sup>34</sup>. DPT and HIB boosters should be administered at 15 months, while Polio, Paediatric Diphtheria Tetanus (Paed DT) and MMR boosters are given between the ages of 4 and 5 years.

The data for Antigua and Barbuda generated from the SLC/HBS suggest that almost 100 percent immunization had been achieved by age five or earlier in respect of many of the required vaccinations including Polio, Diphtheria and Measles (Table 7.22).

### **7.2.2 SELF REPORTED HEALTH**

Persons were asked whether they had been ill or confined to bed in the four week prior to the survey. The data in Table 7.23 show low levels of reported ill-health for men irrespective of per capita consumption quintile: males in the poorest and lowest quintile were equally likely to have been ill in the reference period. Females were only marginally more likely to have been ill or confined to bed than males, with females in Quintile V more likely to have reported illness than in any other consumption quintile.

### **7.2.3 LIFESTYLE DISEASES**

Reporting of lifestyle diseases is partly a function of awareness of respondents of own health condition and this may vary with socio-economic status and in the Caribbean also with gender. Moreover, a person could be (and usually tends to be) affected by one or more of these chronic diseases.

The data show that prevalence levels were highest for high blood pressure followed by Diabetes. Except in respect of cancer, persons in the highest quintile were more likely than those in any other quintile to be afflicted by diabetes, high blood pressure, and heart condition. This can be seen in Table 7.24. The survey was unable to gather sufficient data on HIV/AIDS virus.

The gender differences reflected in the related tables by sex may be due to gender differences in the incidence of the diseases or to gender differences in attitudes and responses to diseases: more of this is reported in the statistical appendix. This should be taken into account in the much higher rates reported by women, in respect of diabetes, high blood pressure, and heart condition.

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<sup>34</sup> [http://www.wpro.who.int/health\\_topics/immunization/](http://www.wpro.who.int/health_topics/immunization/)

Table 7.22: Immunisation of Children by Age and Type of Vaccine

Immunization Received		Age in Years				
		Under 1 Year	1 < 2 Years	2 < 3 Years	3 < 4 Years	4 < 5 Years
Polio	N	29	51	33	28	28
	%	100.0	100.0	100.0	100.0	93.3
Diphtheria (DPT)	N	28	43	29	27	27
	%	96.6	84.3	87.9	96.4	90.0
BCG	N	11	17	14	12	12
	%	37.9	33.3	42.4	42.9	40.0
HIB	N	14	32	24	21	21
	%	48.3	62.7	72.7	75.0	70.0
Measles	N	26	46	31	26	29
	%	89.7	90.2	93.9	92.9	96.7
Hepatitis B	N	17	39	27	25	27
	%	58.6	76.5	81.8	89.3	90.0
MMR1	N	26	30	26	21	26
	%	89.7	58.8	78.8	75.0	86.7

Table 7.23: Confined to Bed Due to Illness/Accident in Reference Period by Quintile and Sex

Confined to bed due to illness/accident		Per Capita Consumption Quintiles					
		Poorest	II	III	IV	V	Total
		%	%	%	%	%	%
Male	Yes	4.9	0.3	0.8	1.6	5.0	2.6
	No	93.3	99.3	99.2	98	94.6	96.8
	Not Stated	1.7	0.4	0	0.4	0.4	0.6
	Total	100	100	100	100	100	100
	Total (n)	7894	7376	7401	7229	7188	37088
Female	Yes	4.5	1.3	5.6	4.7	6.4	4.5
	No	94.8	98.7	93.8	95	92.9	95.1
	Not Stated	0.7	0	0.6	0.3	0.7	0.4
	Total	100	100	100	100	100	100
	Total (n)	8859	9599	9457	9688	9643	47245
Total	Yes	4.7	0.9	3.5	3.4	5.8	3.6
	No	94.1	99	96.2	96.3	93.6	95.8
	Not Stated	1.2	0.2	0.3	0.3	0.6	0.5
	Total	100	100	100	100	100	100
	Total (N)						

Table 7.24: Persons Suffering from Lifestyle Disease by Type of Disease and Quintiles

Per Capita Consumption Quintiles		Lifestyle Diseases						Total
		Diabetes	High Blood Pressure	Heart Condition	Cancer	HIV/AIDS	Other	
I	N	616	1105	140	63	0	259	1695
	Row %	36.4	65.2	8.3	3.7	0	15.3	100.0
II	N	474	1164	195	64	0	241	1754
	Row %	27.0	66.4	11.1	3.6	0	13.7	100.0
III	N	852	1198	29		0	245	1893
	Row %	45.0	63.3	1.5		0	12.9	100.0
IV	N	1029	1974	176	29	29	241	2763
	Row %	37.2	71.4	6.4	1.0	1.0	8.7	100.0
V	N	1173	2339	247	61	0	163	3100
	Row %	37.8	75.4	8.0	2.0	0	5.3	100.0
Total (N)		4143	7780	787	217	29	1148	11204
Total Row (%)		37.0	69.4	7.0	1.9	.3	10.2	100.0

## 7.2.4 NUMBER OF WORK DAYS LOST DUE TO ILLNESS

Days of work lost through illness point to health challenges that result in loss of income. In respect of the number of days that were lost, or over which respondents were unable to carry on their duties because of illness, there was a tendency for persons in the lowest quintile to be disproportionately affected, when compared to those in higher socio-economic groups, and for males to be have lost more work days than women (Table 7.25). While some workers may suffer a loss of income in being away from work, there are industrial agreements which allow workers paid sick leave. Those in the lowest quintile may have been subject to informal employment and to the lowest levels of formal sector work, which is less likely to be covered by industrial agreements. It may well be also

that gender segmentation of the labour market leads to male workers being more likely to be covered by industrial agreements than women.

## 7.2.5 ACCESS TO HEALTH SERVICES

Table 7.26 gives the location at which health services were first sought on occasion of illness in the reference period. The data show that Community Clinics were an important source of support across all quintiles, with as much as 33.3 percent of the population choosing community clinics as their first option: this was followed very closely by Private Doctors. Most persons in the highest quintile selected private services (57.9) but as many as 24.8 percent of those in the lowest quintile selected private services as well.

Table 7.25: Mean Days Unable To Work and Days without Pay on Account of Illness by Quintiles

No. Days Unable To Carry On Activities/ Days without Pay		Per Capita Consumption Quintiles									
		I		II		III		IV		V	
		N	Mean	N	Mean	N	Mean	N	Mean	N	Mean
Male	No. Days Unable To Carry On Activities	7894	13	7376	0	7401	3	7229	1	7188	6
	No. Days Of Work Without Pay	7894	11	7376	7	7401	3	7229	4	7188	8
Female	No. Days Unable To Carry On Activities	8859	1	9599	1	9457	0	9688	3	9643	5
	No. Days Of Work Without Pay	8859	3	9599	1	9457	7	9688	10	9643	8

Table 7.26: First Place Visited for Medical Attention by Per Capita Consumption Quintiles

Place First Visit Made	Per Capita Consumption Quintiles					
	I	II	III	IV	V	Total
	%	%	%	%	%	%
Public Hospital	24.2	30.9	27.7	17.7	17.6	22.2
Private Hospital	3.4	0	2.5	1.6	0	1.3
Community Health Clinic	47.6	34.2	40.1	35	21.3	33.3
Polyclinic	0	0	3.2	0	0	0.5
Family Planning Clinic	0	3	0	0	0	0.5
Private Doctor/Dentist	24.8	28.6	20.7	42.4	57.9	39.1
Traditional Healer	0	0	0	0	0	0
Out of state hospital	0	0	0	0	1.7	0.5
Pharmacy / Chemist	0	0	3.2	0	0	0.5
Other	0	0	0	0	0	0
Not Stated	0	3.3	2.5	3.3	1.5	2.2
Total	100	100	100	100	100	100

## 7.2.6 SATISFACTION WITH SERVICES

Table 7.27 provides data on the level of satisfaction of the population on the health services available to them. Some 86 percent claimed to be very satisfied or satisfied with the services available to them. There were differences among the quintiles in respect of being very satisfied: in Quintile I, 28.1 percent only were very satisfied, compared to 54.2 percent in Quintile V. Overall, just under 3.0 percent was very dissatisfied.

## 7.2.7 HEALTH INSURANCE

In respect of health insurance (Table 7.28) 51.1 percent of the population claimed to

have coverage, with the percentage rising from 35.0 percent in the lowest quintile to 69.1 percent in the highest. It might well be that the lower percentage in the lowest quintile has more to do with the structure of employment between formal sector and informal sector activities: many in this quintile in informal sector activities would not be captured by the medical benefits scheme, nor would they register themselves and make contributions thereto generally. Moreover, the elderly in an ageing society would have been excluded, having regard to the fact that the programme is relatively recent, introduced in the latter years of the previous administration.

Table 7.27: Level of Satisfaction with Health Services

Level of Satisfaction	Per Capita Consumption Quintiles											
	I		II		III		IV		V		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Very Satisfied	240	28.1	150	15.6	354	35.4	632	40.8	1030	54.2	2405	38.4
Satisfied	504	59.1	636	66.2	511	51.0	773	49.9	585	30.8	3009	48.0
Dissatisfied	55	6.4	89	9.3	29	2.9	86	5.6	83	4.4	342	5.5
Very Dissatisfied	25	3.0	0	.0	29	2.9	32	2.1	83	4.4	169	2.7
Not Stated	29	3.4	85	8.9	80	7.9	25	1.6	118	6.2	337	5.4
Total	852	100.0	961	100.0	1002	100.0	1549	100.0	1900	100.0	6262	100.0

Table 7.28: Percentage Distribution of Population by Health Insurance Coverage by Per Capita Consumption Quintiles

Covered By Health Insurance	Per Capita Consumption Quintiles											
	I		II		III		IV		V		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Yes	5,749	35.0	6,960	41.7	8,389	50.4	9,900	59.3	11,448	69.1	42,447	51.1
No	10,656	65.0	9,747	58.3	8,262	49.6	6,805	40.7	5,128	30.9	40,597	48.9
Total	16,405	100.0	16,707	100.0	16,650	100.0	16,705	100.0	16,576	100.0	83,044	100.0



## 7.2.8 PERSONAL SECURITY

The level of personal security that is afforded to the individual in a society impacts on quality of life. Crime and violence against the person compromises the living conditions of an individual. In that regard, any increase in violent crime in a country leads to some deterioration in the quality of life across the society. This section reports on the data generated from the SLC/HBS on the questions relating to crime and security.

Table 7.29 shows the distribution of individuals who were victims of crime within the 12 months preceding the survey. The data show generally low levels of crime, with the likelihood of being a victim

of crime increasing from quintile I to quintile V (Table 7.29).

A closer look at the type of crime that persons suffered shows the incidence of robberies and housebreak-ins to be highest (Table 7.30).

Persons were asked to comment on their level of satisfaction with the police in the handling of reported crime. The data show mixed views on the performance of the police: 66.7 percent of those in the poorest quintile said that they were very dissatisfied, while (the balance) 33.3 percent said that they were dissatisfied. Conversely, 46.5 percent of those in quintile II and 12.1 percent of those in quintile III respectively said that they were very satisfied (Table 7.31).

Table 7.29: Distribution of Individuals Reporting Being Victims of Crimes by Quintiles

Victim Of Crime In Last 12 Months	Per Capita Consumption Quintiles					
	I	II	III	IV	V	Total
	%					
Yes	1.0	1.8	3.0	3.3	6.8	3.2
No	99.0	98.2	97.0	96.7	93.2	96.8
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	16,753	16,974	16,858	16,917	16,831	84,334

Table 7.30: Nature of Crime by Quintiles

Nature Of Main Crime	Per Capita Consumption Quintiles					
	I	II	III	IV	V	Total
	%	%	%	%	%	%
Stealing/Robbery	0.0	9.6	23.4	0.0	15.0	11.9
House break-ins	51.0	28.7	38.6	32.5	55.1	44.1
Not Stated	0.0	0.0	0.0	0.0	0.0	0.0
Harrassment	0.0	0.0	6.3	0.0	0.0	1.2
Attempted Rape	0.0	0.0	0.0	0.0	2.5	1.1
Assault and Battery	0.0	0.0	0.0	0.0	0.0	0.0
Assault and Battery	0.0	0.0	15.1	0.0	0.0	2.8
Robbery	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	53.2	5.0	4.5	2.8	9.0
Not Stated	49.0	8.5	11.5	63.0	24.6	29.9
Total	100.0	100.0	100.0	100.0	100.0	100.0
Total	176	300	504	560	1151	2691

Table 7.31: Level of Satisfaction with Police Handling of Crime by Quintiles

Degree of satisfaction with Handling Of Matter By Police	Per Capita Consumption Quintiles					
	I	II	III	IV	V	Total
	%	%	%	%	%	%
Very Satisfied	0.0	46.5	12.1	0.0	0.0	9.0
Satisfied	0.0	32.5	0.0	9.9	19.3	14.4
Dissatisfied	33.3	21.0	32.7	66.2	41.3	40.6
Very Dissatisfied	66.7	0.0	43.9	23.8	39.4	33.5
Not Stated	0.0	0.0	11.3	0.0	0.0	2.5
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	86	275	450	348	868	2,027

## 7.2.9 PUBLIC PERCEPTIONS OF HEALTH ISSUES

In the course of the PPA, participants identified factors which they felt contributed to the health problems in their communities. Participants said that lack of money had led to poor nutrition, and to people not being able to observe balanced diets. In one community, Bendals, it was suggested that the shift from consuming home grown foods to fast foods had taken a toll on the health of poorer people and to the general decline in nutrition.

In respect of available health services, it was recognized that some aspects of primary health care were excellent but participants did not share the view that all the public health clinics were providing acceptable quality of service. Ambulance services in particular appear to be in need of improvement. According to some participants:

*"Persons have died before the ambulance arrived. They could reach the hospital and it was not a major illness, if they had seen a doctor earlier they could have made it."*

*"When my mother was sick the ambulance stay so long to come that when we reach the hospital the doctor ask why we didn't bring her sooner."*

On the issue of reporting on certain diseases, it was clear that participants would be reticent about divulging what was

deemed to be 'private' matters. Thus, HIV/AIDS was seen as:

*"A private thing and people don't talk about it."*

However, the communities reportedly all saw HIV/AIDS, STDs, teenage pregnancy and prostitution as societal ills. Clearly, while the provision of physical facilities would be one aspect of a response, engaging the population in improving overall wellness at the community level would be equally important.

While Antigua and Barbuda has developed its educational and health infrastructure such that there is universal coverage in both, many areas of deficiency exist which could adversely impact the poorer people in the society. Moreover, the provision (supply) of services is merely one side of the coin; much depends on the willingness of the population to access these services. There may be need for the social marketing of education and of health such that the population generally comes to accept their roles and responsibilities in keeping themselves abreast and constantly upgraded given the advances of the information age and in observing healthy life styles at every stage of life.



## **CHAPTER 8 - HOUSING AND PHYSICAL LIVING CONDITIONS**

This chapter examines living conditions in Antigua and Barbuda as could be gleaned from the SLC/HBS 2005/06, and from information obtained in the PPA. It does not address any initiatives on housing conditions that might have been taken by the Government. The results presented here represent the situation as found in the latter half of 2005 and the first quarter of 2006.

### **8.1 TENANCY OF DWELLING**

Some 60.9 percent of the population owned their dwelling units, both with and without mortgage (Table 8.1). Overall, 47.5 percent of the population across all quintiles, claimed to have owned their homes outright, with the percentage that secured dwelling ownership “with mortgage”, increasing from the poorest to the richest quintile. Of those in the poorest quintile, 21.0 percent rented unfurnished dwellings, while 3.1 percent said they squatted.

A closer look at tenancy of dwelling unit by District (Table 8.2) shows that St. George was the District with the greatest percentage of households claiming “ownership of dwelling with mortgage” - 22.5 percent of all survey respondents in St. George owned their dwelling with mortgage, compared to 7.1 in St. John’s City and 3.7 percent in Barbuda. The result for Barbuda is a reflection of communal ownership of land on the island. The District with the greatest percentage of households who owned their dwelling outright was St. Mary (59.1%). Of those in the poorest quintile, most either owned

their homes outright (45.9%) or rented unfurnished dwellings.

### **8.2 TYPE OF DWELLING UNIT**

The data in Table 8.3 attests to the fact that most (93.7%) of all households in Antigua and Barbuda lived in undivided private houses. It should also be noted that the percentage of households living in undivided private houses was slightly greater in the poorest households (97.0 percent) than in the richest households (92.0 percent), which may be explained by the fact that with improved socio-economic status, from the poorest to the richest households, the percentage of households living in flats/apartments/condominiums increases: this latter represents newer forms tenancy in the country.

The distribution of households by type of dwelling unit and District is shown in Table 8.4. The data show that 100 percent of households in the Parish of St. Philip and 100 percent of households in Barbuda lived in undivided private houses. Compared to other districts, St. John’s Rural had the largest concentration of households occupying flats/apartments/condominiums - 4.3 percent of households lived in such accommodation. Of all Districts, St. John’s City was the only one where households lived in dwellings consisting of a combination of a business and dwelling - a finding that is not unexpected as St. John’s City is the central business district - but even then only 0.3 percent of households in St. John’s City occupied this type of dwelling.

Table 8.1: Tenancy of Dwelling Unit According to Household Quintiles

Tenancy of Dwelling	Quintiles					Total %
	Poorest	II	III	IV	V	
	%					
Owned With Mortgage	7.6	9.8	14.4	15.2	19.8	13.4
Owned Without Mortgage	50.8	43.8	47.9	49.3	45.4	47.5
Rented-Furnished	0.9	3.9	2	2.3	3.4	2.5
Rented-Unfurnished	21	22.6	23.1	20.1	11.1	19.5
Leased	0.5	0.0	0.0	0.0	0.0	0.1
Rent-free	4.5	3.8	1.5	3.2	3.9	3.4
Squatted	3.1	0.9	1.9	0	0.4	1.3
Other	1.1	0.4	0.0	0.0	0.0	0.3
Not Stated	10.4	14.8	9.1	9.8	15.9	12.1
Total (%)	100	100	100	100	100	100
Total (n)	6134	6223	6096	6254	6420	31126

Table 8.2: Tenancy of Dwelling by District

Tenancy of Dwelling	District								Total %
	St John's City	St John's Rural	St George	St Peter	St Philip	St Paul	St Mary	Barbuda	
	%								
Owned With Mortgage	7.1	17.1	22.5	19.7	12.8	15.1	9.7	3.7	13.4
Owned Without Mortgage	45.9	45.1	37.5	47.5	57.4	49.6	59.1	74.1	47.5
Rented-Furnished	4.7	3.5	0.0	1.6	0.0	0.0	0.0	0.0	2.5
Rented-Unfurnished	26.8	20.2	13.8	19.7	10.6	10.9	15.1	7.4	19.5
Leased	0.0	0.0	0.0	0.0	0.0	0.0	1.1	0.0	0.1
Rent-free	5.0	2.3	1.3	1.6	4.3	0.8	4.3	14.8	3.4
Squatted	1.5	0.4	1.3	1.6	2.1	0.0	4.3	0.0	1.3
Other	0.0	0.4	0.0	1.6	0.0	0.8	0.0	0.0	0.3
Not Stated	9.1	10.9	23.8	6.6	12.8	22.7	6.5	0.0	12.1
Total (%)	100	100	100	100	100	100	100	100	100
Total (N)	9,772	8,216	3,424	2,103	1,214	3,023	2,686	688	31,126

Table 8.3: Distribution of Households by Type of Dwelling Unit and Household Quintiles

Type of Dwelling	Quintiles					Total %
	Poorest	II	III	IV	V	
	%					
Undivided private house	97.0	93.4	94.5	91.7	92.0	93.7
Part of a private house	2.0	3.8	1.9	3.5	2.7	2.8
Flat, apartment, condominium	0.4	0.5	1.0	2.9	4.3	1.9
Townhouse	0.0	0.0	0.0	0.5	0.0	0.1
Double house/Duplex	0.6	0.4	0.0	0.0	0.5	0.3
Combined business & dwelling	0.0	0.0	0.0	0.5	0.0	0.1
Other	0.0	1.4	2.0	0.5	0.5	0.9
Not Stated	0.0	0.5	0.5	0.5	0.0	0.3
Total (%)	100	100	100	100	100	100
Total (N)	6,134	6,223	6,096	6,254	6,420	31,126

Table 8.4: Distribution of Households by Type of Dwelling Unit and District

Type of dwelling	District								Total %
	St John's City	St John's Rural	St George	St Peter	St Philip	St Paul	St Mary	Barbuda	
	%								
Undivided private house	91.8	90.7	98.8	95.1	100.0	95.0	96.8	100.0	93.7
Part of a private house	5.0	2.3	1.3	1.6	0.0	1.7	2.2	0.0	2.8
Flat, apartment, condominium	1.2	4.3	0.0	1.6	0.0	2.5	0.0	0.0	1.9
Townhouse	0.0	0.4	0.0		0.0		0.0	0.0	0.1
Double house/Duplex	0.0	0.4	0.0	1.6	0.0	0.8	0.0	0.0	0.3
Combined business & dwelling	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Other	1.2	1.6	0.0	0.0	0.0	0.0	1.1	0.0	0.9
Not Stated	0.6	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Total (%)	100	100	100	100	100	100	100	100	100
Total (N)	9,772	8,216	3,424	2,103	1,214	3,023	2,686	688	31,126

### 8.3 MAIN ROOFING MATERIAL

Overall 96.6 percent of households had sheet metal roofs, with no real variation between quintiles (Table 8.5). Just 2.3 percent of households had roofing material made out of either asphalt, wood or other types of shingles. Concrete roofing was used by only 0.4 percent of households. In other words, the most well-to-do showed a slight penchant for more exotic roofing.

### 8.4 MATERIAL OF OUTER WALLS

Table 8.6 reflects the distribution of households by main material of outer walls across quintiles. Wood and timber were the materials most used overall by largest percentage of households (41.0%). Of those in the poorest quintile 43.4 percent had

houses made of wood and timber, compared to 29.8 percent of those in the richest quintile. Of those in the richest quintile, 44.9 percent had concrete/concrete blocks as the main material of their outer walls, compared to 21.6 percent in those in the poorest quintile. Plywood was used as outer materials of dwellings for 9.1 percent of households, and declined with improving socio-economic status across the quintiles from the poorest to the richest.

### 8.5 MAIN COOKING FUEL

The majority of households (96.2%) utilised gas/liquefied petroleum gas (LPG) as their main cooking fuel: even in the lowest quintile, 94.0 percent of households used Gas/LPG, and only 3.9 percent used coal or wood (Table 8.7).

Table 8.5: Main Roofing Material of Dwelling Unit According to Household Quintiles

Roofing Material	Quintiles					Total %
	Poorest	II	III	IV	V	
	%					
Sheet metal (galvanize, galvalume)	97.5	96.8	98.6	95.4	94.8	96.6
Shingle (asphalt)	0.0	1.3	0.5	2.1	1.9	1.2
Shingle (wood)	0.9	0.0	0.0	0.4	0.9	0.5
Shingle (other)	0.7	0.5	0.4	1.1	0.4	0.6
Concrete	0.4	0.5	0.5	0.0	0.4	0.4
Other	0.0	0.0	0.0	0.0	0.9	0.2
Not Stated	0.4	0.9	0.0	1.1	0.7	0.6
Total (%)	100	100	100	100	100	100
Total (N)	6,134	6,223	6,096	6,254	6,420	31,126



Table 8.6: Distribution of Households by Material of Outer Walls and Household Quintiles

Material of Outer Walls	Quintiles					Total %
	Poorest	II	III	IV	V	
	%					
Wood/Timber	43.4	51.2	45.3	36	29.8	41
Concrete/Concrete Blocks	21.6	18.4	18.6	29.5	44.9	26.8
Wood & Concrete	18.2	17.8	24.2	27.3	18.8	21.2
Stone	0	0	0.5	0	0	0.1
Brick/Blocks	0.8	0	1.7	1.8	0.9	1.1
Plywood	15.5	12.2	8.7	4.8	4.7	9.1
Other/Don't Know	0	0	0.5	0.5	0.4	0.3
Not Stated	0.5	0.5	0.5	0	0.4	0.4
Total	100	100	100	100	100	100
Total (N)	6,134	6,223	6,096	6,254	6,420	31,126

Table 8.7: Distribution of Households by Main Cooking Fuel Used  
According to Household Quintiles

Cooking Fuel Used	Quintiles					Total %
	Poorest	II	III	IV	V	
	%					
Coal	3.0	0.9	1.8	1.6	0.4	1.5
Wood	0.9	0.5	0	0	0.9	0.5
Gas/LPG/Cooking Gas	94.0	97.2	96	95.5	98.2	96.2
Kerosene	0.5	0	0	0	0	0.1
Electricity	0.5	1	0.5	1	0.4	0.7
Other	1	0	1.7	1.9	0	0.9
Not Stated	0	0.5	0	0	0	0.1
Total (%)	100	100	100	100	100	100
Total (N)	6,134	6,223	6,096	6,254	6,420	31,126

## 8.6 TYPE OF TOILET FACILITY

The distribution of households by type of toilet facilities according to household quintiles is provided in Table 8.8. While most households (72.9%) used a W.C. Linked to Septic tank/Soak-away, 21.3 percent of households relied on pit-latrines or ventilated pit-latrines. Not surprisingly, the better-off the household, the less likely was the use of pit-latrines: 35.7 percent of households in the lowest quintiles relied on pit-latrines, compared to 10.5 of those in Quintile V.

The data are also presented by District, for a closer look at the situation of type of toilet facilities (Table 8.9). The use of pit latrines was still very prominent: 29.6 percent of households in Barbuda and 32.3 percent of

households in St Mary used pit latrines. Much smaller concentrations were found using a WC linked to sewer

## 8.7 MAIN WATER SOURCE

Access to pipe borne water into dwellings improved with socio-economic status: the higher the quintile, the more likely was it that the household would have had pipe borne water in the dwelling (Table 8.10). Overall, 89.3 percent of households had access to water piped from a public source and supplied either directly into the dwelling, the yard of the household or a public standpipe. Although households' reliance on standpipes decreased with improved quintile, as much as 12.9 percent of households depended on public standpipes overall.

Table 8.8: Distribution of Households by Type of Toilet Facilities Used and Household Quintiles

Toilet Facilities	Quintiles					Total
	Poorest	II	III	IV	V	
			%			%
W.C. Linked to sewer	5.5	4.7	3.8	4.2	2.8	4.2
W.C. Linked to Septic tank/Soak-away	55.1	67.2	77.8	78.4	85.6	72.9
Pit-latrine	31.8	24.8	15.2	16.1	8.9	19.3
Ventilated Pit-latrine	3.9	2	1.1	1.3	1.6	2
Other	0.5	0.5	0	0	0	0.2
None	2.3	0	0.9	0	0.4	0.7
Not Stated	1	0.9	1.2	0	0.7	0.7
Total	100	100	100	100	100	100
Total (n)	6,134	6,223	6,096	6,254	6,420	31,126

Table 8.9: Toilet Facilities by District

Toilet Facilities	District								Total %
	St John's City	St John's Rural	St George	St Peter	St Philip	St Paul	St Mary	Barbuda	
	%								
W.C. Linked to sewer	1.5	3.1	10	1.6	8.5	0.8	12.9	7.4	4.2
W.C. Linked to Septic tank/Soak-away	73.8	79.4	72.5	67.2	70.2	79.8	53.8	51.9	72.9
Pit-latrine	19.7	15.6	15	21.3	17	18.5	32.3	29.6	19.3
Ventilated Pit-latrine	2.1	1.6		9.8	4.3	0.8			2
Other	0.3						1.1		0.2
None	1.5							11.1	0.7
Not Stated	1.2	0.4	2.5						0.7
Total (%)	100	100	100	100	100	100	100	100	100
Total (N)	9,772	8,216	3,424	2,103	1,214	3,023	2,686	688	31,126

Table 8.10: Distribution of Households by Main Water Source According to Household Quintiles

Main source of Water	Quintiles					Total %
	I	II	III	IV	V	
	Col %					
Public, piped into dwelling	55.3	64.9	71	72.4	77	68.2
Public, piped into yard	7.4	12.8	9	5.3	6.5	8.2
Public standpipe	21.2	14.5	12	11.8	5.2	12.9
Public well/tank or truck	0.5					0.1
Private, piped into dwelling	1.9	1.4	1.4	3.4	1.6	1.9
Private catchment not piped	2.8	2	4.2	3.8	6.3	3.8
Private catchment piped	3.5	2.2	1.5	2.3	2.6	2.4
Other	6.9	1.8	0.5	1		2
Not Stated	0.5	0.5	0.4		0.7	0.4
Total	100	100	100	100	100	100
Total (N)	6,134	6,223	6,096	6,254	6,420	31,126

Table 8.11 provides the frequency of water supply by quintiles. The majority of households (67.7 percent) received water seven days per week: even in the poorest quintile, 66.7 percent of households said that they received water 7 times per week. Only 0.2 percent of households had no days with water in the tap. An additional 22.6 percent of the first quintile had water on six days of the week, and this pattern was maintained in other quintiles, ensuring that 84 percent of the population had water for six or more days per week. Thus, Antigua

and Barbuda seemed to have provisioned adequately for the water needs of most of the population. However, as Table 8.12 suggests, there were areas in which households were without a daily supply. Barbuda seems to have been the best supplied with water, based on the responses in the SLC/HBS. While dwellings generally appeared to have access to safe water sources, this did not apply universally and there does exist a small number of households with water woes.

Table 8.11: Frequency of Water Supply by Quintiles

Days Have Water in Tap	Quintiles					Total
	I	II	III	IV	V	Col %
	%					
None	0.70			0.60		0.20
One		1.30		1.70		0.60
Two			2.00	2.40		0.90
Three	2.30	1.30	0.60	1.10		1.00
Four	2.50	1.80	4.50	1.90	2.30	2.60
Five	2.50	6.80	8.80	7.00	8.00	6.80
Six	22.60	18.80	10.50	11.30	17.30	15.80
Seven	66.70	64.50	68.80	71.10	67.20	67.70
Don't Know	1.10	1.80	2.70	1.20	2.60	1.90
Not Stated	1.60	3.80	2.20	1.80	2.70	2.40
Total (%)	100.00	100.00	100.00	100.00	100.00	100.00
Total (N)	6,134	6,223	6,096	6,254	6,420	31,126

Table 8.12: Frequency of Water Supply by District

Days with water in tap	St John's City	St John's Rural	St George	St Philip	St Peter	St Paul	St Mary	Barbuda	Total
	%								%
None	0.4	0	0	0	2.9	0	0	0	0.2
One	0.4	0	3	2.1	0	0	0	0	0.6
Two	0.8	0.5	4.5	0	0	0	0	0	0.9
Three	1.5	0.5	0	2.1	0	2.2	0	0	1
Four	1.9	3.8	0	6.3	0	5.6	0	0	2.6
Five	6.9	7.1	1.5	16.7	5.7	11.2	1.7	0	6.8
Six	13.1	24.5	9.1	10.4	8.6	29.2	0	0	15.8
Seven	71.4	60.4	72.7	62.5	77.1	41.6	96.6	100	67.7
Don't Know	1.5	0.9	4.5	0	2.9	5.6	0	0	1.9
Not Stated	1.9	2.4	4.5	0	2.9	4.5	1.7	0	2.4
Total	100	100	100	100	100	100	100	100	100
Total (N)	7,444	6,778	2,825	1,655	904	2,261	1,675	586	24,127

## 8.8 LIGHTING /MAIN ENERGY SOURCE

The main source of lighting by quintiles is provided in Table 8.13. The data show that 92.2 percent of households used electricity (public) as the main source of their lighting; 83.4 percent of households in the lowest quintile and 97.9 percent in the highest quintile used publicly supplied electricity as their main source of lighting. Overall, less than four percent used kerosene and, in the first quintile, 5.4 percent used kerosene. The electrification of the country seems relatively complete, such that the majority could utilize modern conveniences.

## 8.9 OVERCROWDING

Tables 8.14 and 8.15 address respectively the issue of the number of persons per bedroom and the level of overcrowding across the Districts. The data show the number of persons per bedroom declines as socio-economic status improves: thus, the largest number of persons per bedroom is found in the lowest quintiles. Overcrowding is defined as three or more persons per bedroom. Table 8.15 shows that this tended to be concentrated in the lowest quintile: in St. Philip, 27.3 percent of households in the lowest quintile were living in overcrowded conditions.

Table 8.13: Main Source of Lighting by Quintiles

Type of Lighting	Quintiles					Total
	I	II	III	IV	V	
	%					%
Gas	0.50	1.10	0.50	1.50		0.70
Kerosene	4.90	2.30	1.90	1.90	1.60	2.50
Electricity – Public	83.40	93.00	93.50	92.90	97.90	92.20
Electricity - Private Generator	4.90	1.80	3.20	2.80		2.50
Other	4.40	0.90	0.50		0.50	1.20
None	2.00	0.50	0.50	1.00		0.80
Not Stated		0.50				0.10
Total (%)	100.00	100.00	100.00	100.00	100.00	100.00
Total (N)	6,134	6,223	6,096	6,254	6,420	31,126

Table 8.14: Mean Number of Persons per Bedroom

Mean number of Persons per bedroom	Quintiles					Total
	I	II	III	IV	V	Mean
	Mean	Mean	Mean	Mean	Mean	Mean
St John's City	1.72	1.34	1.16	.96	.86	1.24
St John's Rural	1.74	1.41	1.13	.98	.83	1.22
St George	1.60	1.11	.92	.91	.88	1.02
St Philip	2.45	1.60	1.09	.63	.82	1.27
St Peter	1.43	1.05	1.10	.97	.50	1.14
St Paul	1.73	1.26	1.45	1.29	.99	1.34
St Mary	1.99	1.68	1.15	.91	.65	1.23
Barbuda	2.00	1.67	.88	.96	.59	1.01
Average Antigua and Barbuda	1.76	1.36	1.17	.98	.84	1.22

Table 8.15: Overcrowding By District and within Quintile

Proportion of households with more than 3 persons per bedroom	Quintiles					Total
	Poorest	II	III	IV	V	Mean
	Mean					
St John's City	15.0	1.5	1.4	0.0	0.0	4.1
St John's Rural	13.5	3.8	0.0	0.0	1.9	3.9
St George	18.2	5.9	0.0	0.0	0.0	3.8
St Philip	27.3	0.0	5.9	0.0	0.0	6.6
St Peter	0.0	0.0	0.0	0.0	0.0	0.0
St Paul	16.7	0.0	3.1	4.3	0.0	4.2
St Mary	7.7	0.0	0.0	0.0	0.0	1.1
Barbuda	25.0	0.0	0.0	0.0	0.5	3.7
Average	14.2	2.0	1.5	0.5	0.5	3.7

## 8.10 ACCESS TO INTERNET AND TELEPHONE SERVICES

In this era of globalization, new technologies are rapidly reshaping the livelihoods and lifestyles of people throughout the world. While the pace of technological change is increasing globally, the results from the SLC/HBS on the situation in Antigua and Barbuda shows that there are many areas for improvement, even though there are areas in which considerable advance has been made.

An examination of the data on access to information and communications technology by households (not individuals) shows that all households have a land line and at least one cellular phone. However only 16 percent have internet access irrespective of per capita consumption quintile (Table 8.16). The data also show that internet access improves with socioeconomic grouping.

## 8.11 PPA PERSPECTIVES ON PHYSICAL CONDITIONS IN COMMUNITIES

In the course of the PPA, participants commented on conditions in their communities. The researchers and research facilitators were also able to record observations, which have been used in developing profiles of the physical conditions in Antigua and Barbuda.

In some sections of the urban communities of Grays Farm and Point, ghetto-like conditions were in evidence – poor housing, small dwellings in need of repair, and squatting. In Point, there exists a network of narrow unpaved alleyways in which there are small and sometimes dilapidated one or two room houses with little space between them. Some houses do not have electricity or running water, and while a few may have outdoor toilets, several have no toilet at all. Public bathroom facilities are used by the residents with problems of access to toilet facilities.

Table 8.16: Access to ICT by Households According to Per Capita Consumption Quintiles

ICT access	Quintiles											
	I		II		III		IV		V		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Internet Access												
Yes	92	1.5	297	4.8	814	13.4	1328	21.2	2695	42.0	5225	16.8
No	6042	98.5	5926	95.2	5282	86.6	4926	78.8	3725	58.0	25901	83.2
Not Stated	0	.0	0	.0	0	.0	0	.0	0	.0	0	.0
Total	6134	100.0	6223	100.0	6096	100.0	6254	100.0	6420	100.0	31126	100.0
Cellular Phone												
Yes	6134	100.0	6223	100.0	6096	100.0	6254	100.0	6420	100.0	31126	100.0
No	0	.0	0	.0	0	.0	0	.0	0	.0	0	.0
Not Stated	0	.0	0	.0	0	.0	0	.0	0	.0	0	.0
Total	6134	100.0	6223	100.0	6096	100.0	6254	100.0	6420	100.0	31126	100.0
Land Line												
Yes	6134	100.0	6223	100.0	6096	100.0	6254	100.0	6420	100.0	31126	100.0
No	0	.0	0	.0	0	.0	0	.0	0	.0	0	.0
Not Stated	0	.0	0	.0	0	.0	0	.0	0	.0	0	.0
Total	6134	100.0	6223	100.0	6096	100.0	6254	100.0	6420	100.0	31126	100.0

As in Point, the original residents in Grays Farm do own their house and land and while some houses do have indoor toilets, pit latrines or pails are used for disposal in some cases. Electricity and water are available but residents reportedly could not afford the high utility bills.

Although in both of these communities high levels of unemployment were said to

contribute to poverty and a poor quality of life, there are a few areas in Grays Farm that can be described as better off. In these areas the housing stock is in better condition with household amenities: the physical infrastructure is better and residents appear to enjoy a higher standard of living and a better quality of life than their neighbours in the ghetto-like areas who participated in the PPA activities.



Internal and external migration as well as immigration was said to have had adverse impact on these urban communities and to have contributed to a sense of fluidity, and to rapid changes in the composition of the population. In these communities several of the original residents have migrated overseas and many said they would like to move to “a better community”. There was also a growing Spanish speaking population – mainly immigrants from Santo Domingo. Several residents in Grays Farm were of the view that the existence of non nationals from other Caribbean countries had contributed to over-population, and was putting pressure on the housing stock.

With the emergence of social problems in these communities, the process of stigmatization has set in, leading to depreciation in the value of property: this had then become the target for immigrants and a more transient population in search of cheaper accommodation in close proximity to the urban economy.

In some of the low income districts, there is severe overcrowding and densification, with three dwellings being constructed on one lot, which is a throw-back to the days of the sugar plantations, and is now characteristic of the immigrant Hispanic population.

While there are a few social services available in these communities, residents have to go outside of their communities to access others. Fortunately, because of their proximity to the city this is not too difficult. In both communities there are a few NGOs

and CBOs that organize programmes to assist residents, but participation in these is not very high.

Codrington, the main town of Barbuda is the other “urban” community, but is significantly different from Point and Grays Farm. Although it is the centre of activity, it is more rural in appearance. Its infrastructure is not well developed and its roads are unpaved, but there are a health centre, two day care centres and a primary and secondary school.

In Codrington, there are many cases where wells in the back yard are used but there have been complaints about the brackish taste of the water. In other cases, cisterns were used to collect water, and while piped water is also available some people cannot afford to pay for the connection. The finding in the SLC/HBS that there was universal access to pipe-borne water in Barbuda has to be tempered by this observation from the PPA.

Garbage collection is irregular, there are pools of stagnant water in which mosquitoes breed, and stray animals are destructive and seen to be a nuisance.

In the semi-urban communities of Clare Hall and Potters, while most of the housing is in reasonable condition, there was evidence of overcrowding and pockets of squatting. In Clare Hall, abandoned houses had become a refuge for vagrants and drug dealers. In both communities, there has been an influx of non-nationals, and at the same time, because of the increase in crime

and drugs, some residents who were born in the communities have moved out.

In Clare Hall, land was sold to private developers and most of it is privately owned, but little infrastructure was put in place and there are pockets of squatters existing on government land in slum conditions.

The communities are well served by schools and residents have access to other services from communities nearby, but absence of a community centre and recreational facilities were seen as problems. In both communities there is a health clinic and schools, and churches in Potters provide assistance to the needy. Project Hope has recently set up an office in Clare Hall to assist with social problems. There are also several groups operating in the community.

Urlings and Wilikies are coastal communities, and the other rural communities are all inland. In many of these communities while utilities and transportation were available, residents were concerned about the high cost of utilities and the poor state of the roads. Residents in John Hughes felt attention needed to be paid to the roads and drains.

*"The deplorable conditions of the roads and drains require immediate attention."*

Residents in Bendals pointed out that the poor condition of the roads was the result of the use of heavy trucks by the quarry and to neglect and lack of proper maintenance. The Fines Well is located in the community, and while it supplies most of the country's

drinking water and serves the water treatment plant, residents were concerned about the quality of water that they get. They complained that while water is available either within households or from public standpipes, the quality was poor and that it could affect their health so they used it mainly for domestic purposes and they rely heavily on the rain and the well for most of their potable water supply. According to them:

*"The water is very salty and brown"*

*"There is too much chlorine in it, it is unbearable to drink"*

*"Every time I drink the water I feel sick, I have to make sure to buy a bottle and keep in case the tank run dry."*

In most of the rural communities, there is a primary or secondary school or both, and day-care centres and preschools are also available. In Ebenezer, although there is a library and computers, because of politics, residents cannot use these. In most of the communities residents also have access to a health clinic either in their communities or in communities nearby and there is a day care centre for the elderly in Ebenezer, a basketball court in Bendals and football and cricket fields in Ebenezer. The Government facility for delinquent boys is located in the Wilikies community.

On the whole, housing is adequate and in most of the communities several of the residents owned their own houses. However, in some communities there are houses that need repairs and in others, for example in Bendals and Piggots, there is some evidence of overcrowding and of

small houses with few amenities but with large families.

In these rural communities land is available for housing, for agriculture and for grazing of animals. Many residents own land and in some cases - for example in Ebenezer - land is owned by the original residents and in Piggots, family land has been passed on from generation to generation. However while land in Ebenezer is available for agriculture and grazing, the land in Wilikies though available for grazing, is not suitable for agriculture. Although Bendals is an agricultural community, there is also a large quarry in the community and that as well as the agricultural land is controlled by the central government.

## **8.12 PUBLICLY PROVIDED SERVICES AND FACILITIES**

While facilities and services may be available, the extent to which residents can access and/or afford them is determined 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 provided with facilities and services that are easily available to residents. Electricity water and telephones, including cell phones are available but not necessarily affordable. In several communities, including Point there are several houses without electricity or water. In Ebenezer, residents were of the view that the cost of utilities is too high for low income persons, and in Wilikies it was

felt that there needs to be some improvement in the provision of utilities.

In most of the communities, water is available in stand pipes and in Wilikies and John Hughes there is reservoir that acts as a back up. Many houses therefore do have access to water, either from stand pipes or from pipes inside or in their yards. However, this is not the case in Point and some residents in Urlings identified the need for a steady flow of water. Residents in Urlings complained about the quality of the water which they said was not good for drinking and which they used mainly for other domestic purposes, than for drinking.

Some communities are well served with transportation, but in Urlings, the bus service is said to be problematic. The residents in Bendals would like the hours of the bus service to be extended beyond 7.00 or 8.00 pm, and in Grays Farm it was felt that there is a need for a system to transport the elderly to the clinic. In Ebenezer, Clare Hall and some of the other communities, residents complained about the poor condition of the roads and the conditions of drains.

*"The roads are too narrow."*

*"We need proper roads and drainage in this community."*

*"We need road signs and street lights."*

Most communities are well served with schools and most children have access to day care centres, preschools, primary and secondary schools located either in their communities or in others nearby.

In Clare Hall there is the mental hospital and a home for the elderly and in Wilikies there are also day care facilities for the elderly, a correctional centre for delinquent boys, and a police station. However, the latter is without a working vehicle. Residents in Point were concerned about the absence of a police service in their community.

In many of the communities, residents have access to health care through health clinics either in the community or in communities nearby. It was alleged though, that there was no health centre in Point and residents in Grays Farm were of the view that:

*"Although the health structure was poor, the clinic is a positive thing because people, especially pregnant mothers and the elderly can still go and receive medical attention free."*

In several communities residents expressed concern about the quality of the service being offered and they saw the need for improvement. This was especially so in the case of the health services. Residents in Wilikies and Bendals expressed concerns:

*"The clinic needs to be refurbished or rebuilt with facilities for a pharmacy."*

*"There should be a doctor in the clinic every day."*

*"There is need for a doctor to be resident in the community. The hospital is far and this would be of great assistance, especially in cases of emergency."*

In Bendals, in addition to concerns about the state of the clinic, residents were also concerned about the hours at which it was opened - 8.00am to 1.00pm. They felt that

because of this and the absence of a doctor on a daily basis,

*"The clinic cannot provide services to meet the needs especially of children, pregnant mothers and the elderly."*

*"A doctor should be on call at all times and a residence should be provided for him/her."*

There is no clinic in Urlings, and in Liberta there was neither a nurse nor doctor resident in the community, and in Potters.

As was the case in Grays Farm absence of recreational facilities is often cited as one of the factors that contribute to delinquency among the youth.

*"Young people need more ways to focus their energy."*

*"They need a community centre with activities and that is open to the public at all times and not just to a small cross section of people."*

A similar view was expressed by residents in Wilikies.

*"We need a community centre for the young people to occupy their time."*

In Liberta and Clare Hall there is a basket ball court but the playing field in the former was damaged by the hurricane and was never repaired. And while there is a playing field in John Hughes the residents felt that there was a need for a recreational centre for the elderly.

## 8.13 THE ENVIRONMENT

The physical environment within which people live has an impact on their lives – the poor is no exception. The environment can provide them with natural resources that they can use as the basis for economic

activity, for food security and to sustain their livelihoods. However, except in the few communities in which fishing is a major activity, and in Barbuda, where there is sand mining, direct exploitation of natural resources is not the basis for economic activity or a significant source of income for most people.

In all of the communities though, residents were aware that environmental conditions can be a threat to their health and well being, their security and their safety, and they identified several factors that contribute to environmental degradation. Among these were littering and improper disposal of garbage and faeces, pollution of the sea and water sources, deforestation, charcoal burning and burning of rubbish, excessive amounts of dust, use of pesticides and other chemicals, overgrown areas, and the existence of abandoned and derelict houses and vehicles.

Except for Barbuda, Liberta, Urlings, and Bendals, other 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 residents' health. In the urban communities, there is a lack of physical space leading to overcrowding, poor drainage and flooding, poor sanitation and inadequate storage of food, littering and improper garbage disposal, absence of and poor condition of toilet facilities, and disposal of faeces in the sea and surrounding areas. Stray dogs, flies, rats and mosquitoes are also prevalent in some communities.

Officials at the Ministry of Health corroborated the fact of a sewage problem. There is still in place a night soil system for at least 200 households in St. John's. Given the low water table of most parts of the country, septic tanks as a system pose a problem in the final analysis. All of these conditions have contributed to an unhealthy physical environment in some cases, and creates risks and poses threats to residents' health.

In Barbuda a significant number of residents depend on natural resources - the sea, the bird sanctuary, the land and the sand - for an income. However residents are aware that sand mining, while providing a lucrative income for some, is contributing to severe degradation of the environment, to deforestation and destruction of fauna. They are therefore concerned that because parts of Barbuda are below sea level, sand mining is changing the structure of the island. Here, there seems to be a problem of the depletion of the 'Commons'.

In Wilikies and Clare Hall, the existence of abandoned buildings, derelict vehicles and overgrown areas were identified as problems. Residents in John Hughes felt that the rainforest needs to be better preserved, and in some communities, roaming animals were also seen as a problem.

In Bendals among the environmental problems identified were pollution caused by disposal of litter that ends up in the stream, smoke from burning of rubbish and charcoal, and the dust from the quarry.

While residents acknowledged that the quarry is a source of income, they also saw it as an environmental hazard.

*"Don't talk about dust, when the quarry working."*

*"All over does turn brown, nothing green no more and when it dry, it worst"*

The dust from the quarry has not only affected the vegetation which now looks wilted with grey leaves, but it has also contributed to a decrease in the bird population. Indiscriminate cutting down of trees and burning of charcoal, the use of chemical pesticides were also identified as actions that resulted in environmental degradation.

All of the communities have experienced hurricanes and felt their negative effects, including storm surges and flooding of low lying areas. Consequently, several homes now have shutters. However, houses located in "high risk" areas, houses that are not insured and those that are not sturdy are the ones whose owners feel the negative effects most keenly.

Flooding is a problem in Point, Grays Farm, Bendals, Urlings and Piggots and while poor drainage is responsible for this

situation, in Piggots the existence of swamp lands is also a contributing factor.

*"The drains are not deep enough and they are blocked with debris so whenever it rains, there is flooding."*

*"We have a little farm and garden but when a heavy rain falls its floods and everything gets covered in water."*

While residents in many of the communities seemed to be aware of environmental issues, there is still a need for programmes to increase this awareness and understanding about how their own practices and actions contribute to degradation of the environment. In the final analysis, some of the challenges require collective action and consistent regulation.

In sum, even if there were doubts about the existence of poverty in Antigua and Barbuda, the data in the SLC/HBS and discussions in the PPA have established that there are poor living conditions among sections of the society that would need to be addressed in any effort at poverty reduction and alleviation. The physical conditions are an outward visible sign of households in difficult circumstances, and the words of the residents themselves have verbalized the challenges faced by poorer people.

## **PART III: COPING WITH POVERTY– INSTITUTIONS AT WORK IN ANTIGUA AND BARBUDA**





## CHAPTER 9 – INSTITUTIONAL REVIEW

### 9.1 INTRODUCTION

The role of institutions in shaping social and economic life is now central to discussions of economic and social transformation. Institutions, for present purposes, can be defined in terms of organizations and as well as patterns of behaviour. It is the task of the institutional analysis to assess the extent to which the country has put in place the mechanisms, and the countervailing institutions that overcome those elements that may detract from the development of the society, or may alternatively contribute to poverty and to dysfunctionality in its operations.

The PPA and the data from the survey have identified problems that may be due to institutional arrangements and practices that have developed in the society. Some of the negatives that have already been identified include, but are not limited to:

- The segmentation of the labour market and the probable impact on households, including some of the female headed households.
- Instability of employment among poor men;
- Abandonment of children and the elderly;
- Crime, violence, drug abuse and prostitution;
- Teenage pregnancy;
- Educational underperformance;
- Lack of assimilation of immigrants;

- Poor and unsanitary living conditions; and
- Environmental degradation.

This Chapter examines the role and contribution of a number of agencies and organisations to poverty reduction or to helping groups in the population to cope with the effects of poverty in the context of the current reality of Antigua and Barbuda.

The analysis is derived from a series of interviews and document reviews which were used to gather information on a host of agencies, which provide services to the poor and wider society in Antigua and Barbuda, to establish their efficacy in assisting the population to cope with the hardships of social and economic change. Where relevant, the views of participants in the PPA and data derived from the survey are included to add substance to the analysis.

The analysis is presented in four sections which correspond to the primary objective of the respective agencies in respect of the work that they are set up to do – developmental, preventive, remedial, and supportive.

### 9.2 DEVELOPMENT-ORIENTED AGENCIES

Development agencies or development oriented agencies are necessary for engaging the population in pulling themselves up by their own boot straps. These agencies may lie in the state sector or



among NGOs and CBOs. In a country well endowed with development institutions, there would be in evidence initiatives relating to capacity building at the individual and community levels, training and educational opportunities for those who, for whatever reason, might not have been able to access formal programmes in the educational system. Effective community development assists communities to transform their reality with their own resources and with whatever they can marshall from outside the community. In addition, the economic sectors likely to create income and employment for members of the society are likely to be blessed with institutions committed to their development.

Where there is a high development orientation, there would be evident strategies to assist out-of-school youth, or youth at risk to get into the mainstream of the educational system and to realize their potential. There would also be programmes providing access to credit to women and to persons on the margins of the economic process. Generally, development oriented institutions assist the marginalized and those at risk to achieve their highest potential, in spite of social and economic handicaps. This subsection examines the situation in Antigua and Barbuda.

On its accession to Government, the new administration sought to embark on a number of initiatives, at the same time as it addressed the fiscal constraints that the country faced. While these initiatives were not dictated by any formal strategy of

poverty reduction and eradication, per se, one of the first steps taken was to seek the assistance of the Caribbean Development Bank in the conduct of a poverty assessment. This suggests that the Government was mindful of the need to have firm evidence of the economic and social conditions being faced by the population, as dictated by the fiscal situation of the country.

The Government focused also on the revitalizing of some of the agencies internal to government administration to ensure that their priorities were more directly aligned with the developmental needs of the country. In some cases, new agencies or mechanisms were created, in order to improve the efficacy of its developmental initiatives. A major internal challenge related to the need to downsize the public service, while securing or retaining key personnel; invariably, much of the personnel that were prepared to take voluntary separation package tended to be those best equipped to deliver at their jobs.

### **9.2.1 SOCIAL TRANSFORMATION**

One of the most important steps taken, was the establishment of a Ministry of Housing and Social Transformation which brought together key traditional social service delivery agencies. There was also the introduction of staff with the capacity to conduct technical analyses of the costs and benefits of the social provisions of the Government and, as well to identify programmes that could best meet the needs of the country in respect of social

development. In that regard, the model of the Ministry of Housing and Social Transformation developed in Barbados, has been seen as appropriate for emulation within Antigua and Barbuda.

At the time of the conduct of this study, the Ministry was still in the process of settling into a new structure. It has been faced with competing demands, of rationalising inherited structures, and creating an organisational structure appropriate to the requirements of Antigua and Barbuda in the early 21<sup>st</sup> century. Some sections may yet be heavily staffed with non-established officers who lack the technical qualifications and training to function in a structure designed to meet the current and prospective requirements of the country in respect of social services. There does exist a Department of Community Development, but it too seems to lack staff in terms of number and calibre required in this area currently.

On the other hand, there is only an incipient core of professional expertise in place to conduct technical analyses and to advise the Government on policy issues relating to poverty reduction and social transformation. This exists in the form of the recently established Social Policy Unit led by one officer on loan from the Ministry of Finance. While this augurs well for the future if the relevant staff were to be secured, there remains the task of transforming an agency that is still cast in the mould of a traditional social service delivery agency of the mid 20<sup>th</sup> century.

### **9.2.1.1 Community Development**

The Community Development Division falls under the Ministry responsible for Housing and Social Transformation. Given the dynamics of the society, it could be seen as one of the more important divisions of the Ministry. There are three established posts and three non-established officers in the Division. Their functions are limited to Antigua. There is an office in Barbuda, which is a general purpose operation, but with which there is no real linkage with the Division in Antigua. There are a number of community issues faced by the country, including:

- The integration of the Hispanics into the society;
- Crime and violence, and spread of drug use among the youth;
- The growing indiscipline in schools;
- The lack of civic pride;
- The relative absence of mechanisms to compensate for the erosion of family support systems.

The Division was in the process of registering community groups in the late 2005, with a view to working along with them. However, with its staff limitations, there was doubt about its effectiveness. The vicious circle of being understaffed and not being able to discharge its mandate, created a growing lack of faith in the Division in its being effective in contributing to community development.

## **9.2.2 ECONOMIC DEVELOPMENT AND PLANNING**

The institutions for economic development and planning within the State have a primary role in the structure of opportunities that, in the final analysis, emerges for communities, households and individuals in the society. This subsection focuses on a few of these, based largely on information supplied by representatives of these organisations: these are the Economic Policy and Planning Unit, the National Economic and Social Council, the Industrial Development Board and the Ministry of Industry and Commerce.

### **9.2.2.1 Economic Policy and Planning Unit**

An important section of the Ministry of Finance and the Economy is the Economic Policy and Planning Unit which, since the coming to power of the present administration has deployed most of its technical resources to the challenge of debt management. It has had external assistance under the Structural Adjustment and Technical Assistance Project (SATAP), and is now well equipped to engage in financial programming to ensure that expenditures are reduced in keeping with revenues. It collaborates closely with the Budget Division in the Ministry of Finance, in seeking to set the economy back on a sustainable growth path, which ultimately, is the basis for poverty reduction.

The Government is now involved in the preparation of a Public Sector Investment Programme which is a new and positive departure from what existed heretofore. The Unit has direct responsibility for this

task, and is also assisting other Departments to become more proficient in Project management; to avoid the stop-go procedures that have not been conducive to effective expenditure controls in the past. Crash courses have also been organized for Government Departments. Further, the Planning Unit has a responsibility in assisting with formulating the outline for a national strategic development plan, thus mobilizing other key stakeholders with a view to encouraging new innovative investment opportunities that would stimulate economic development.

### **9.2.2.2 National Economic and Social Council**

The National Economic and Social Council was established by an Act of Parliament in 2004, following on the accession to power of the present administration. However, at the time of the conduct of the interview with its Chairman, one year later, its staff structure was still not in place, funds were to be allocated and office space identified. The NESC's primary focus is to provide advice to Government based on deliberations among its membership which is tripartite in nature.

According to the Chairman of the Council, it was auspicious that the Council was being established at a time when some of the critical issues were being addressed by the Government, including the debt overhang of the country, the sources of revenues, and the structure of the public service. The Council would have to examine the needs in such areas as the upgrading of the work force, the improvement of

productivity in the country and the encouragement of business and entrepreneurship among nationals.

### **9.2.2.3 Industrial Development Board**

The early attempts at diversification had been centred on the development of manufacturing industry and assembly operations, mainly at the Coolidge Industrial Park, the management of which was placed under the Industrial Development Board. The efficacy of the Board can be assessed from its own interpretation of its effectiveness and that of agencies in the private sector that utilized its services. At the time of the interview, the Industrial Development Board was in a state of transition, as it was due to be replaced by an Investment Authority. The focus of the new agency was to be the facilitation of business in Antigua and Barbuda. The coming into being of NAFTA had affected a number of the businesses and there was a need to undertake some revamping of activity, but this needed to be set in the context of the limited resources of the Government which prevented its carrying much of the costs of the redevelopment.

In the view of the Chamber of Commerce in 2005, the shift in focus of the Industrial Development Board was not welcome. There was the feeling that trade was being neglected, and in its being put under the same umbrella -Finance, Trade and the Economy - in one ministerial portfolio, there was the likelihood that trade would receive

scant attention. Nor was there evidence that industrial development was going to receive any special focus as such.

From the perspective of the Chamber of Commerce, the national interest would be well served if there were more local entrepreneurship getting involved in the use of the space at the industrial estate. At the very least, the Government had committed itself to the development of SMEs. Thus, it would do all that was necessary to facilitate the development of enterprises on the industrial estate. With the imperative before the Government being the reduction of the size of the public sector, the growth of business would be most critical in the creation of new productive employment.

In this new orientation, the country had already benefitted from technical assistance under the ACP Agreement, and from the OAS. Relevant legislation was being drafted and an investment code updated. A data base had been developed on industry in the country and it was expected that as the Investment Authority came into being, the country would be able to implement programmes consistently with the needs of particular sectors. The challenge remained of securing soft funds such that the state agencies could initiate major steps in the facilitation role that was being planned for industrial development. At the time of the conduct of the CPA, then, industrial strategy was still being formulated.

#### **9.2.2.4 Division of Industry and Commerce**

The Industry and Commerce Division falls within the Ministry of Finance. With the establishment of an Investment Authority in the offing, there was a lack of clarity of the role that would be played by the Industry and Commerce Division. Its personnel seemed to be in state of limbo. At best, it was likely to have a role in the conduct of research on industrial development and in contributing to the process of policy formulation. It was a moot point the extent to which its existing staff would have been equipped for this role, having regard to the fact that its role in the more recent past had been administrative, mainly, with processing of applications for duty-free concessions, which needed to be recommended to the Cabinet.

#### **9.2.3 TOURISM**

Tourism has been the dominant sector in the transformation of the economy of Antigua and Barbuda for more than three decades. It remains the backbone of the economy, even as initiatives are taken to diversify the economy. In the first half of the present decade, the major shock experienced was the impact of the September 11, 2001, attack in the United States. For a country so heavily reliant on the sector, there was an immediate adverse effect across the economy. Within two years, the industry was into recovery mode, however. The Minister of Finance, in the budget presentation of 2006, attributed the expansion of economic growth that had taken place in the two years previous to ‘a

rebound of the tourism sector’ (Minister of Finance, Budget Speech 2007: p. 14). The prime issue for economic development, and thus for poverty reduction, is the approach of the administration to the sector, given that the sector occupies centre stage in economic policy for the country.

At the level of the Government, the Ministry of Tourism is seeking to market the country in other locations than the traditional sources. This is one aspect of diversification within the sector. Another is with regard to the product itself, and this is encapsulated in the catch phrase ‘the beach is just the beginning’ in recognition of the fact that the country has to go beyond the notion of ‘sun, sea and sand’. The Government seeks to make Antigua and Barbuda ‘the best brand in Caribbean tourism’ (Minister of Finance, Budget Speech 2007, p.98).

A new Antigua and Barbuda Tourism Strategic Policy and Plan is imminent, according to the Government, and it seeks to provide sustainability and quality of product, all with the collaboration of the stakeholders. An important objective is the fostering of locally owned small and medium enterprises to service the industry, as well as the restructuring and improvement in the small hotels sub-sector. This thrust has been presaged since the first budget of the present administration. One of the measures introduced sought to use the occasion of the Cricket World Cup to get nationals to expand their homes, by building additional rooms, which subsequently could become part of the bed



and breakfast accommodation sector, under the control of local investors. The Cricket World Cup Incentives Act was meant to be the vehicle for this to occur.

There may well have been some merit in the general effort to improve the profile of the Caribbean as a destination in international tourism through the Cricket World Cup. However, the benefits will at best be diffused among the countries and cannot be determined specifically for Antigua and Barbuda, and more so in terms of the contribution to poverty reduction.

According to the Antigua Hotels and Tourism Association (AHTA)—about 15 percent of the rooms in the country are up-market or five star. The rest of the room stock is comprised of a bottom tier of about 10 percent of one star and the rest in between with middle range establishments and boutique hotels. Training for the industry is conducted at two levels. There is the Antigua and Barbuda Hospitality Training Institute which took some considerable time in becoming fully functional, and still has some distance to cover in addressing the quality of service issues of the country. At another level, many of the hotels provide their own training, and so also does the AHTA, which sometimes, with the support of the Caribbean Hotel and Tourism Association, provides training for the industry. The smaller establishments tend not to invest in training of their employees, however.

### **9.2.3.1 Other Aspects of Tourism**

According to the AHTA, the environment was not conducive for investment in the first half of the present decade. The cost of labour, and energy costs in Antigua have been extortionate relative to what exists elsewhere in the Caribbean. This is complemented by low productivity and ingrained attitudes of the population that detract from other comparative advantages that the country enjoys in the international tourism. In the view of the AHTA, there is a lack of flexibility in dealing with labour matters: perhaps, the country is at a disadvantage in not having greater fluidity in its labour market compared to St. Maarten where there is a work-force with a considerable number of immigrant workers from Jamaica, the Dominican Republic and elsewhere. There is also the issue of the protection of the beaches and illegal dumping and there have been attacks on tourists, all of which do not augur well for the image of the country, which, in any event, has been lagging behind others in terms of destination marketing.

This view of apparent sluggishness in the Tourism industry is shared by an important stakeholder, the National Taxi Association. They have a strong sense of Antigua and Barbuda retrogressing relative to neighbouring locations. There have been a number of closures, according to the Taxi Drivers, and this has hurt their business. There are other looming structural and institutional problems. There is severe congestion in St. John's City that makes the movement of visitors very difficult when cruise ships visit. There is also the matter of

the quality of staff in hotels which seems in need of upgrading.

#### **9.2.4 AGRICULTURE AND FISHING**

The exit out of sugar was a signal occasion in the annals of the economic history of the country. This was indeed the first major adjustment in the economy since Emancipation, and it seems to have been successfully managed, relatively. In recognition of the new requirements imposed on the state to manage a transition, the Government upgraded the Department of Agriculture to a Ministry of Agriculture.

The thrust of policy was simply diversification out of sugar and into a range of diversified agriculture. Substantial investment was made in the development of small ruminant live stock, root crop and vegetable production. A range of support services were also put in place – extension services, soil testing, plant protection. The Ministry established its own demonstration plot, with emphasis then on the growing of root-crops. The sugar lands were distributed either in parcels under five acres, on an annual rental basis to small farmers, or in a few cases, under longer term arrangements in respect of parcels in excess of five acres. The efforts seemed to have paid off with a range of output now present in the agricultural supply pipeline, including the return of an old export crop – cotton.

The Fisheries Department might have been less successful in its facilitation of the development of Fisheries subsector, which

is subject to some volatility and has its own structural problems, one of which is poaching in the surrounding waters. The subsector has forged links with the Hotel and Restaurant sector, ensuring some benefits to local fisherfolk from the growth of tourism. Thus, the Agriculture and Fishing sector is still larger in terms of contribution to GDP than is Manufacturing.

##### **9.2.4.1 Central Marketing Corporation (CMC)**

The Central Marketing Corporation was established in 1974, on the strength of an Act passed in 1973. Its primary focus then was to provide a marketing outlet for farmers and more so the new farmers that took over the lands previously in sugar. The very presence of the agency was a source of hope to the farmers that there was a possibility in agriculture. The agency sold output on the domestic market and, where possible, it would export. In those early years, it depended on a subsidy from the Government, but it is now totally self-financing. It also serves the function of importing selective agricultural supplies – rice and sugar – with a view to providing staples at lowest possible price to the consumers in the country.

One of its aims is to supply to ships, restaurants and the hotel industry on a regular basis. This is still to be realized. However, over the years, the Agency has maintained a good relationship with the domestic agricultural sector and the sector has blossomed enough for the number of farmers to actually be on the increase in Antigua. The country now produces some

amount of pine apple, sweet peppers, cucumber, tomato, carrots, onions and squash, and poultry production has become important enough for the Government to give the industry some protection from imports. Generally, the Central Marketing Corporation serves the purpose of establishing what items should be imported under licence: no licences can be granted when local supplies are available in respect of the particular item.

The Central Marketing Corporation admits that it is better equipped to serve the needs of the larger farmers. Most of these have made investments in irrigation and other techniques. It argues that it is still able to reach and serve about 75 percent of the farming community of Antigua. The infrastructure for agriculture has improved over the years and the country has received technical assistance from Israel, in particular, in respect of irrigation systems, and drip agriculture.

#### **9.2.4.2 Ministry of Agriculture**

At the level of the Ministry of Agriculture, there is the view that there continues to be interest in agriculture among young people. Agriculture is on the curriculum of some of the schools. There has been some difficulty in retaining land in agriculture given the competing demands from other kinds of economic activity. Farmers have had problems in accessing finance from the banking system and it is only the Antigua and Barbuda Development Bank that is likely to entertain their applications and give favourable treatment. Water for irrigation is also a problem but there is a fair

amount of investment being made in the development of dams.

#### **9.2.4.3 Gilbert Agricultural and Rural Development Center (GARD)**

The Gilbert Agricultural and Rural Development Center (GARD) is an important service provider in respect of the sector. The Center was established with international funding in the late 1980s. Its original purpose was to encourage young people to get into agriculture, given that the average age of people in agriculture at the time was over 55 years of age. The sector was promoted as capable of providing rewarding income in a business that was like other businesses. The Center has shifted its focus slightly in more recent times, managing to maintain a demonstration farm at the same time as it attempts to encourage entrepreneurship among young men and women with a view to their realizing the potential possible in agricultural and rural based enterprises.

It is now managed totally by the Methodist Church in the Caribbean and the Americas, and survives on the basis of some income generation and donations, mainly from abroad, and its clientele extends beyond Antigua and Barbuda to the wider Caribbean. It collaborates with agencies in the country – Ministry of Agriculture, Central Marketing Agency and civil society organizations like the Antigua Beekeepers Cooperative, as well as with regional agencies like CARDI. It is able to ensure that its work serves the needs of the clientele. Its eighteen week entry level programme for prospective farmers may be



the only such programme able to induct young people into the business of agriculture.

#### **9.2.4.4 Central Farmers Cooperative**

In the view of most of the stakeholders, the challenges facing agriculture remain, namely, finance, drought, availability of land, marketing and the price of labour. Meanwhile, there has been some resuscitation of an earlier export crop – cotton – which is enjoying attractive prices. The Central Farmers Cooperative is an example of one of the attempts at the development of agricultural enterprise in the centre of the country on lands that were previously sugar lands. These lands have been rented to farmers by the Government in plots starting at about two acres. The farmers pay an annual rent, and have been hoping to secure lease arrangements, but this is still to be. The farmers argue that they have had no problem getting their output sold, but there are occasional gluts. They see a ready link between agriculture and tourism, which can be exploited more fully.

The Cooperative has been involved in mobilizing resources for investment on behalf of members and for creating marketing networks for the sale of produce of members. One of its most important initiatives was to secure matching funding for a mini-dam that members needed to engage in farming in central Antigua. The cooperative also serves the function of collective buying of supplies for its members, and of marketing some of the supplies.

The challenges faced by the agricultural sector are readily apparent with the Cooperative. Less than one third of its membership consists of people less than forty years of age – 17 males and 3 females. The majority of members are part-time farmers, and are engaged mainly in vegetable crops – root crops and short crops like ochros, carrots, onions and tomatoes. The farmers face competition for land from housing, and in their view, there has not been enough priority accorded to agricultural development.

According to the farmers, previous plans were not implemented, and in the absence of the appropriate structure, good lands have been alienated from agriculture and have fallen to housing and industrial uses. There is an absence of essential infrastructure like packing sheds, and refrigeration. Access to cheap credit is urgently required. There is also the perennial problem of the availability and cost of labour. The farmers have been very sensitive to the need to utilize techniques that reduce labour costs e.g. mulching.

In spite of the difficulties, there are agencies with which farmers work that give some hope of an agricultural future. At least, the Extension Division of the Ministry of Agriculture has worked with farmers. The Cooperative has also collaborated with the Tourism Association in respect of the agro-tourism initiative. There is the Small Ruminants Association in which some members are involved as live-stock operators. There are also the Herbs and Spice Cooperative and the Beekeepers

Cooperative. CARDI and CARIFORUM have also been involved with the farmers.

#### **9.2.4.5 Fishermen's Cooperative**

The St. John Fishermen's Cooperative Society represents fishermen in the St. John's City area. There are just over 80 members. It gives voice to the fisherfolk that in recent times have had to endure many hardships. On the one hand, there has been the increase in the price of steel that has made it very expensive for fishermen to prepare their traps, based on the method of fishing practised in Antigua and Barbuda. The increase in price of steel has forced fishermen to raise the price of their fish to recoup the costs. This has not gone down well with the public and there is the cycle of reduced demand and then reduced supply as it becomes uneconomic for fishermen to go out.

Another price increase has been in respect of fuel. The fisherfolk regret that the Government has not seen it fit to provide similar relief to them in the same way as the transportation sector, which has still found it necessary to raise fares: the Government could not fully absorb the increase in international prices by reducing its tax on fuel. In the final analysis, the fisherfolk find themselves hit by these double-barrelled price increases.

Another source of injury to the industry has been the advent of the pirate. Previously, fishermen would locate their traps by the buoys that they placed. But pirates wait for traps to be set and simply take the catch and dump the traps, which are then lost to the

fishermen. The more sophisticated fishers have resorted to the use of GPS in laying their traps. While this has helped, there is now the long line pirate that would drift until his line identifies ropes leading to fish pots. The shifting of the rope moves the coordinates of the fish pots which are again lost to the fishermen.

The severe cash needs of fishermen put them at a disadvantage in bargaining with people in the hotel industry. There exists a lacking of an orderly system for negotiating prices and selling to this sector. With poor marketing arrangements, fisherfolk find themselves at considerable disadvantage in fetching good prices for their catch.

#### **9.2.5 CREDIT**

The issue of credit looms large in the development of enterprise in the country: access to credit can allow some of the poor and the not-so-poor to create the means for employment and economic advancement. The St. John Cooperative Credit Union is one of the more successful organizations in the country. While its name suggests a community base, membership is open to people who are not resident in St. John's. There could be as many as 11,000 members, but some of these are inactive. In recent times, the Credit Union has focused on loans for productive endeavours. A substantial share of the loans for business has gone to people involved in taxi operations and transport. Loans to agriculture and to fishing have been negligible.

This new area - loans for business development - has joined mortgage lending as part of the reorientation of the credit union. It seeks to promote businesses from their inception stage. Just about 4 percent of its portfolio now goes to business. There has not been much by way of applications from people in agriculture and fishing: if anything, it is likely to be negligible. The credit union is making this shift and at the same time, ensuring that it abides by the standards set under the PEARLS System.

It has not been the beneficiary of any arrangements for un-lending from agencies like the CDB. However, it has worked closely with the Parham Improvement Coop Society in getting them started in their area. It has also been a collaborator with the Gilberts Agricultural and Rural Development Center.

The Antigua and Barbuda Development Bank is the prime development lending agency of the Government. It was established in 1974 to provide developmental support to small and medium sized businesses owned by nationals and to assist students in loans to finance higher education. The recent change in Government imposed the need to review the work of the Bank to see how well it was aligned with the strategy of the new administration.

This has to be seen in the context of the operations of the bank which had become uncompetitive in the more recent past. Forty percent of its loans were non-performing. There has been a write-off of the non-performing loans. There has also been the placement of some fresh funding with the institution, but with this in a special unit. The

Bank may be in a position once more to play a role in the financing of viable businesses which face difficulty meeting the standards of the commercial banking system. The new tranche that has been allocated to the Bank, is earmarked for micro-credit mainly

The travails of securing credit and organising livelihood in this period of economic change in Antigua and Barbuda are illustrated in the experience of Eric Smith and Susan Francis, in the Case Study presented in Box II below.

## **9.2.6 EDUCATION AND TRAINING**

Like elsewhere in the Commonwealth Caribbean, expansion and remodelling are the order of the day in the educational sector. At centre stage in the educational system in 2005 was the thrust of the Government to achieve universal secondary education by 2007. In the past, students who did not secure places at the secondary level, were sent to post-primary centres. These were being upgraded to Junior Secondary Schools.

There have been some major difficulties in the school system, especially at the primary level. Some of the urban public schools have suffered overcrowding which has impacted on pupils. It has been difficult to deal with children who were slow learners. Secondly, many of the children come from relatively deprived home circumstances, or dysfunctional homes. This has led to serious underperformance in education at the secondary level. On average, 60 percent of students of public schools earn places to secondary schools and 80 percent of students at the private primary schools.

## BOX II – CREDIT, STRUCTURAL ADJUSTMENT AND THE HOUSEHOLD

*The impact of economic changes, personal misfortune and of seasonal changes, as well as the role of credit, is demonstrated in the experiences of the couple, Eric Smith and Susan Francis. Piracy in fish pots in the domestic fisheries and the lack on institutions to control or prevent it, led to Eric's loss of income. Susan lost her job at the Central Marketing Corporation when, in the new dispensation, it rationalised its work-force in keeping with the fiscal rectitude being applied by the Government. There is little in place for Susan's retraining. However, Eric is fortunate to secure a loan from the Development Bank. Their story shows the relationship between institutional structure, the **life chances** of households and the vulnerability that they experience in the face of a lack of physical capital and limited educational assets: the reverberation of the loss of livelihood on both is felt beyond their immediate household.*

*Susan is 38 years old. She reports that her mother operated a small shop. She grew up with her paternal grandmother. Susan never attended secondary school. She left school at 14 when she became pregnant for the first time. She then returned to her mother's home. She knows little of her father. **Susan has 11 children. Their ages are 24, 21, 17, 15, 12, 11, 10, 5, 2, 4 months and 4 months (twins).** Her last job was at the Central Marketing Corporation. She worked there for 10 years until two years ago when she was laid off. She has her children by more than one man. Her present house is a modest but sturdy house made from concrete. It rests on land belonging to her mother and was built out of saving from her job and a loan. At present, she has no water because it has been disconnected as a result of non-payment of bills. The house has electricity and modern amenities such as radio, T.V. and fridge. The house has 3 bedrooms. At present 10 persons live in it. A second daughter lives in a small house on the same land.*

*Her common law husband became her only source of income when she lost her job. Susan says of her husband, "he is a fisherman, but at the same time I lose my job he has 97 pots and they thief all. So we had to go and cut wood [to] burn coal and so on. Whatever little come in we had to do with that until when better can be done. He just start to pick back up heself. Whatever money to buy food or pay bill he is the only one that working."*

*Eric explains that his pots were moved by someone using GPS technology and sunk at new locations and the coordinates recorded. Eric resorted to cutting the wood in the forest*

*And making and selling coal. Eric says he then got a loan of EC\$12,000 which he used to replace 75 per cent of the pots that he had before. He obtained the loan from the Antigua and Barbuda Development Bank. He used his current wife's house as security for the loan and had to come up with EC\$3,000 in order to secure the loan. Eric works as a captain on someone's boat. The person allows Eric to set his own pots at the same time that he is conducting his business. Eric in turn contributes to the oil and gas needed to run the boat. Eric sells his fish in the community in which he lives and carries any excess to the market. The family still feels itself in a precarious position since Eric is still not up to his original number of pots and until the loan is repaid, and "we still on the loan", Susan says. "We still owe NDF and if we don't pay the bank will take this house and sell it with the land. And the land belongs to my mother."*

*Eric says that he usually brings in 500-700 lbs of fish per week, plus lobsters. This earns him \$5,000 out of which he pays \$200 + for oil and gas. Eric is 45 years old. He has been in fishing for 32 years. He started at age 13 even whilst going to school. He reports that his parents were cultivators. He has 9 brothers and sisters. His family had land, "so we never used to have plenty money, but we used to have food." Only 2 of his siblings remain in Antigua. They have traveled to places such as St. Croix,*

Canada and the U.K. He receives no assistance from them. His father is in the U.K. while his mother is in Antigua being taken care of by one of his sisters. For all the income he made Eric did not have any saving when he lost his pots. He has set his pots in a new location and says he "trusts in the Lord" that they won't be stolen again.

Eric has 17 children alive, 2 deceased. He has them with five different women including Susan with whom he has 3. Eric says of his paternal responsibilities, "you still have to give [something] to those outside. Eric is the only source of income in the household. The older children have gone on interviews, but have had no success in obtaining a job. One daughter used to work at a supermarket but was laid off a couple of years ago. She has no certification or training beyond 4<sup>th</sup> form in secondary school. She has not thought of learning any trade, "I never really give it a thought." She has now been unemployed for 3 years. "Sometimes when I have to wake up every morning and do the same thing over and over it.... [gets her down]. If I am to get a job I would go like after working to computer class." She was asked to leave school in 4<sup>th</sup> form she says because the teachers thought she was not doing enough work.

Even in the time when the family had no steady source of income Eric says, "we still eat every night." Everyone had clothes and the children were able to go to school. But it was hard since two of Eric's children were with him at the time. Susan says, that was more mouth to feed. That's why we had to go and cut the wood and then burn the coal. We thank the Lord that even though hard time, real rough, we still make a \$20 today this even serve for tomorrow. We have to wait till somebody say we want one tin of coal and we get that money to send that to school buy things with it. When them going school I have buy breakfast in the morning, but thank the Lord we never go to sleep hungry. Even if we have to...like me and he (Eric) cut short to give the smaller one and them. you know when them hungry how it go." Eric learnt the skill of coal making from his parents. The members of the family assisted in carrying wood, etc to make the coal.

Susan is still interested in working. She says she tells people to look out for work for her. "If is even to clean someone's toilet me wi do it to make two ends meet." Because everytime they come and cut off the current we in that category. The water come off last year June .. and up till now we cant get the money to pay for it. And the money that he make the twins alone use up that because I have to buy pampers for them and pampers expensive. You have to buy tin food and is \$20 for one tin. Plus to send them to school. When the children are sick they have to have money to carry them to a private doctor, "because sometimes you go to the clinic and the doctor don't come that day, and you cant wait because they cant talk to tell you which part ah hot (is hurting) them. We just trying we best to ask the Lord to don't make them sick and we don't have the money". Last week Sunday the first born twin was ill. Susan says she went to her mother and asked her what to use because the clinic was closed. She recommended children medicine. She had to buy it from her pocket though since her mother's husband complains that her children are always coming to beg. Susan has only one grandchild, that by her second daughter who lives on the land in a separate house. That daughter she says plaits hair now and then. "Otherwise from that she don't work." That grandchild lives with his father's parents.



Another initiative of the Government that needs to be noted is the introduction of the Educational Levy of 2 percent on all employees. This is placed into a separate fund that is used to fund the supply of textbooks and to provide for scholarships. It is also used for maintenance work on school buildings and for school supplies, including IT equipment.

Another programme that holds centre stage in the educational system is the allocation of grants to students pursuing higher education. Some 150 to 200 persons get Board of Education scholarships which amount to about \$5000 US each annually. This is set to cover the economic costs of attending the University of the West Indies. There is a problem in securing enough Antiguan and Barbudans to teach in the school system. The gap is closed by teachers recruited from elsewhere in the region.

The Antigua and Barbuda Institute of Continuing Education (ABICE) has also been established, to complement the Antigua State College as a post-secondary educational institution. In the past, the State College offered the first year of university. It is also now possible, through ABICE to cater for the needs of out-of-school youth, as well as those of more mature persons who are seeking to upgrade their education and training. It is expected that this would help deal with educational underperformance that has plagued the country. There is also a Youth Skills Programme that is funded by the European Union. Much depends on the people availing themselves of the opportunities

being created by the expansion of the system of education and training.

### **9.2.7 GENDER AND DEVELOPMENT**

The Gender Affairs Division was established during the participation of the country in the international initiatives of the 1970s and 1980s, and has come to be seen as a critical institution in the thrust to gender equity in the society. During the discussions that took place relative to the development of a new constitution, the Division, with the assistance of the UNDP, was able to engage in advocacy to encourage affirmative action for the participation of women as parliamentarians in the national politics. Prior to this, no woman had ever been elected to Parliament in Antigua and Barbuda. Constitution Reform was an opportunity to change this and legislation was enacted in that regard.

However, in the continuing work of the organisation, there is need for the cover of an act of Parliament and this has not been forthcoming. Nor has there been any Cabinet decision on the role and function of the Division in the emerging dispensation. Thus, it has had to limit its work to contributing by way of advocacy and advice to other organisations willing to collaborate, given that it is not provided with the resources to undertake the types of interventions that are needed.

### **9.2.8 CULTURE**

There has been a Department of Culture in existence for more than 25 years. However, there is the feeling in some quarters that

culture is seen by policy-makers largely in the context of its contribution to tourism, and not in terms of its very essence as the spirit and aspirations of the people. Thus, there has been a relative lack of investment over the years. Because of this, it is alleged, even the presumed benefits from tourism are not being realised. Most of the artefacts sold by way of craft, are imported. Moreover, there is a lack of coordination between the agencies involved in tourism and those engaged in cultural development.

Antigua and Barbuda has not taken full advantage of such events as the Sailing Week, the Seafood Festival, and the National Independence Celebrations. It is very distant from emulation of the Jamaican model where strong affinity to the culture of the place as intrinsic value has, in the end, served to differentiate the tourism product of Jamaica, with countless benefits to the little people of Jamaica in terms of income from craft work and their music.

There are still some encouraging initiatives, however badly funded, in the National Youth Orchestra and in the development of Dance. The Culture Department has benefited from collaboration with other agencies in the OECS, and through networking, it has been able to maintain some coherence in its limited programme for the country. There is also the Caribbean Festival Park that the Government has announced as a possible theme park that will be open year round.

### **9.2.9 DISABILITY**

A good indicator of the sensitivity of a society to vulnerability is the institutional structure in place for treating with disability. It is well accepted that as much as ten percent of any human population is likely to present with some form of disability, let alone those, who because of accidents or severe illness, can develop an incapacity. The Ministry of Health is the agency of Government with the purview for matters relating to persons with disabilities.

The Antigua and Barbuda Association of Persons with Disabilities is an NGO, committed to the empowerment of persons with disabilities. Membership is automatic to all persons with disabilities and its executive is comprised only of persons with disabilities. The Organisation conducts workshops, organises employment for members and raises funds for persons who need treatment abroad. It receives no regular subvention from the Government, and has to depend on its own fundraising activity, donations, and on assistance in kind for survival.

The Antigua and Barbuda Association of Persons with Disabilities also mounts public campaigns to improve the level of awareness of the population, at large, and to help create the understanding that disability is everybody's business. It remains one of the few initiatives that focuses on the issues faced by persons with disabilities, and is still clamouring for better understanding from official circles in respect of the needs of its members to be given fair treatment in

land distribution programmes and their housing needs.

### **9.2.10 UTILITIES**

Antigua and Barbuda has good penetration of the main public utilities services. The Antigua Public Utilities Authority (APUA) is a tripartite government statutory agency, established under the Public Utilities Act No. 10 of 1973, and provides services to the nation in the areas of Electricity, Water and Telecommunications. In more recent times, consistent with the move to open up some services to competition, new service providers have been licensed for cellular services. APUA continues to have monopoly control over land lines.

The rates charged in all three areas are not set by APUA itself. In situations of monopoly provision of utilities, it is always a moot point whether providers deliver service to clients at the lowest possible cost. In other words, the rates charged of consumers may impose unnecessary cost on consumers and more so on poorer consumers. The benefits may go to workers and/or to management in respect of their pay package. Alternatively, management may become very accommodating of internal inefficiency, over time. This can be avoided by having effective regulators in place. The Government was still to address the matter of improving regulatory machinery in 2005. *Prima facie*, then, it

might well be that clients were being charged more than was necessary to provide them with the service that they needed.

On the other hand, given the smallness of the country and the small size of the population, there are inherent diseconomies of small size to be addressed in respect of the lumpiness of investment involved in most utilities. In respect of water in particular, there is a need to invest in more desalination facilities. Electricity is generated from imported fuel and the price paid by the consumer fluctuates directly with the price of imported fuel through a set pricing formula, which leaves untouched the income accruing to APUA. In other words, the income of the utility company remains a function of the prices set by regulation and the regulatory pricing model in use.

### **9.2.11 THE LABOUR MARKET**

The role performed by members of the household in the labour market accounts for much of its income in Antigua. The placement function of the Department of Labour in correcting for deficiencies in the operation of the market becomes critical to the realisation of opportunities for many of the poor. The case of the Bryan family in Box III below illustrates the problem of underemployment, which, it is doubtful that the Department could address.



### BOX III – UNDEREMPLOYMENT AND THE FAMILY

*The Bryan family consists of a father and a mother and five children aged 7,6,4,2 and 1. Mr. Bryan, the head of the household, was taken to Montserrat by his father when he was a child. Since returning to Antigua as a young man, Mr. Bryan has done two courses in building technology and has worked in the field of building construction and maintenance. However, since he moved to his present location he has not been able to get any work in this area, so he engages in informal type work.*

*For two years, Mr. Bryan has not worked. "But mi auntie stop abroad and send funds ..mi father auntie. She stop dey and send money fi assist mi with the kids. The other sources of income for the household are his children's mother, who works at a service station, and savings from past employment.*

*"Children expensive every minute them ask fe things, but the most important part is dem need fe have food because clothes is the least because family might pass down the clothes..so clothes a nuh the mostest problem ah food is the biggest problem. Mi always buy food every week.. every week. Because is kids you have to mek sure them always have something to fi dem eat. So what mi do me mek sure mi always buy, not the pack rice as how they will buy it, mi buy by the bulk, because me have five kids so mi have to know how to use mi head and how not to go to shop every minute, because this little money whe you go shop every minute it carry you down.*

*He has never found himself in a position he says where he has to "knock on somebody's door and say lord mi no have it." If his children have any sickness, "it depends on whatsoever it may be. Remember you cant drop the old time remedy, like if them have influenza yu don't need to run go doctor for influenza you go and get some bush. Every minute, influenza, influenza. You have different influenza that really you need to go to the doctor for. But that influenza that travel in the air that pickney always pick up by rain and what not we just go and get little bush and you draw some bitter bush... you mother just give you that and tell you drink that sometime you nuh even want to drink it. But them [his children] get them medicine, them get them tonic them get everything. Them get banana. them get everything. Them get fruits pon a whole, dem no get no sweets. Them live good man." Three are at school and two at home. "Me keep them back because the money fi pay the daycare it nuh easy because daycare ah tell you 7, 5 3 hundred per term. Dem little money whe me dey go tek fi pay the day care me can hold it back and use it in the right way."*

*He says he has tried to get work in a number of establishments, but has not been successful, "so what am I to do? Ah tief them ah send people fi go thief. But me is a good person with good knowledge, them something cant come inna mi head...dem deh a the devil idle works. Me get up off mi bottom and do hard work. Me dig the ground because me know me have to eat, so me dig the ground. Me plant, put a seed. By the sweat of your brow you shall eat bread. Mi have corn, peas, pumpkin. So we reap according...the idle guys on the wayside, dem wi send man crazy, but me always have something ah do(doing), something constructive and me a trademan so me cant go mess meself. Me always a work. But since me come a Antigua, people stiff with work (work is hard to come by)." Me get one job just the other day from a ministry fi go up ah the school, ah construction dem was doing, renovating the high school. Me get one little paper from the ministry fe go up deh. Whem me go up deh the man just pick out who he want. The man say (to Bryan) whe you from, you look like a foreigner. He hire who he want. Me cant do nutten out of that. Me no fuss, me jus go bout me business, although me get documents. Come back home. Something will come. In the meantime when me deh ah me yard sitdown, me occupy meself.. ah no hurricane season yet, so me gwan work pon me house. When people see mee a do this know them will know say me a carpenter.... them will say the guy look like him good let me give him a job. Me will gwan fix up me house, put in a inside bathroom, because when rain fall outside mucky. Ah me do all the work. The whole structure, a me do it. Me and God. Nobody help me."*

*When I came here is only tarpaulin the house have on. Ah me and dem three kids here. ...so me come a long way. Me struggle and me still a struggle....water is the essential thing me need up yah. No water, that's the only thing a mash me up, the water. Me have fi use a hose down by the neighbour fe get some water. If no rain no come and me use all ah the water out of the tank, that's it. No water. Me have fe use pipe water fe save the rain water...Light is not a problem. That is official light from the government. Me use to pay \$50 to a neighbour to get current from a neighbour. But at the end of the day they were not paying their bill and they were still coming for money. I spent 7 months in the dark. So me use that same \$50 to pay the official bill. It might be \$60 sometimes. Just a fridge and a T.V. The light dem nuh on too much. A young man me be, me have fe use me head because me train by old people. Ah old people raise me up. Jus the other day I was saying ah going to mek a little fowl farm to help kick off a little business.. but through me here bout the disease (bird flu) me say mek me wait. Back wey me come from in Montserrat they have fowl farm, they have rabbit, they have everything where I lived. So everyday I had to get up and look after these animal. Ah the same thing me want fe my children. They would just help with me and we pick up egg and me jus sell two..."*

*Mr. Bryan says he does not intend to have any more children.. for now.. because "everymouth ah something fe feed. When you want to give one a big portion you have fe cut back to give the other one. Five good enough. Everythng nice. Me nuh have no problem with nutten." He points to two gas containers and indicates that they are back up cylinders and that they are full. "Ah pickney me have so me have fe know what me bout...ah soh me raise up. We have ton load a container round we and all ah dem full up. Wha you teach me that ah wha me do. Even if a jus little flour and water me have fe survive. No police neve come and knock pon me door fe nutten. Dem have fe come when me dead (the only occasion on which they will come is when I am dead). Me nuh tief, me honest and me do whe me have fe do. But me a do whe me have to do to make those (his children) survive. Because me come up through a hard way. Me never have no father round me..only certain time. Me come up for 12 years with mother and no father. Me go Montserrat and me father migrate again and left me pon me own and me come up with me auntie.. no father. Him lef me inna one house, one two bedroom house and sent a friend to lock the house and put me out. So me come through all them little rough thing, me struggle, me knock here .. me go down to me grandfather. Me grandfather say not enough room. So me say wha else fe do. Me sleep inna one old bus, me sleep in the mango tree..After a while the Min. of Education say something look wrong, cause them no see no parents. Then they discover that I was on my own, like a chicken just. Me no interfere with no body. Me pick dry nut and sell them. Me dig fence post hole ... all the while a little change me ah mek fe help me self. From there I left school and started to work on a site. And the teacher come and tell me better me come back to school, cause in the construction field you have to be able to read and write or else people will rob you. And the woman stood up for about half an hour and talked to me." The man who he did the odd jobs for also encouraged him. " Go back to school. Wash your skin and go back to school.. And I want to see you pass here every morning." Mr Bryan says he did what the man told him and went back to school. He went to live with his auntie. He swears that he cant this allow this to happen to his children. .."Me no mek no joke when it come to work me save me money. If me have to save all, me save all, because as long as me eat and me drink me no want nothing. Me save me money. Because me parents always teach me that. Save.*

*Mrs. Bryan works on the evening shift at a petrol station a couple of miles away. This means that she has to travel home late at night by herself. She runs the risk of being robbed or assaulted, but Mr. Bryan is not able to meet her because the children are too young to be left by themselves. Mrs. Bryan says that when she leaves work at night she has to stand on the roadside and hold out her hand in an attempt to get a ride home. Just last week she reports that she saw a suspicious looking man with a cutlass walking behind her when she left work. Mr. Bryan reports that he got the job for his wife even whilst he was working. He did this as insurance against the uncertainty of the job market. Construction, the field he was employed in at the time, he figured to be an uncertain field of employment.*

## **9.3 PREVENTIVE AGENCIES**

The agencies that operate in the area of Prevention often straddle a range of areas, but they constitute the core of the society's armoury in protecting the individual and society from challenges that may eventuate in the functioning of its social processes. Those that would ordinarily be exposed to particular risks are assisted in avoiding risk or the risk itself is reduced or eliminated. Resocialisation around core societal values, for example, may help urban youth to pursue paths that help them avoid succumbing to gangs and anti-social organization. These risks include physical risks as well, since these ultimately have social consequences. Some of such agencies in Antigua and Barbuda are surveyed here.

### **9.3.1 CHILDREN AND FAMILY SERVICES**

The Child Guidance and Family Unit provides counselling services in support of the home. The Unit functions as an NGO, and has been in operation for some 18 years. Some 60 percent of its resources derive from fund-raising activity. However, the Government provides support by way of the building in which it is housed, and pays for some of the staff. It seeks to cater for individuals between the ages of three and eighteen. Its work has to be seen in the context of the paucity of counsellors in the school system. It has also mounted a programme to deal with parenting in Antigua and Barbuda.

Most of its work derives from the dysfunctionality that has arisen in the family structure of Antigua and Barbuda,

and this is evinced in the absence of a male figure in the home, sexual abuse of girls by the boyfriends or partners of their mothers, and educational retardation of boys. Thus, the Unit often has to treat with women in multiple scenarios of difficult circumstances.

The Unit claims to be able to reach about two thousand (2,000) children on an annual basis. There are only two professionals on staff. One of its more outstanding interventions has been in organizing 'Big Brother and Big Sister Programmes,' which have become national in scope. It also engages in advocacy through Parent Teachers Associations. The parenting initiative of the Unit gets no assistance from the Government. There is also some assistance provided by the Caribbean Support Initiative.

One area of special focus is the self-esteem of women, which can be marred by their self-assessment in the labour market, as parent and as suitor attracting the attention of an appropriate man. Because of seasonal work in the dominant tourism sector, women end up being unemployed in the period April to October, in particular. As single mothers, they are highly vulnerable.

The fear of poverty is especially acute among single mothers with daughters. The scenario is usually one of a woman with a partner or boyfriend who seeks to exercise some putative initiation rights, in respect of the daughter. In the east of the country, there is a problem of incest, with the father or step-father claiming this right. Women

are afraid to report such cases for fear of losing the little support that they get from the man.

Another problem is that of teen parents, especially those in poverty. They find it difficult to get back to school. There is serious stigma attached to young mothers returning to the school. It is now possible for the Government to get the girl back into a school: the right exists, but it is not the norm. Meanwhile the grandmother of the child usually has to work in low wage employment and cannot assist nor provide for the child. Another scenario is of a girl becoming pregnant and then being put out of the house, either with the father of the child or to look for another man. She may end up in prostitution, should she fail to find a man.

The Unit may be the only agency engaged in the work it does, but the resources available to it are much less than what is required to reach those affected by the social dysfunctionality that it targets.

### **9.3.2 PRIMARY HEALTH CARE**

There is general agreement across a range of health officials interviewed that the primary health care system has universal reach across the country, and is delivered through six major health centres and a number of clinics located in almost every village of the country. According to officials at the Ministry of Health, immunization of babies is high. In the event that they had not been by the time they get to their fifth birthday and are about to enter school, they are

referred to the clinic for remaining shots. The clinics also have an outreach to the schools.

Infant mortality has been fairly stable and relatively low. The Government is expanding the primary health care system following the model of Barbados which can provide most of the services normally required. However, there is a long established tradition for the population to seek attention at the Holberton Hospital.

All workers are required to contribute to the National Medical Benefits Scheme (MBS). Workers pay 3.5 percent of their wages and the employer pays a similar amount. All persons between the ages of 16 and 60 years of age can receive treatment free of charge in respect of nine diseases, provided they have been contributors to the Scheme. If not, they are required to pay for services they receive at public health facilities. Persons under 16 and over 60 years of age are entitled to free treatment.

As in the rest of the Caribbean, lifestyle diseases are prevalent – in particular Diabetes, Hypertension and Obesity are serious concerns in the country. School children presenting with obesity, is a recent phenomenon that has been attributed to the predilection for fast foods in the society on the one hand, and, allegedly, to the dropping of Physical Education from the curriculum.

The leading cause of death among women is cervical cancer and among men, prostate cancer. While teenage pregnancy has

always been an issue, according to one health official, it has not been as significant as the rise in the number of premature babies being born. There was need for a study of prematurity since the factors precipitating this situation were not well understood.

There have been resource constraints in the primary health care system: as many as twenty nurses have been leaving every year. The shortage of nationals in the health system is being redressed in part by nurses from the Commonwealth Caribbean and from Cuba. However, the Government was making every effort to address the needs of the population through the primary health care system. Better quality data are being collected, and this would help fashion the interventions.

With the completion of the clinics with service delivery fashioned after the polyclinics in Barbados, it was felt that there should be some improvement in primary health care in the near future. The aged and children (under 16 and over 60) already receive services free, and the Medical Benefits Scheme could help induce some sense of personal responsibility for one's health.

### **9.3.3 SUBSTANCE ABUSE**

Substance abuse seems endemic in Antigua and Barbuda. Discussions in the PPA established that alcoholism is highly prevalent in Barbuda and the consumption of alcohol on weekends is excessive. In the National Drug Use and Prevalence Survey

of 2001, 12 percent of workers surveyed admitted to using illegal drugs, and 20 percent of students reported that they had experimented with drugs like marijuana. In the PPA, residents confirmed high levels of substance abuse in a number of communities.

The Substance Abuse Prevention Division has been the main organisation involved in the fight against drug abuse in the country. It was established in 1980. It has had a history of understaffing and lack of other key resources. This has meant that community based projects have to be mounted and sustained without transportation being provided to the staff. One of the approaches utilised is peer counselling in schools and communities. The Division targets the second and third form students in secondary schools. There is also an information booklet that the Unit distributes.

While the personnel are not sure of the extent to which the problem of drug abuse has changed, there is evidence that there is greater awareness among the population. More people were coming forward, especially young people, to seek information. Men were the ones who would come more often, but there was still a stigma attached to seeking assistance, and thus, it was largely young men who sought help. According to information made available by the Police, the prevalence of abuse was in descending order as follows:

- Marijuana
- Alcohol
- Crack Cocaine
- Ecstasy



The Division also runs a weekly TV programme that would have helped the society at large to develop a greater sensitivity to the problem. But there remain some key areas crying out for intervention but in which regard, the Unit had not been able to do anything: it had not been invited to factories or to tourism sites, including meeting with the staff of hotels. A special initiative was mounted with assistance from the European Union in 2003. This is the Drug Demand Reduction Programme, which sought to reduce demand for illicit drugs and also substance abuse in the state. This was a special programme and funding was due to end in 2006. The Programme was collaborative in nature and, in addition to the Substance Abuse Division, involved a number of other agencies. The enormity of the task revealed in the PPA suggests that there is need for much more resources in efforts like these.

#### **9.3.4 SOLID WASTE MANAGEMENT**

In the view of some officials, there has been improvement in solid waste management in Antigua in the recent past. In middle of 2005, a new landfill site was opened on 55 acres. It is expected to last for at least ten years. The old dump is still in use, and handles household waste. The new site is expected to handle waste from hotels, industrial plants and sewage. There has been a gradual move to some separation of waste and white waste is now treated as bulk and processed differently. Ship generated waste is going to be sent by barge to Cooks'.

Households can expect their waste to be removed at least once per week. However, there is a lack of discipline among the population, which has not been conducive to the orderly management of waste. There is clearly a need for public education on matters of waste management. Fortunately, waste is still better managed in the high income districts.

Antigua had some serious problems in the more recent past that are related to waste management. A fish kill was the tell tale sign of environmental degradation. It is alleged that the US Army used asbestos in some of the facilities which were constructed during its presence on the island. On the dismantling of these buildings, it is alleged, discarded material was dumped off the island of Redonda, where the Army usually disposed of its waste. The fish poisoning has been traced to this.

There is a Litter Act, but there is no enforcement. Illegal dumping continues to be a problem in the country. In some official circles, there is the view that Environmental Education in schools and communities offers the best chance of creating the shift required in the management of waste in Antigua and Barbuda, having regard to its level and pattern of development and to the likely generation of waste in the future.

#### **9.3.5 PUBLIC WORKS AND BUILDING CONSTRUCTION**

The Ministry of Works is at the centre stage of public investment in infrastructure, and both islands seemed poised for substantial

physical expansion in the short to medium terms. This was seen as offering an opportunity to put certain policies in place. There is road construction – both main and secondary roads – the building of new, and repair of existing, schools, and port expansion in the offing. One important step contemplated was an environmental tax to be implemented on vehicles: no vehicle over four years of age would be admitted into the country. This was apparently with a view to reduce vehicle emissions from traffic on the roads of the country. Another intervention was the imposition of penalties on persons found removing sand from beaches. The Development Control Authority was going to become far more active in the policing of beaches across the country.

### **9.3.6 ENVIRONMENTAL CONSERVATION AND MANAGEMENT**

There are numerous environmental hazards facing the country and there seems to be limitations in institutional structures to deal with them, or what exists lacks the authority to act, with a few exceptions. The country has had to withstand natural disasters in recent years. Hurricanes Jose and Lenny resulted in loss of life and, as well destruction to homes and infrastructure.

According to one of the groups engaged in promoting environmental awareness, the problems were evident in a number of dimensions. In addition to general littering, there were such challenges as land degradation, including from the roaming of

goats and other animals, poor quality outfall from desalination plants, air pollution at the Bendall's Quarrying operation, inappropriate fishing methods, back-filling of ponds for 'development', destruction of coral in the anchoring of vessels, and unregulated sand-mining in Barbuda. One senior official of the Government pointed to the destruction of the reefs that had been occasioned by the spear fishing exploits of some of the wealthy in Antigua. There were in evidence vehicles that should be banned in Antigua and Barbuda – like Hummies, which while being important status symbols in some circles were anything but environmentally friendly. The predilection to building at the water's edge posed its own problems, and there was scant attention being paid to the protection of mangroves. Indeed, according to one, environmentalists are quite unpopular with Governments.

The Environment Division falls under the Ministry of Agriculture, Lands, Marine Resources, Food Production and the Environment. It has, in the past, mounted National Beautification Programmes with a view to improving the aesthetics and in engaging the population in this endeavour. Because of budgetary limitations, it has sought to encourage commitment and resources from the private sector in accomplishing this task. It has also engaged in advocacy especially within the secondary school system to enhance sensitivity to matters environmental. While the country has signed a number of international agreements relating to the environment, its



budgetary constraints have retarded its implementation of these agreements.

There is an Environmentalist Awareness Group in operation. It does get in-kind contribution from the Government. It mounts training work-shops on safe practices for fishing and diving, and works in select communities in helping residents to develop community approaches to the protection of the mangroves etc. It has worked in select fishing communities – Old Road and Johnson’s Point.

In spite of the general problem of environmental degradation, there exists a very successful National Park operation in the south of the country. There are actually three communities in the national park – English Harbour, Falmouth and Cobbs Cross. Legislation for National Parks was put in place in 1985 – National Parks Act. The Development Control Body of the Central Government is on the Board of the Park of National Parks.

By and large, there has been relatively good control over the entire development. There is close attention given to garbage collection, disposal of oils and to the tipping facility, and no effort is spared in protecting the environment. The marina at English Harbour hosts yachts owned by the likes of Oprah Winfrey and Bill Gates and is well maintained. An attempt is made to retain the integrity of the location in its original form. There is an active research and conservation programme. There is also some careful excavation work being done and artefacts collected.

In capturing the past from the times of the Arawaks to the use of the area by Lord Nelson as a dockyard, the Board has been able to demonstrate how environmental preservation and income generation can converge. There is quality employment for nationals in the preservation of the site. Indeed, the site is a major tourist attraction for Antigua, and this is due to the successful effort of the Board in the management of the site.

There have been occasional differences with the political directorate that has not always seen eye to eye with the Board, and has been wont to give approval to projects that are not consistent with maintaining the integrity of the site. In the view of one observer, it is this lack of understanding of the importance of conservation that explains the failure to date to implement the National Parks Act in respect of Barbuda. Ironically, Antigua and Barbuda is blessed with one of the most outstanding examples of conservation that pays in the Caribbean.

### **9.3.7 IMMIGRATION CONTROL**

The relative performance of the economy vis-à-vis its neighbours has not gone unnoticed by workers in neighbouring countries. This has made the country an important destination for migrant labour seeking employment opportunities. The influx of people from the rest of the region has posed a major challenge to the Immigration Authorities in recent years. According to one of the officials of the Department, the shortage of labour has been a factor leading to the inflow. Many of

the labourers in Agriculture are now non-citizens. Even government owned farming operations have had to depend on immigrant labour.

Among the first to take advantage of the emerging opportunities have been the Dominicans, who have availed themselves of the right accorded to persons whose parents or grand parents are/were citizens of Antigua and Barbuda. The earlier emigration of nationals to the Dominican Republic as cane cutters, has meant that Antigua and Barbuda now finds itself returning the favour.

This has created a grey area in documentation and has led to avenues being exploited in human trafficking. There is falsification of documents for economic and other migrants. There is also the problem of prostitution, especially with the Dominicans, who are particularly favoured in the context of Antigua and Barbuda for their colour and hair texture. The country is a signatory to the convention on Human Trafficking. However, its resources for policing are slim.

### **9.3.8 CONTROL OF CRIME**

According to the Police, there has been no real increase in crime in the more recent past. This view does not accord with perceptions voiced in the PPA. However, the Police admit that the level and range still give cause for concern. The issue of violence and of the use of firearms is a source of worry. There is truth in the suggestion that there are drug dons and

drug rings. Young males are the ones involved mainly, and they are not from poorer backgrounds only. Women involved in drugs in Antigua and Barbuda, are mainly non-nationals who are being used as drug mules; they are invariably from Jamaica, Guyana, and the Dominican Republic.

There is also emerging the phenomenon of drugs in the school. There are cases of students being arrested with drugs in more recent times. The advent of drugs has been complemented with the emergence of gangs in schools and of fights in school. The Police have availed themselves of the DARE programme that has been sponsored by the United States Government. However, there is need to extend its reach to a wider range of schools than those that are being covered.

The Police have had to deal with some other burgeoning problems in recent years. Child abuse has surfaced disturbingly. There are cases of girls under the age of 16 becoming pregnant, but the Police are unable to act because of the wall of silence that might be created between the mother and the grandmother of the baby. The Police are aware that girls are often abused with the connivance of their mothers, by boyfriends of mother or even by husbands.

As well, there is the problem of domestic violence, although, from the perspective of the Police, this latter seems to be restricted mainly to non-nationals. From time to time, the Police cooperates with FBOs and other agencies in seeking to reduce the incidence of these kinds of social challenges, for

which the Police may not have been well trained but where their inputs are required.

## **9.4 REMEDIAL AGENCIES**

Agencies that contribute to social integration by assisting the vulnerable to restore themselves as members of society have a remedial focus. Such agencies assist individuals and communities to recover and to embark on a path that prevents their falling prey to social dysfunctionality. For example, girls who become pregnant while at school, need to have systems in place that help them to recover from the social challenges of teenage pregnancy. A few of the agencies engaged in comparable tasks in Antigua and Barbuda are examined here.

One important area of remedial activity is the re-entry of ex-prisoners into society. The Probation Unit had been recently formed: prior to its formation, there were Probation Officers in the Welfare Division, but they did not form a separate unit. The design of policies has been pursued with assistance from key stakeholders - the Police, the Prison, Immigration Department, the Churches and the interested persons in the Magistracy and the Judiciary. While no formal structure has been established among them, there was an emerging oversight committee, reflective of the concerns of civil society. It is now recognized that an ability to speak Spanish had to be a requirement to function in the position of Probation Officer, having regard to the nature of the population. Young men constituted the largest risk group. Poor

parenting tends to be the underlying problem.

In addition to the work of the Probation Department, FBOs also play a role in counselling and helping individuals and households, to reintegrate them into society. The Christian Council is one of the longer established organizations in the country. It was formed some fifty years ago, and it is comprised of the mainstream religions of Antigua and Barbuda - Anglican, Roman Catholic, Methodist, and Salvation Army - and has a number of Commissions that address some of the ills in society. Through its activities, the Council seeks to restore people to wholeness.

The Church and Society Commission looks at such problems as prostitution, drugs, crime and gangs, with a view to developing solutions and interventions. In respect of prostitution, immigrant women are to ones who tend to fall prey: their clients are invariably local. According to the Commission, substance abuse has increased on the basis of the visible increase in the number of addicts on the streets. The present administration in Government, has displayed an interest in cooperating with the Council on areas of mutual interest and under the umbrella of the Council, it was expected that the individual members could harmonise their approaches. Most of the individual members were already in receipt of subventions from the Government. The Council runs a radio programme as well.

While there is some form of umbrella organisation among the other religious

groups – the Evangelicals – and in spite of the fact that this had existed for some thirty years, they had not become involved in any formal social service function as the Christian Council. However, having been approached by the Government, attention was likely to be given to working with halfway centres and helping with drop-outs and in the running of afternoon classes. They were expected to assist with a pastoral initiative on the streets.

In respect of facilities for direct treatment of victims of substance abuse, there is the Cross Roads Centre which is a private organisation. Its clientele is largely foreign, but it does reserve one third of its beds for locals. There is usually a long waiting list.

## **9.5 SUPPORTIVE AGENCIES**

Supportive agencies recognize that there are individuals in the society who need a long term commitment of resources to maintain the basics of decent living in the society since there is no possibility of their securing these on their own. This has constituted the core of social service delivery in the past, and has been the sheet anchor of the system of social protection that characterizes Commonwealth Caribbean countries, since the initiatives taken in keeping with the Moyne Commission Report on social conditions in the late 1930s.

There is the view among providers of supportive type services that changes in the family structure and the environment have created a range of problems in the society. Two groups that have been severely hurt by

the fall-out effects of social change are the children and the elderly. This sub-section looks at the work of the most important of those involved in assisting the vulnerable.

### **9.5.1 SOCIAL SECURITY**

As in other parts of the Commonwealth Caribbean, the Social Security Board of Control was established with the assistance of the ILO; it became operational in 1973. There are approximately 26,000 workers registered with the Board. In respect of Public Service workers, the Government pays five percent and the public servant contributes two percent, while in the private sector, the employee pays three percent, and the employer five percent.

The funds in social security tend to be the largest single fund in each of the countries of the OECS, and can be a source for funding longer term investments that redound to the nation and to the contributors in the latter years of their life. There have been problems in the past in Antigua and Barbuda, with the Government seeking to treat with its liquidity problems by borrowing from the Fund.

The work of the Actuaries has underscored the inevitability of problems when Governments rely heavily on loans from the Social Security System. At the time of reading of the Budget of 2006/2007, the Minister of Finance indicated the continuing commitment of the Government to keep current with payments to the Social Security Board and to reduce the outstanding debt that had been accumulated in the past.

Meanwhile, the Board limits itself to investing no more than 25 percent of its fund in the securities of the Government.

Clearly, borrowing in the past might have been prejudicial to the long term interest of contributors. The fund operates as a pay as you go fund and in the context of ageing population, unrealised benefits from contributions in the past because of Government borrowing and reduced inflows relative to the numbers likely to survive to old age could spell problems later for the present cohort of contributors or for those who have recently retired. On the other hand, the Government may find itself having to use tax revenues to top up on pensions paid by the Social Security Board, let alone treating with those who had not contributed to the Fund.

A recent study which sought to rank National Social Security Systems of 172 countries, placed Antigua and Barbuda in 159<sup>th</sup> spot, and behind other Caribbean countries – Trinidad and Tobago, 59<sup>th</sup>, Barbados, 65<sup>th</sup>, Dominica, 92<sup>nd</sup>, St. Kitts and Nevis, 99<sup>th</sup>, and Guyana, 105<sup>th</sup> (Dixon, 2000).<sup>35</sup> The coming into being of the CSME would have additional implications, as well.

## **9.5.2 SOCIAL WELFARE**

The Citizens Welfare Division seeks to provide support to the citizen in need or in crisis, from the cradle to the grave. There are about one hundred people who, on

behalf of the Department, work mainly with the elderly. The focus of its work can be disaggregated into four components:

- Welfare
- Probation
- Care for the Elderly
- Foster Care

One of the working principles of the Division is to avoid, at all costs, creating agencies or expanding agencies offering institutional care. In respect of the Elderly, there is a system of home help, with the Division providing for the salaries of home-help workers who go to the homes of the elderly to discharge day-to-day chores. There is also the foster-care system which provides for about 80 children. The Division provides assistance to the foster parent until the child leaves school.

The Fiennes Institute is a home for the elderly, but mainly caters to the destitute-elderly. With the ageing taking place in the society and with the decline in traditional values, the abandonment of parents has become common-place. At the same time, there are more children at risk. Parents seek to hold down more than one job, leaving children unattended. There is also the problem of emigration with children being left with elderly grand-parents who cannot cope with them. So there is also the abandonment of children to deal with.

The Board of Guardians also provides assistance to the needy, but there are cases where applicants seek to secure assistance from both the Citizens Welfare Division and the Board of Guardians. The latter operates

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<sup>35</sup> Dixon, John, 'A Global Ranking of National Social Security Systems,' *International Social Security Review*, Vol. 53, No. 1, 2000.



according to the Poor Relief Act of 1961. The Board argues that it has been able to insulate its operations from political interference and can treat cases on their merit, but acknowledges that it does entertain recommendations from pastors or nurses operating in communities. The Board provides monetary assistance by the fortnight as follows:

- Adults - \$100.00
- Child - \$75.00
- Visually Impaired - \$110.00
- Psychological Cases - \$110.00
- Discharged lepers - \$120.00

One important agency is the Society of St. Vincent de Paul. Its focus has been on the elderly and on children, with one key project for each group. There is a home for abandoned and abused children and a day care centre for the elderly. The Home for Abandoned and Abused Children hosts 18 children, who could have been referred through the court. It is the policy not to keep boys, though. They work with the families to rehabilitate or foster.

The Day Care Centre for the Elderly caters for up to 12 people. Attached to this centre is the 'Meals-on-Wheels' Operation, which serves hot meals to about 20 persons in the communities of Grace Farm, Villa and Point, who are largely poorer people, living alone and cannot come to the centre. This service is extended also to vagrants in the capital city, St. John's, and to other necessitous persons.

In respect of the day care services to the elderly, clients have to be able to pay the

standard price of \$300.00 per month, or secure sponsorship. The clients go there largely for the socializing that is possible: the elderly can play card games, and music, sing religious songs, and engage in art and craft work. There are no medical services on offer, but attendees receive breakfast, a snack and lunch five days per week. They are also bathed and washed. The staff involved is paid a stipend, not a salary. Thus, the degree to which this facility can be expanded depends on the number of people prepared to 'volunteer' rather than work at the centre. Meals-on-Wheels is run with support from corporate sponsors. The assistance from the Government comes in the form of a reduction in the utility bills.

### **9.5.3 VIOLENCE AND ABUSE AGAINST WOMEN**

The Gender Affairs Division has played a major role in dealing with the problem of violence against women as well as the other indignities and social disabilities with which they are faced. The Division has run a programme among the Police to promote greater gender sensitivity among them. However, the efforts to date have been inadequate to the task: the officers who have been exposed to training, may be moved to new posting and the replacements have no understanding of the issues. In the absence of a programme that involves the entire Police Service, there continues to be lack of sensitivity in treating with women who seek protection from domestic violence. There is no provision for a safe house for women that would allow at least temporary protection for an abused woman and her children.

The issue of teenage pregnancy and the treatment of girls who fall victim reflect the continuing challenges that the society faces and women and girls in particular. Senior levels of the Government have been opposed to the return of girls to school after parturition. There appears to still be a strong sentiment that a girl who becomes pregnant deserves to be punished, but the male involved excites no such emotion.

In the estimation of the Gender Affairs Division, immigrant female workers are the ones most likely to suffer abuse. They are exploited financially, sexually and otherwise, are often forced/pushed into prostitution and are victims of the trafficking of persons. Their passports are often taken from them and with language barriers in many cases, there are no avenues for help.

The resource constraint faced by the Division limits the extent to which it can attack these problems. However, by cooperating with other agencies, it has been able to create some impact. It distributes information leaflets to private clinics and is always on the look-out for opportunities to bring issues to the attention of the authorities and to the public at large.

Prevention of exploitation of women in the work-place is supposed to be the province of the Labour Department. Domestic workers have been the ones most exploited in this regard, but store clerks are a close second to them. The Minimum Wage which had been in place since 1981, was changed only in 2003. Given their dominance in those fields and

the resistance of a number of employers to paying the minimum wage, it is women that are the most exploited among workers. The Department of Labour confirms that no one had been prosecuted by mid-year 2005, although a survey had been conducted and it was established that workers were receiving below the minimum. Given the segmentation of the labour market, it is very likely that women were the ones who were more likely not to be in receipt of the minimum wage.

#### **9.5.4 SALVATION ARMY GIRLS' HOME**

The Home was established in 1992 and provides care and protection to girls from 8 years to eighteen years of age. Girls at the Home either have faced problems or have been problems themselves. Some have been sent by the Court. Some have been sexually molested, by boyfriends of their mothers. A few ran away from home, because they could not deal with conditions at home.

They all go to regular school – either to the Urlings Primary School or to the Jennings Secondary School. The Government provides a subvention, but this is not enough to run the Home which depends on support from the public to survive. This comes by way of assistance in transportation of the girls to and from school, snacks and lunches and school books. There are volunteers who come to work with the girls on areas of interest and generally to assist in the development of life skills.



The girls are allowed to communicate with their parents who may come to see them from time to time and, depending on their behaviour, they are allowed to spend holidays with their parents. They are also allowed to go to Camps and on outings. At the time of the interview, about 115 girls had passed through the programme and had made a successful transition to adult life. The Citizens' Welfare Department collaborates with the Home in treating with the integration of the girls back into their homes where possible. There is a Welfare Officer allocated to each girl and has this specific task among others. The Home seems by all reports to provide a safe and secure environment for the upbringing of girls in difficult circumstances.

### **9.5.5 EDUCATION SUPPORT**

Two important transfers introduced by the Government relate to the supply of text books and to the school meals service. A select number of textbooks are now available to all students attending primary and secondary schools in Antigua and Barbuda. Free meals are also being provided for all children in a select number of schools. It was decided, on introduction of this service, that all the children in the schools selected would be fed to avoid invidious comparisons. The Ministry of Agriculture had a particular interest in this programme as a way of cultivating a link to Domestic Agriculture.

### **9.5.6 DISASTER MANAGEMENT**

Given the high vulnerability to disaster and severe weather conditions, institutions

involved in disaster management will be critical. In that regard, the country is blessed with the Red Cross that has an infrastructure that allows it to respond very quickly if disaster strikes.

## **9.6 SUMMARY**

There exists a range of organisations that contribute to the alleviation of poverty in Antigua and Barbuda. These include the traditional institutions of welfare, which were established or formalised following the adoption of recommendations of the Moyne Commission that were made public after the Second World War. In that regard, the Board of Guardians has a remit that comes out of the concept of Poor Relief and assistance to paupers, extant in the early 20<sup>th</sup> century.

The Ministry of Housing and Social Transformation seems to herald a new dawn in the delivery of social services, geared not only to provide relief but more importantly to build capacity among those who may be currently vulnerable. Thus, the Ministry is seen as leading the thrust in development anchored in social processes of the society. Its Social Policy Unit is designed to assist in the formulation of policy in the light of the changing shape of poverty.

There are a small number of NGOs, and FBOs and a few CBOs that seek to complement the Ministries in the area of social services, or in the wider areas of economic and social life of the country. They may lack resources but, nevertheless,

make an important contribution to the lives of the more vulnerable, either directly or indirectly. The task for the country is to find the mechanisms that would create a successful convergence of all these efforts as Antigua and Barbuda adjusts to managing its internal fiscal crisis while it reorganises its productive system to face international competition in the early 21<sup>st</sup> century.

There are encouraging signs of the Government seeking to have the NGOs partner with it. On the other hand, there is a lingering fear in some quarters, that this could open the door to clientelism between Government and specific non-state service providers. The challenge would be the establishment of transparent systems.

Table 9.1 attempts to score agencies on the basis of their main area of focus and the quality of their contribution on the basis of a scale from 1 to 5, the latter being the highest score. The scores were generated by

the TOC principally from the record of interviews and from secondary data supplied, and were generally corroborated by the NAT. They were not based on the assessment of the respective clients, however.

Table 9.2 examines what is available for specific groups facing particular problems. This table helps to provide some insight as to what is available and likely to be effective in treating with all the needs of the particular vulnerable group. In only one case is there an organisation in more than one category involved in providing assistance to the vulnerable group. While this is not an exhaustive exercise, it suggests that there are problems in treating with vulnerability in Antigua and Barbuda.

The experience of Errol a person living with HIV/AIDS, presented in the Case study in Box IV below, demonstrates the difficulty for the vulnerable in Antigua and Barbuda.

#### BOX IV – COPING WITH HIV/AIDS AS A FAMILY

*The case of Errol who contracted HIV/AIDS from his partner, illustrates the role of the institutional structures in treating with victims. There are agencies to which Errol can turn, but there is a lack of coherence, with the result that the needs of the family remain unmet.*

*Errol has sole responsibility for his children, who at present live with him. Because he does not have lunch money and bus fare to give them during the week he lets them stay with a relative of his who has no children of her own. The children's mother is around, someone reported seeing her during the recent carnival. Errol says that because she is on medication she is able to keep active and maintain a regular existence. The children and himself are also on medication. The children are on vaccines that they receive once every two months. He reports that they are doing well. The major problem that faces him is unemployment. This makes him unable to give his children what they need. A lot of people he says offer him help, but they want to take his kids. However he is not in agreement with this. His lack of agreement to the adoption of his children has resulted in the withdrawal of support from at least one person.*

*His family of socialization regards him as an outcast. When he requested from his mother that she leave a cooked meal for him on a daily basis her response was, "nobody sent you to get AIDS, COME OUT OF MY PLACE!" If she sees him coming she battens down as if a hurricane is approaching. His children are also not welcome in her home. Once when he was hungry he went to her home while she was away and took some food. When she returned and heard what had happened she came to his home and threatened to have the police arrest him. His two other children are girls whom he had with different women. One is in Dominica. The other one is 13 years old and she lives in the same district as he does. However her mother and grandmother have told her to avoid her father. If she sees him coming on the same road that she is on she crosses the street.*

*In the past he has had problems with landlords. One was sympathetic at first then came to the point where he took off the doors and windows to the house and insisted that he and his children move. The house in which he and his children live at present belongs to a distant relative who migrated. Errol has to meet all of the recurrent expenditures associated with the house. Each month he is expected to pay \$300. Recently an agent has started bothering him for more money or that he move. His children's travelling expenses cost him \$200 per week. Local market stuff \$80 per week. In the supermarket the expenditure is \$200+. Then he has to pay light bill of \$60 per month. This he has not paid for 3 months and feels that his light might soon be disconnected. He needs electricity to store his medication.*

*The mechanic work that he does suffers because he is not able to buy the parts needed to fix the job. He tells the customer to buy the parts before the job is started. The house has no running water. He gets water from a school next door using containers. Errol says his greatest need is employment in a job that he feels relaxed in. "I would like to have a job that I can get up and go to everyday and at the end of the week I know I can cover my bills. That is the thing I am looking for right now. I am a baker, I am a cook, I am a truck driver, any field you put me in." Every two weeks an agency of government gives him \$250. "Sometimes the needs are so great I don't even see it." His vitamins alone cost him \$37 per month. The crème costs \$45 and lasts two weeks between himself and the children.*

*Errol says, "I bear so much hungry around here, me and the kids. But I am a strong believer in the father and with that he see me through. Some time when the day look a little down.. something just pick up." He survives on the mechanic jobs that he gets and the presentations that he makes. He says he started the presentations through the assistance of a minister. His messages are well received because he is serious in what he is doing. He makes the young people to understand that having unprotected sex on just one occasion is enough to contract the virus. The congregation makes a contribution maybe of \$300 or so. This money he uses to fill the gaps.*

*He gets his medication free. He says he planned to commit suicide because the community was so unkind in their treatment of him. However since he started going to church he has moved beyond that negative state of mind. He has gotten a new outlook on life that makes him unafraid and relaxed about what he is doing. His position is now that before the members of the community point fingers at him they should go and check themselves because they might be in a worse position than he is. He recalls being kicked off the bus because a passenger identifies him as HIV positive and the bus driver reacting by telling him that he has to come off because he is not prepared to lose his business for him. He and his children were removed. He says he has been through many things and he is still struggling.*

*Medication is free and he has to take it twice per day. He has to take vitamins as well but says he does not always have money. He also has to buy a crème for his skin for \$35-\$40, but it lasts no time because both himself and his children need to use it extensively. Right now he says as a result of not using it recently his whole body is covered with spots. He belongs to an AIDS support group made up of HIV positive persons. In fact he has a funeral to attend this evening since one of the members died recently. Registered cases of AIDS in Antigua he says is 520.*

*He says right now there is a girl who is chasing him. He makes the point that HIV does not have a face. Even when he tells her that he is ill she does not believe him and is still pursuing him. He feels constrained not to pursue the relationship because he says that would make him untrue to the message he is delivering to the young people.*

Table 9.1: Assessment of Institutional Efficacy

Name of Organisation	Developmental	Preventive	Remedial	Supportive
1. Ministry of Education	3			3
2. Ministry of Health, Sports and Carnival		4		
3. Labour Department				2
4. Department of Gender Affairs		3		
5. Substance Abuse Prevention Unit		3		
6. Solid Waste Management		3		
7. Ministry of Planning	4			
8. Barbuda Council Nursery	4			
9. Planning Department, Barbuda	4			
10. Barbuda Council Secretariat	3			
11. Citizens Welfare Division				4
12. Ministry of Agriculture	3			
13. Ministry of Public Works	3			
14. Environmental Awareness Group		3		
15. Office of the Prime Minister	3			
16. Antigua and Barbuda Trade Union Congress		3		
17. Industrial Development Board	2			
18. The Child and Family Guidance Centre	4		4	
19. Department of Immigration		3		
20. Salvation Army –Girls Home	4			
21. Prices and Consumer Affairs		2		
22. National Taxi Association	3			
23. Antigua Hotels and Tourism Association	3			
24. Police Commissioner		3		
25. Ministry of Industry and Commerce	2			
26. Social Security Board of Control				3
27. APUA	3			
28. Christian Council			4	4
29. St. Vincent de Paul				4
30. National Parks	4			
31. Ministry of Housing and Social Transformation	3			3
32. Association of Fishermen	2			
33. National Economic and Social Council				
34. Cultural Development Division	3			
35. Board of Guardians				4
36. Community Development Division	2			
37. Probation Department			3	
38. Central Marketing Corporation	4			
39. Chamber of Commerce	3			
40. St. John Credit Union	4			
41. Antigua and Barbuda Association of Persons with Disabilities				3
42. Central Farmers Cooperative Society	3			
43. Antigua and Barbuda Development Bank	3			
44. United Evangelical Association				2
45. Red Cross				3
46. Gilbert Agricultural & Rural Development Center (GARD)	4			

Table 9.2: At-risk Groups, Type of Service and Selected Providers

At-Risk Group	Developmental	Preventive	Remedial	Supportive
Unemployed Workers				Citizens Welfare Division
Single Women with children and unemployed				<ul style="list-style-type: none"> <li>• Citizens Welfare Division</li> <li>• Board of Guardians</li> </ul>
Women in Crisis				<ul style="list-style-type: none"> <li>• Gender Affairs Division</li> </ul>
Abused or Abandoned Children			<ul style="list-style-type: none"> <li>• Salvation Army Girls Home</li> <li>• Home for Abandoned or Abused Children</li> </ul>	<ul style="list-style-type: none"> <li>• Foster Care Programme</li> </ul>
Youth (Female)	ABICE			
Youth (Male)	ABICE			
Victims of Substance Abuse		Substance Abuse Prevention Unit	Cross Roads	
Victims of Chronic Diseases				Primary Health Care Services
Elderly				<ul style="list-style-type: none"> <li>• Fines Institute</li> <li>• Meals on Wheels</li> <li>• St. Vincent de Paul</li> </ul>
Persons with Disabilities				Association of Persons with Disabilities
Adults in need of Educational Upgrading	ABICE			



## CHAPTER 10 – POVERTY AND ADJUSTMENT

This section examines the multi-dimensional nature of poverty in Antigua and Barbuda, based on the results derived from the various components of the study. Estimated poverty for Antigua and Barbuda in 2005/06 was 18.4 percent. A number of inter-related factors – economic, social and socio-psychological – contributed to that result.

Antigua and Barbuda has been one of the more seriously indebted countries in the Caribbean region, which is itself, among the more heavily indebted parts of the world. The present administration on acceding to Government faced a fiscal crisis. However, in addressing this crisis, the Government could not remain oblivious to the implications of its actions on the more vulnerable in the society. Indeed, it recognised that much needed to be done to bring relief to sections of the society that were already hurting from the consequences of declining rates of growth and the difficulties that the faced by the State in securing new lines of credit.

Unfortunately the country has not been well provided with social statistics that would allow the Government to readily secure evidence on social parameters, let alone assess how these are being affected by economic and social changes. Moreover, annual reporting had fallen into desuetude in many Departments, making it difficult for policy-makers and planners to determine appropriate intervention

strategies, on the basis of evidence from agencies in the field.

Like other member states of the region, Antigua and Barbuda is committed to the achievement of the MDGs, and more so, has set its sights beyond the MDGs. The undertaking of this Poverty Assessment is the first major step in correcting for the deficiency in data.

### 10.1 DEVELOPING HOME-GROWN RECIPES

The last Budgets presented by the Government have been designed to create what has been seen as a 'home-grown economic and stabilization programme'.<sup>36</sup>

The primary objective is to:

- Correct the fiscal imbalances;
- Control the high level of central government debt;
- Strengthen governance and transparency;
- Expand social programmes; and
- Encourage private sector development.

In his first budget presentation, the Minister of Finance announced that the wage bill of the Government was to be reduced by 20 percent in 2005. In addition to raising productivity in Government Departments and to the cost-cutting measure of eliminating recourse to overtime work, the Government proposed a voluntary severance package and early retirement to

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<sup>36</sup> Government of Antigua and Barbuda, 'Home-grown Economic and Stabilization Programme,' June 2006.



public servants, as well as support to ex-public servants who wished to establish their own businesses. Demonstrable evidence of fiscal rectitude was expected to induce the international lending community to be accommodating of the country's needs in the management of its debt.

The Government's programme is premised on some degree of debt restructuring and debt forgiveness on the part of the international community. The assistance of the Italian Government under Silvio Berlusconi was sought in securing debt forgiveness, to free resources allowing the Government some limited discretionary space. Some 75 percent of revenue was pre-empted by its wage bill and a considerable share of the remaining revenue was earmarked for the payment of specific creditors. In the final analysis, the resumption of growth and the development of export potential offer the only effective method of achieving the objective of providing a "high standard of living to the domestic population, with an equitable sharing of the proceeds of economic development."

The relatively high per capita income calculated on the basis of macro-economic indicators might have lulled many into the acceptance of the view that there was negligible poverty in Antigua and Barbuda, if any at all. The archetypical plantation economy had been transformed from a heavy reliance on sugar exports to being a competitive supplier of tourism, financial and other services to the international community, within quarter of a century.

The essential Caribbean economic structure of dependence on a limited range of products and services had not been breached, however.

The deficiency in the educational and training base of the population and, in particular, the work-force, limits the degree to which the country can respond to new opportunities created in the knowledge economy of the early 21<sup>st</sup> century, let alone create opportunity by the conscious application of advances of knowledge to the production of goods and services. While in recent years, much had been done with regard to training large numbers of nationals at the tertiary level, the widening of the educational base of the population, as a whole, and of the labour force, in particular, had not been addressed. The move to increase participation at the secondary level has been relatively recent. There has also been a problem of quality in educational performance, with many of male youth failing to achieve acceptable standards. There seems to be little in place to induce commitment to high educational performance.

The highest job-creating sector in the traded sector is tourism. However, many of those in the sector face seasonality of employment, and are in low skilled jobs with little chance of moving to alternative employment, having regard to the fact that the country has not attracted too many jobs outside of tourism. The failure of the United States Government to comply with the dictates of the WTO decision on its ban on providers of internet gaming services from

Antigua and Barbuda may mean the death-knell of an industry that held some promise for employment growth in the country.

There has not been any evidence of expansion in other export oriented sectors sufficient to create a stream of foreign exchange earnings, new and more rewarding employment and new sources of tax revenues. Thus, the country remains highly reliant on the tourism sector. Employment growth beyond tourism has been dependent directly and indirectly on the expansion of the Construction Sector, much of which has centred around the 2007 Cricket World Cup and Government infrastructure projects.

## **10.2 PRIVATE SECTOR AS ENGINE OF GROWTH**

Antigua and Barbuda is a highly monetised modern economy with the vast majority of households reliant on formal sector employment. Given that the Government has had little recourse but to cut the size of the public service, employment expansion would have needed to be anchored on the growth of investment on the part of the private sector. Private sector growth, therefore, depends on inward investment and investment by the domestic private sector.

The institutional arrangements in place for foreign investment have been largely consistent with what applies elsewhere in the CARICOM countries and in the OECS. The establishment of the Investment Authority seems geared to provide for

coherence in the approach of the Government to investors generally. With a facilitative Authority, the country could be expected to attract capital to a country deemed to be one of the more dynamic economies in the OECS.

There has been no evidence of industrial targeting to create a competitive advantage for Antigua and Barbuda. The resuscitation of the industrial estate is premised on domestic and foreign investors needing appropriate space, but not on an expectation that the estate would be home to any particular industry. However, there seems to be some expectation in official circles that since the country has been able to embrace information technology and create a niche market – through on-line gaming – this can be done again, although the specifics may not be clear, in the first instance. It behoves the Government, according to this line of thinking, to encourage the population in general and, young people in particular, to equip themselves with the necessary skills and to secure appropriate exposure to information technology.

The other facilitative function to be performed by the Government would be through its investment in the human resources of the country. ABICE and the general upgrading that it purports to offer could complement the physical capital investment on the part of foreigners. In respect of the domestic private sector, the revenue needs of the country required that the Government seek to have all businesses registered with a view to establishing a base

for transparent tax collection from those that should pay tax. Thus, all businesses regardless of size or nature of operation, were required to register with the tax authorities.

At the same time, the Government secured and allocated to the Antigua and Barbuda Development Bank, a new tranche of funds for lending, to SMEs in particular. Up until recently, it was one of the stated objectives that funding and training provided by the Stanford Group would expand massively the resources available for the development of entrepreneurship, through the Empowerment for Ownership programme. However, at the time of completion of this report in March 2007, it is a moot point how much the Government would want to rely on this as a single source.

### **10.3 MANAGING THE SOCIAL FALL-OUT OF ADJUSTMENT**

The Government has not been unmindful of the fact that structural adjustment can impose pain on the more vulnerable in the society. To this end, it implemented a number of measures, even though there was little by way of hard data to guide the shape of its interventions: at least, these could be pro-poor in their focus.

The minimum non-contributory pension was raised, to bring relief to the elderly poor. The Government established a basket of essential goods on which customs duties were reduced. A National Schools Meals Programme was introduced in certain selected schools, in what were deemed to be

poorer communities – Five Islands, Golden Grove, Winthropes, Sea View Farm, Freemansville, Pares, Newfield and Freetown.<sup>37</sup> A measure that is far less targeted was the introduction of the School Uniform programme which provides uniforms to primary and secondary school students. There does not seem to be any means testing for the receipt of uniforms.

The absence of good labour force data for the country has meant that there is lack of statistical information on the labour market response of the population to the challenges posed by the structural adjustment arrangements of the Government. It becomes necessary to resort to informed speculation based on the cross-sectional data of the SLC and the PPA, in the present research exercise.

It must be noted that the SLC/HBS suggests a high level of participation by women in the work-force and, moreover, low rates of unemployment for them generally. Thus, even in the throes of the fiscal problems that the country has experienced that have impacted the national economy, there has been relatively high employment and in particular, of women. The public service has been one source, and tourism has been the other. Indeed, tourism, as a relatively labour intensive sector and heavily reliant on female labour, had attracted labour from other countries.

Data in the SLC/HBS show income derived by way of ‘Other Income,’ was the second

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<sup>37</sup> Minister of Finance, Budget Speech, 2006, p.75.

largest source of income for all households but much above the national average for the two poorest quintiles (Table 6.13). Moreover, in the course of the PPA, respondents referred to the requirement on households to work at more than one job in order to make ends meet. With Government reducing its work-force through VSEP, it is possible that some ex-public servants who held two jobs were reduced to one, or then competed more directly with foreign workers in the labour market.

There could have been institutional structures at work in the evolving scenario of Antigua and Barbuda. The relatively rapid growth in a tourism driven economy had transformed the plantation structure of the country and had resulted in the entrée of workers from abroad. This had created a highly competitive labour market, but for a mass of unskilled and semi-skilled workers: the sector seems untrammelled by labour market regulations, and by much trade union presence. The scenario is complicated further firstly by the price formation process in a small tourism dominated economy where imports constitute a high percentage of wage goods, and more so, enter the reservation wage of workers. Secondly, there is the fact of an informal sector that provides employment for a substantial number of people.

The emerging hypothesis is that the fiscal crisis, and the Government's response to it, while clearly having major macro-economic implications, resulted in adjustments that have been managed by an underlying fluidity of the labour market in Antigua and

Barbuda where work in tourism had led to an acceptance of seasonality and flexibility in work and work relations. In other words, workers in Government as in other sectors have become accustomed to part-time work, seasonal work and short-term jobs, such that given that the tourism sector was already in revival mode when the Government undertook the adjustment measures, loss of jobs in Government was managed by the sharing of jobs in tourism, and in the informal sector in the first instance.

#### **10.4 GROWTH OF THE UNDERGROUND ECONOMY**

There exists an underground economy in Antigua and Barbuda, which engages some percentage of the population in drug-trafficking, prostitution and other types of illegal activities in demand by the market.

Participants in the PPA referred to drug dens, and to trafficking either in their own communities or in communities with which they were familiar. The ease with which a participant in the PPA made the following comment attests to the sense of fluidity of the labour market and to the flexibility with which one would participate in the formal and informal, the legal and the underground economies: this male participant said:

*"I survive by any means as necessary, I do odd jobs, sell herb, go fishing...."*

Young people admitted to getting into drugs to survive.

*"Some youths turn to a life of crime to buy the latest clothes and shoes."*

Many saw this as an acceptance of the approach employed by others.

*"If you have to sell drugs to get by, you just sell drugs."*

This implies the institutionalisation of a way of life as well as the creation of the necessary infrastructure to support it – gangs, drug dens, drug barons and the ready supply of weapons.

A survey conducted in 2001 found that 20 percent of students, if given the opportunity, would engage in the sale of drugs<sup>38</sup>. Thus, the underground economy had created a system of rewards that was attractive enough to encourage the participation of a significant percentage of the youth in the society.

## 10.5 FAMILY LIFE AND COMMUNITY RELATIONS

The PPA provided evidence of a breakdown in the structure and functioning of the family as an institution. This was revealed in the abandonment of children; of children growing up on the streets; and of cases of single mothers who, deserted by their mates, had resorted to prostituting themselves to afford to feed their children. There appeared to be desperation in the voice of a woman who said:

*"I need someone to take care of me and the kids."*

The decline of the extended family and the need to rely on the highly competitive labour market puts single mothers without the requisite education and training at considerable risk. Going out to work requires the support of day-care services for children but this is seldom possible on the meagre incomes they are able to earn, with the result that older children may be required to stay at home to help supervise the younger ones, or they are all left to their own devices.

There has been considerable rural-urban migration, as well as immigration that have led to social changes in communities that have been the destination of these flows. It is possible that there are problems of social integration in these communities, which though appearing to be long established, are actually going through change as waves of new residents come in, and displace residents of long standing.

There has been limited expansion of housing for lower income groups, and substandard housing has become the reality for large numbers of dwellers in the urban and semi-urban areas. The premium on finding accommodation in closer proximity to urban jobs, pushes up the cost of rental accommodation. Physical dilapidation, spread of drugs, emergence of gangs and other forms of social blight are not conducive to the socialisation of children and the youth into being constructive and dynamic citizens, and to cultivating a wholesome society.

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<sup>38</sup> National Drug Use Prevalence Survey 2001: School and Workplace. Ministry of Labour, Cooperatives and Public Safety and the Ministry of Planning, Implementation and Public Service Affairs in Collaboration with the Organisation of American States (OAS)



Meanwhile, the plight of the elderly was also evident, especially in communities that have suffered outflows of residents. This was manifested in apparent abandonment by relatives, and the challenge of living in accommodation that they have not been able to maintain on low or declining incomes. Elderly men were more likely to be abandoned by their children possibly due to their lack of material or emotional support to their children during their formative years. The latter in turn feel little responsibility to provide support to their fathers in the latter years of their lives. The findings of the PPA suggest that when children grow up “...they don't want any part of their fathers.”

In respect of community organisation, it could be argued that Antigua and Barbuda had not been well served up until recently, by the kind of community development agency that could address the social decay that has taken root in some parts of the country. The nature of the challenge might not have been verbalised or ventilated as above, within the official community development agency. Meanwhile the churches attempted to fill some of the gaps by providing spiritual guidance, and assistance to those in need. In most of the communities in which the PPA was conducted, there were no registered CBOs.

## 10.6 LABOUR PRODUCTIVITY

The data from the SLC/HBS suggest that, with the exception of some labour market entry problems on the part of youths, most adults can find some kind of employment.

This was corroborated by the PPA. The SLC/HBS also established that the general level of educational achievement of the adult population was not high and surely not in-keeping with what is necessary in any country that needs to compete in the knowledge economy of the 21<sup>st</sup> century. Outside of the gaming industry, and financial services, where a few jobs had been created, the country had attracted few higher level activities requiring the application of advanced education and training.

Tourism expansion has been and continues to be responsible for considerable employment creation and the economy remains dominated by the sector. However, it could hardly be argued that the sector has created many high level jobs. There is competition between nationals of the country and immigrants from Caribbean economies in greater economic difficulty, e.g. the Dominican Republic, Jamaica and Dominica.

The Government has been the other major employer. The fact that member states of the OECS cannot increase the public debt by directly expanding the money supply by borrowing from the ECCB (the Central Bank for the OECS), the Government of Antigua and Barbuda had succeeded in expanding employment beyond what could be paid for by its revenue base. The SLC demonstrates that Government was still a significant employer for all quintiles but more so for the lower quintiles, at the time of the survey, and even after the implementation of the VSEP.

The phenomenon of the 'non-established' employee had earlier resulted in the expansion of the public service. This is a mechanism through which persons could be hired to work in the public service: as non-established workers, they are not part of the formal structure of posts in the public service. It is a moot point whether this type of hiring had not resulted in the institutionalisation of political hiring at all levels of the public service and in a fall in productivity, given the perception that was created of a disconnect between employment and formal qualifications for entry and mobility in public sector employment. The entitlements syndrome that might have been created in the past, along with low productivity work, was also complemented by 'moon-lighting' or even 'day-lighting' by some number of public servants, who would engage in other jobs during and after working hours. Low productivity public services and a demand for low level labour in tourism have not been conducive to the creation of a work-force committed to self-upgrading and to mobility through education and training.

## 10.7 HEALTH AND WELLNESS

The network of health centres and of clinics provides good access to primary health care facilities to the entire country. Six major health centres are complemented by village clinics. The attempt to bring clinics within easy reach has improved access to care in some communities according to participants in the PPA.

*"...the clinic is a positive thing because people, especially pregnant mothers and the elderly can still go and receive medical attention free."*

However, access is also determined by factors such as distance from clinic, opening hours, the quality of the services being provided, and the attitude of the providers. There is a problem of the shortage of health personnel, resulting from emigration of local nurses, which has allegedly resulted in indifferent care and substandard service, and to limited hours of access. Residents of Willikies and Bendals expressed the following concerns:

*"There should be a doctor in the clinic every day."*

*"There is need for a doctor to be resident in the community. The hospital is far and this would be of great assistance, especially in cases of emergency."*

According to the SLC/HBS, 3.7 percent of the population was indigent, in that they lacked the financial wherewithal to take care of bodily requirements. The problem of under-nutrition, especially among children, was identified as one of the challenges of poverty during the course of the PPA. The school feeding programme which was recently introduced at the time of the study should assist poorer children escape under-nutrition. The provision of meals to all children in selected schools may be motivated by a desire to avoid invidious comparisons between those who need to receive and those who have the means. However, this will result in subsidies to the non-poor. Given the need to extend the programme to other poorer communities, and the limitation of resources, there is a need for proper targeting.

Those among the elderly who receive public assistance from the Board of Guardians are



in receipt of support that could take them above the indigence line. Indeed, through the Board of Guardians, the sums provided to the selected recipients seemed adequate social protection for those passing the means tests. However, the PPA results suggest that it is likely that there were many deserving cases that were not in receipt of such assistance. In such situations, the reach of such initiatives as 'Meals-on-Wheels' could assist by providing some alleviation but such Programmes are invariably limited to specific geographic locations, due to resource constraints.

Like other parts of the Caribbean, a major health challenge in Antigua and Barbuda was the increasing incidence of chronic diseases among the population that derive from changes in lifestyles. The data from the SLC suggest that there were some variations among the quintiles, with the better-off being more susceptible to diabetes, high blood pressure and heart conditions. Additionally, obesity among children has become a problem, according to health officials, and is now a good indicator of the severity of lifestyle challenge in the society. There appears to be a lack of response at the required level to secure behaviour changes in the population if the incidence of chronic diseases is to be reduced.

## **10.8 HOUSING**

Rapid rural-urban migration and the influx of workers from abroad have led to pressures on the housing stock especially in St. Johns City and St. Johns Rural areas. The

densification that has occurred in communities like Grays Farm and Point has resulted in the emergence of ghetto-like conditions in some parts of these communities. There is evidence of the ills of blight - overcrowding in dilapidated structures, poor sanitation, lack of toilet facilities, packs of stray dogs, and litter.

The housing needs of lower income groups in many countries can seldom be discharged without state support or subsidy; Antigua and Barbuda seems to be in this category. In a small tourism based island economy where land values are impacted by competing demands of the tourism sector, the housing of the lower income groups could hardly escape the need for state intervention. Major state intervention in housing is anticipated through the Ministry of Housing and Social Transformation, and the Central Housing and Planning Authority. Some 3,000 affordable homes are due to be built over a five year period. There are three main Programme elements in this plan:

- A New Community Programme
- A Village Expansion Programme
- A Slum Eradication Programme.

## **10.9 COMMUNITY DEVELOPMENT AND SOCIAL WELFARE**

Rapid urbanisation has impacted the rural communities, which are suffering declining populations, while the growing areas are reeling under the influx of new residents from the countryside and from the rest of the Caribbean. The department of community development appears to be ill-

equipped to address the mounting problems facing communities, largely due to a lack of human resources – both in terms of numbers and relevant skills training.

The situation in respect of the administration of social welfare is much superior. The Citizens Welfare Division is the primary official response along with the Board of Guardians. While they seem to be effective in terms of the task that they perform, those in need of their services far exceed their limited resources. The recent increases provided by the Government by way of welfare payments would have brought this type of relief closer to the requirements for keeping individuals and households above the indigence line in a tourism influenced pricing structure.

Other agencies such as the Gender Affairs Division, the Child Guidance Unit, the Culture Division, and the Substance Abuse Unit, are all severely strapped for resources, but still appear to be maximising the contribution that they make in the

circumstances. The NGOs, mainly faith-based, also suffering limitations of resources, have a limited reach to some of the vulnerable. The Government, apparently sensitive to its own financial constraints, personnel and institutional weaknesses, and to their implications for the delivery of social services, has sought to involve selected pastors in a ministry of the streets. It is too early to comment on this incipient initiative.

## **10.10 PERFORMANCE ON THE MDGS**

The Government of Antigua and Barbuda is desirous of implementing pro-poor approaches at the same time as it seeks to put the country on a sustainable growth path. It is committed like other members of the OECS to comply with the benchmarks set in the MDGs, and more so the variant of these that seems most appropriate to the Commonwealth Caribbean. The following table summarises the situation for the country based on the data generated in the course of this study.

Table 10.1: Millennium Development Goals Performance

Goal 1. Eradicate extreme poverty and hunger	
<b>Target 1</b> Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day	<b>Indicators</b> Proportion of population below \$1 (1993 PPP) per day; Poverty gap ratio (incidence x depth of poverty); Share of poorest quintile in national consumption
<b>Target 2</b> Halve, between 1990 and 2015, the proportion of people who suffer from hunger	<b>Indicators</b> Prevalence of underweight children under five years of age; Proportion of population below minimum level of dietary energy consumption
<b>Status:</b> The results of the present Survey of Living Conditions indicate that poverty was 18.4 in 2005/06. Indigence was 5.0 percent. The indigence line was EC\$6.71 or US\$2.51 per day in 2005/06. The index of inequality – the Gini coefficient – was estimated to be 0.49: inequality in Antigua and Barbuda is high. The poorest 20% enjoyed just 4.5% of the expenditures compared to 56.3% enjoyed by the richest 20%. The poverty gap and FGT index were 18.4 and 6.6 respectively.	
Goal 2. Achieve universal primary education	
<b>Target 3</b> Ensure that, by 2015, children everywhere (boys and girls) will be able to complete a full course of primary schooling	<b>Indicators</b> Net enrolment ratio in primary education; Proportion of pupils starting grade 1 who reach grade 5; Literacy rate of 15-24 year-olds
<b>Status:</b> Antigua and Barbuda has a long tradition of universal primary education. Plans were in place to achieve universal secondary education in the course of the academic year 2006/2007.	
Goal 3. Promote gender equality and empower women	
<b>Target 4</b> Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015	<b>Indicators</b> 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.
<b>Status:</b> There exists a Gender Affairs Division. In addition to working to empower women generally, through advocacy, it has sought to focus on the problem of violence against women in general, and on domestic violence, in particular. The 2004 general elections put one female elected member of parliament in parliament. There are also women in the upper House of Parliament and both the Speaker of the House and the President of the Upper house are females. Women are also well represented in the upper levels of the public service and dominate the teaching service.	
Goal 4. Reduce child mortality	
<b>Target 5</b> Reduce by two thirds, between 1990 and 2015, the under-five mortality rate	<b>Indicators</b> Under-five mortality rate; Infant mortality rate; Proportion of 1 year-old children immunized against measles
<b>Status</b> Immunization of children under five years of age is well institutionalised. Children have to be immunised to gain admission to primary schools. The Survey results suggest almost complete coverage.	
Goal 5. Improve Maternal health	

<b>Target 6</b> Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	<b>Indicators</b> Maternal mortality ratio; Proportion of births attended by skilled health personnel
<b>Status</b> Maternal mortality is low, and women have ready access to care during pregnancy. However, there is some evidence of an increase in babies being born prematurely.	
<b>Goal 6. Combat HIV/AIDS, malaria and other diseases</b>	
<b>Target 7</b> Have halted by 2015 and begun to reverse the spread of HIV/AIDS	<b>Indicators</b> HIV prevalence among pregnant women aged 15-24 years
<b>Target 8</b> Have halted by 2015 and begun to reverse the incidence of Malaria and other major diseases	<b>Indicators</b> Prevalence and death rates associated with malaria; Prevalence Proportion of tuberculosis cases detected and cured under DOTS and death rates associated with Tuberculosis;
<b>Status</b> Malaria no longer poses a problem in Antigua and Barbuda. All other communicable diseases are under control. However, the prevalence rates of lifestyle diseases are notably high - Diabetes, High Blood Pressure, Heart Disease, Cancer. The SLC yielded little information on the prevalence of HIV/AIDS. However, at the level of the community, respondents did suggest prevalence of HIV/AIDS enough to create concern.	
<b>Goal 7. Ensure environmental sustainability</b>	
<b>Target 9</b> Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources	<b>Indicators</b> 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
<b>Target 10</b> Halve, by 2015, the proportion of people without sustainable access to safe drinking water and sanitation	<b>Indicators</b> Proportion of population with sustainable access to an improved water source, urban and rural
<b>Target 11</b> By 2020, to have achieved a significant improvement in the lives of slum dwellers	<b>Indicators</b> Proportion of households with access to secure tenure
<b>Status</b> There are limited institutional resources to treat with reforestation, coastal and marine conservation. The survey shows that almost 90 percent of the population has access to potable water supply from a public source.	
<b>Goal 8. Develop a global partnership for development</b>	
<b>Targets 12-18: Summary Indicators</b> 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	
<b>Status</b> Antigua and Barbuda is signatory to a number of cooperation agreements. Because of its high per capita income, it did not attract much development assistance in the past. However, its present indebtedness has made it necessary to look to Development Assistance for programme support, generally and for the PSIP, in particular.	



## **CHAPTER 11 – POLICY IMPLICATIONS**

### **11.1 MACRO-POLICY FORMULATION AND ECONOMIC MANAGEMENT**

#### **11.1.1 ASSUMPTIONS AND BACKGROUND**

The Government of Antigua and Barbuda is expected, within a parliamentary democracy, to:

- Manage the structural adjustment of the economy as it is transformed into a competitive 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 economy of Antigua and Barbuda went through a trough in the early years of the 21<sup>st</sup> century. An incipient fiscal crisis along with the slow down occasioned by the general decline in the prime markets with which it is connected in the North Atlantic, led to a reduction in the rate of growth. The terrorism crisis in September 2001 exacerbated the difficulties that were being experienced by its tourism sector.

The Financial Services Sector had to be overhauled to mute the attack of the OECD countries in respect of their claims about money laundering. The industry has survived but may not be able to contribute to Government Revenue as substantially as it did before. The Gaming Industry was hit by measures implemented by the United States Government to eliminate competition from overseas providers in respect of internet gambling. Meanwhile, the accumulated indebtedness of the Government circumscribed its room for manoeuvre and discretion in continuing the process of laying the infrastructure – physical and institutional – to facilitate private domestic and foreign investment.

The country remains very undiversified in respect of its economic base. Moreover, while it has invested in education of its citizenry, the levels of education and training within the labour force are much below what is required for entrée into high level services, based on some level of competitiveness in the knowledge economy of the early 21<sup>st</sup> century. Thus, the country has remained highly reliant on the tourism product the base of which is anchored in the amenity resource of sun, sea and sand of its 365 beaches.

In effect, it remains steeped in a natural resource strategy, which does employ large numbers of its nationals and others from abroad, but largely in occupations that are at the lower end of the spectrum. There is a sense in which the country has achieved full or high employment but with low level jobs predominating.

This is the environment in which one or a few private foreign investors can come to have a significant role in the economy of Antigua and Barbuda. To attract and retain them becomes a preoccupation of Government. But at the same time, their increasing influence in the economy in Financial Services and in tourism and related services, may act as a fetter on the

Government in the implementation of its programmes.

### 11.1.2 FINDINGS

Table 11.1 provides a summary of findings in respect of the macro-economic challenges and the mechanisms employed to deal with the issues under review.

Table 11.1: Overview - Macro Economic Challenges

Issue	Agency	Mechanisms	Key Findings
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"> <li>Major challenge of trade adjustment for which the society was ill-prepared</li> <li>Challenging macro-economic conditions, with rise in debt ratios.</li> <li>Reasonable control more recently of recurrent expenditure with reduction in size of public service.</li> <li>Some attempt at linkage between tourism and school-feeding with agriculture</li> <li>Very limited provision by the State for SMEs and in creating opportunity for deepening participation of nationals in the expansion of the economy.</li> <li>Ambivalent relationship between Government and major Private Sector Group.</li> </ul>
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"> <li>Government Revenue inadequate in face of expenditure requirements.</li> <li>Recent changes in tax system to sources more elastic in terms of revenue yield in response to increases in income.</li> <li>Reintroduction of income tax at a very high base.</li> <li>Commitment of the Government to reduced reliance on customs duties and other indirect taxes as the major sources of revenue</li> </ul>
		Provision of resources to develop infrastructure and expand productive base.	<ul style="list-style-type: none"> <li>Some investment undertaken in human resource development.</li> </ul>
		Development and maintenance of tax structure to ensure equity	<ul style="list-style-type: none"> <li>Government Revenue heavily dependent on indirect taxes.</li> <li>Traditional tax structure likely to have inherent</li> </ul>

Issue	Agency	Mechanisms	Key Findings
		without undermining efficiency of tax collection.	inequity, reflected in a high Gini ratio.
Promotion of Development & Transformation	Central Government	Facilitation of key sectors	<ul style="list-style-type: none"> <li>▪ High profile battle at the level of WTO against the United States Government in respect of trade in services as they relate to the Gaming Industry.</li> <li>▪ Expansion and Diversification of Tourism Sector, with events tourism and ecotourism.</li> <li>▪ Selective high value agriculture possible if linked to tourism, as part of domestic supply and demand nexus.</li> <li>▪ Export-oriented light manufacturing very limited in terms of employment and foreign exchange earnings, except for activities geared to domestic and sub-regional market.</li> <li>▪ New thrust to maintain and expand presence in off-shore financial and other services slowed by challenge from OECD countries.</li> </ul>

### 11.1.3 IMPLICATIONS FOR POLICY

Given the fiscal situation in which the country found itself in 2004, the Government had little recourse but to pursue tight policy with regard to its fiscal operations. To secure new credits from the international community, there was need for it to demonstrate by its actions, that it was prepared to undertake the relevant reforms to bring expenditure more in line with its revenue base. In the short term, therefore, development strategy was reduced to fiscal strategy which consisted of the following:

- Reduction of the size of the public service through voluntary separation of some of the personnel;
- Re-introduction of income tax, starting at a high base rate that exempts the poor, and some of the not-so-poor;
- Introduction of a sales tax, with exemption of basic goods used by the poorer sections of the society;
- Improvement in tax collection;
- Simplification of the tax system;



- Refinancing and rescheduling of debt;
- Debt forgiveness.

The reliance on indirect taxes in the past had led to the deep-seated perception among the public, that the burden of the tax system exempted the individual for the most part. It was inevitable, therefore, that any system of direct taxes would be seen by the general public as an unnecessary imposition by the Government on the people of the country. The fact is that it is unlikely that the country can return to the days of total reliance on indirect tax, and to purport to be a 'tax-free' state without the imposition of a host of user charges across a range of Government services, with a much improved system for collection of the remaining indirect taxes and the removal of exemptions.

With the achievement of some level of balance in its fiscal operations, there seems to be, in the first instance, a need for the improvement in productivity and in competitiveness in the existing tradable sectors – tourism and related and other services, and agriculture. The Government has already indicated a commitment to support the growth of smaller establishments and guest houses owned by nationals. The thinking that supports most proposals to support SMEs in the production of goods and of small establishments in respect of hotels and guest houses in the Caribbean is often informed by the notion that these will be ancillary to the main operators in the industry.

In respect of tourism, there is still the view that the country can be marketed only by way of one of the 'brands' among the international chains. However, Antigua and Barbuda has been in the industry long enough for the country to brand itself. With an appropriate institutional infrastructure to establish and to monitor standards, there is room for a substantial number of small establishments owned by nationals and offering quality, including up-market services to the international community.

This would require the training and upgrading of nationals who will not merely be owners of the plant, but as operators would need to be well trained in all aspects of the industry and in the management of facilities seeking to attract higher-end visitors. The training of such operators is likely to require their going on study tours to places like the Swiss Alps, Rocky Mountain Resorts, and to Lodges in Botswana. This is not usually what is implied in proposals for tourism facilities to be run by nationals in the Caribbean. Antigua and Barbuda seeking to derive high income and better quality employment for its nationals has to revisit its tourism model.

The country does have a future in agriculture, but it has to be high value agriculture linked to the tourism sector, and to other areas of domestic demand, with output of quality, and capable of competing with imports. This requires the upgrading of farmers, and the support of an institutional infrastructure that allows for the application of knowledge and

techniques in which even small scale operations can produce competitive rewards for producers.

The Central Marketing Corporation and the Ministry of Agriculture are frontline institutions in this thrust and have to collaborate the one with the other and present a solid support system to the farming sector and to such organisations like the Central Farmers Cooperative. GARD is another agency that can contribute immensely to the process.

Another area for intervention has to do with the ideational frame of the nation vis-à-vis economic survival in the global economy. There seems to be lacking a general understanding on the part of the population, of what is required in terms of work ethic and delivery for competitiveness in the international market place. This seems to be even more pronounced in the Public Service, where proclivity to particularistic hiring in some areas of the service might have created a disconnect between income and expected performance. The inculcation of new mores in the public service is a major challenge but is an absolute requirement in creating a state sector geared to the delivery of quality service to the population in general and facilitative, in particular, of the private sector that has to earn its keep in a competitive international economy. In other words, there is need for recognition that, at the back of a competitive private sector competing with the rest of the world, is a dynamic and efficient public sector.

All things considered, the transformation of the country such that it could rise to a level of production with new goods and services that are competitive in the international economy, calls for substantial investment, both physical and institutional. The necessary resources have to be secured, in the short term, from the efforts of the country itself, led by its Government, and from friendly sources in the international community, by way of loans, and technical assistance.

There is need for such lumpy investments like road and port development, airport expansion, and housing development, especially for lower income groups. There is also a host of measures for environmental protection and conservation, in the light of sea rise and global warming, which have made small tropical islands like Antigua and Barbuda, particularly vulnerable to frequent disaster threatening episodes. The costs of sea defences which have to be installed represent a burden to the people of Antigua and Barbuda, imposed on them by policies and strategies pursued elsewhere. In the absence of a world governance structure, these costs remain a burden on them without their being able to secure compensation from those most responsible.<sup>39</sup>

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<sup>39</sup> The emerging decision by the European Union to impose on itself a reduction in CO<sub>2</sub> emissions is laudatory, but may fail to shame the Federal Government of the United States into following suit. However, Antigua and Barbuda and the rest of the Caribbean and the world at large have a vested interest in the adoption of measures announced by the European Union in March 2007, as their contribution to slowing the process of global warming.

There is also the need for Antigua and Barbuda to upgrade its human capital, which is a long process in itself, with the benefits to be realised only in the medium to long run. The task is to upgrade the work-force from one with only a minority having successfully completed the secondary level, to one in which the vast majority have and are capable of mastery in some area of post-secondary education and training. This would require not only investment in efficient delivery of education to the present cohort of primary and secondary school goers, but also must embrace the existing work-force in a society which has had a limited tradition of post-school attendance in formal education and training.

While it is not possible in the present exercise to identify the probable growth sectors for the medium and long run which would lead to sustainable development, it is increasingly obvious that whether these be the production of goods, or of services, much will depend on the application of knowledge. Moreover, the attractiveness of the country to foreign investment beyond that which seeks to exploit its natural resources depends on the quality of the work-force, and on the level of education and training resident in the people of working age. In other words, the competitiveness of its tradable sectors depends ultimately on the heads of its population.

Among the new institutional structures emerging is the National Economic and Social Council which seeks to create a

tripartite collaboration among Government, the Private Sector and the Labour Movement. This is auspicious having regard to the challenge the country faces in undertaking systemic change. However, the fractiousness within the trade union movement may constrain the development of a genuine social partnership.

The country is still in the process of adjusting to a new structure of fiscal revenue generation. In the final analysis, it is the task of the Government to pursue measures that lead to a high tax yield, and which are equitable, having regard to the fact that the level of measured inequality puts Antigua and Barbuda in the higher reaches among countries, within the Caribbean itself, as well as elsewhere. Clear indications that it is embarked on such a path is more propitious to the winning of external support for the refinancing of debt and the securing of fresh credit from the international community.

## **11.2 RESOURCES FOR DOMESTIC BUSINESSES**

### **11.2.1 ASSUMPTIONS AND BACKGROUND**

- 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 nationals, a fuller participation in the productive sector of their country.
- The entry of nationals 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.

The Government of Antigua and Barbuda is currently reorganizing the structures necessary for facilitation of private sector development. An Investment Authority is being established to replace mechanisms that have not yielded much by way of inward investment. Meanwhile, a new tranche of funds has been made available to the Antigua and Barbuda Development Bank, to provision credit to SMEs.

The Social Security Board is preoccupied with putting its house in order, following a period when resources might have been directed at activities not always consistent with creating the greatest yield to the pensions of workers. Involvement in the housing market may be the limit of its current interest in underpinning the provision of credit. It remains, perhaps, the

only significant mobiliser of domestic capital that may have the sensitivity to support domestic entrepreneurship at the same time ensuring that market principles remain operative.

A source of funding that has remained essentially untapped in the Caribbean are the savings of nationals abroad. There are few Governments that have put any machinery to encourage this inflow and to ensure that it could be put to productive use. The propensity to invest in assets at home may run deep but remains an unknown factor. The Eastern Caribbean Central Bank will be the key institution involved in creating the mechanism for 'in-shoring' the funds of nationals that are 'off-shore' but which can be mobilized if the right instruments are created.

## 11.2.2 FINDINGS

Table 11.2 summarises the major findings in respect of credit provision and access to resources and the mechanisms employed to treat with them.

Table 11.2: Overview – Access to Credit and Resources

Issue	Agency	Mechanisms	Key Findings
Mobilisation of Funds and Provision of Credit	<ul style="list-style-type: none"> <li>▪ Antigua and Barbuda Development Bank</li> <li>▪ St. John Credit Union</li> <li>▪ Central Farmers Cooperative</li> </ul>	<ul style="list-style-type: none"> <li>▪ Mobilisation of Funds through Social Security Programme</li> <li>▪ Development Loans to businesses</li> <li>▪ Maintaining portfolio of credit for SMEs</li> <li>▪ Promoting domestic entrepreneurship in Tourism and other sectors</li> <li>▪ Loans to SMEs and micro-enterprises</li> </ul>	<ul style="list-style-type: none"> <li>▪ Limited credit available to nationals, from outside banking system.</li> <li>▪ Banking system not facilitative of private sector involvement of nationals.</li> <li>▪ Need for business support systems including training in addition to facilitative credit arrangements.</li> <li>▪ Social Security Board, while sensitive to its possible role as catalyst in provision of credit to non-traditional areas and sectors, still involved in restoring itself to its primary purpose of social protection to workers.</li> </ul>

### 11.2.3 IMPLICATIONS FOR POLICY

The initial thrust of the present administration has been with the restoring some balance in the fiscal account and establishing a framework for the management of a huge debt overhang. The country has resumed a growth path, based on the expansion of tourism and on construction related to this and other projects. In the medium to long term, the concern has to be the creation of a productive base such that nationals will enjoy not only high employment but better incomes.

This has to be premised in part on the mechanisms that have to be created for them to participate in the establishment and growth of industry, businesses and services, and not only on the basis of investment by foreign capital. This goes beyond the preparation of a PSIP and has to involve the development of medium term economic and social plans. Funding will have to come, in part, from external sources, but

there is much more that can be mobilized from domestic sources and from nationals abroad in catapulting the economy to a new plateau.

## 11.3 EXPANDING THE SOCIAL INFRASTRUCTURE

### 11.3.1 ASSUMPTIONS AND FINDINGS

- 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 one, the other, and contributing to social integration and social equity.

Table 11.3 summarises the findings in respect of the social infrastructure and human development, including education, health, housing and community relations.

Table 11.3: Overview – Social Infrastructure Development

Issue	Agency	Mechanisms	Key Findings
Human Resource Development Education and Training	<ul style="list-style-type: none"> <li>Ministry of Education</li> </ul>	<ul style="list-style-type: none"> <li>Provision of Primary and Secondary Education</li> <li>Post-school education and training</li> </ul>	<ul style="list-style-type: none"> <li>Universal primary education, and imminent universal secondary education</li> <li>Standards in need of upgrading</li> <li>Many students at secondary level not able to exploit opportunity because of lack of complementary support from the home</li> <li>Work-force not equipped for demands of 21<sup>st</sup> century</li> <li>Lack of private sector involvement in formal worker upgrading</li> <li>Need for social marketing to increase <i>yearning for learning</i> in adult population and to inculcate commitment to life-long learning</li> </ul>

Issue	Agency	Mechanisms	Key Findings
	<ul style="list-style-type: none"> <li>ABICE</li> </ul>	<ul style="list-style-type: none"> <li>Post-school education and training directed at youth at risk</li> </ul>	<ul style="list-style-type: none"> <li>In addition to youth, mature workers now being encouraged to complete education and to upgrade.</li> </ul>
Reduction in incidence of chronic disease	<ul style="list-style-type: none"> <li>Ministry of Health</li> </ul>	<ul style="list-style-type: none"> <li>Primary Health Care System</li> <li>Medical Benefits Scheme</li> </ul>	<ul style="list-style-type: none"> <li>Rapid increase in such chronic diseases as diabetes and hypertension</li> <li>Poor observance of dietary and exercise requirements for healthy living</li> <li>Chronic diseases imposing costs on society</li> <li>Prevention measures needed by way of focus on behaviour change</li> </ul>
HIV/AIDS	<ul style="list-style-type: none"> <li>Ministry of Health</li> </ul>	<ul style="list-style-type: none"> <li>Public education on living with HIV/AIDS</li> </ul>	<ul style="list-style-type: none"> <li>Prostitution and unprotected sex contributing to the problem</li> </ul>
Housing	<ul style="list-style-type: none"> <li>Ministry responsible for Housing</li> </ul>	<ul style="list-style-type: none"> <li>Subsidies to housing low income households</li> </ul>	<ul style="list-style-type: none"> <li>Rapid rural urban drift has led to densification and overcrowding in certain communities</li> <li>Social disintegration, and spread of crime and violence and development of sub-culture subversive of main stream values</li> </ul>
Community Development	<ul style="list-style-type: none"> <li>Ministry of Housing and Social Transformation</li> <li>CBOs and NGOs operating across the various settlements in the country</li> </ul>	<ul style="list-style-type: none"> <li>Community interventions and community development</li> <li>Coordination of interventions in communities</li> </ul>	<ul style="list-style-type: none"> <li>Rapid urbanization has created social decay, decline in morals, breakdown in the family and emergence of subculture inimical to the social integration.</li> <li>Absence of relevant staff in Community Development, and paucity of resources for mounting the required initiatives.</li> <li>There are few outstanding local initiatives in community development, and most communities lack CBOs capable of mobilizing them to treat with social problems.</li> <li>The Barbuda Council seems one of the few cases of emerging vibrant community organization</li> </ul>

### 11.3.2 IMPLICATIONS FOR POLICY

Expenditure on education at the primary and secondary levels over the last twenty years has been substantial. There has been some upgrading of the population in terms of the percentage of the work-force with certain levels of education and training. However, the work-force remains much below par in terms of education and training required for participating in the

knowledge economy of the 21<sup>st</sup> century. An expansive tourism sector has provided considerable employment but more by way of lower level jobs. Moreover, the country has had to rely heavily on personnel from CARICOM to support many services requiring technical and professional personnel.

The challenge faced is in the upgrading of



the entire work-force such that it could function effectively in the global economy of the 21<sup>st</sup> century. One of the demands will be a change in culture such that most will inculcate a strong commitment to life-long education and training. This can be achieved through social marketing among the population, both to those in school and those out of school and in the work-force.

Social marketing is also necessary to induce behaviour change to arrest the incidence of chronic diseases, as well as HIV/AIDS. Official programmes on health education fail to have the intended impact. It is recognized that major societal change can come about from social marketing, and not from the official production of staid programmes purporting to educate the public.

There is usually official ambivalence about marketing lest it be seen as propaganda. Fortunately, social marketing of life-long education and of healthy life styles is good propaganda in so far as it contributes to individual well-being and is in the interest of society even if critical commentary may suggest that it is merely about serving the incumbent party in power.

Housing presents the Government with a major challenge. Rural urban migration and incoming migrants from abroad have exacerbated overcrowding in a number of the communities. The private sector seldom responds to the need for housing for lower income groups by the building of units adequate in terms of quantity and quality. State intervention is contemplated in the

provision of housing. There will be need to provide resources also to satisfy the need and demand from workers resettling from rural areas and from abroad. There is also need to address the problem of over-concentration. There is need for a level of physical planning to address the issue of orderly development across the island, with the encouragement of new growth poles in areas outside of the capital city, St. John's, where there is already need for de-densification. There is need to reconfigure function of Community Development, within the Ministry of Housing and Social Transformation. An effective department would serve the purpose of coordinating the contributions of other line Ministries in the provision of support at the community level. In addition, it would be fully sensitive to the divergent requirements of Gray's Farm and Point, as against Willikies and Freetown. It must also be adept in working with NGOs and CBOs, and, indeed, assisting communities to develop their own organizations for mobilizing internal resources. There is need for a staff audit of the existing structure of the Department to identify what are its requirements in terms of personnel and other resources.

## **11.4 VULNERABLE GROUPS**

### **11.4.1 ASSUMPTIONS AND FINDINGS**

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.



Table 11.4: Overview - Vulnerability of Selected Sub-population Groups

<i>Issue</i>	<i>Agency</i>	<i>Mechanisms</i>	<i>Key Findings</i>
Children	<ul style="list-style-type: none"> <li>Private Sector</li> <li>Ministry of Education</li> <li>Citizens Welfare Division</li> <li>Salvation Army</li> </ul>	<ul style="list-style-type: none"> <li>Day care services</li> <li>Early Childhood Education</li> <li>Foster-care</li> </ul>	<ul style="list-style-type: none"> <li>Responsibilities of the Ministry limited to oversight.</li> <li>Lack of home-work centres and organized activities for non-school hours for children especially in urban areas, creating conditions for delinquency</li> </ul>
Persons with Disabilities	<ul style="list-style-type: none"> <li>Association of Persons with Disabilities</li> </ul>	<ul style="list-style-type: none"> <li>Advocacy</li> </ul>	<ul style="list-style-type: none"> <li>Much needs to be done to improve sensitivity to the needs of persons with disabilities</li> </ul>
Women in Crisis	<ul style="list-style-type: none"> <li>Gender Affairs Division</li> </ul>	<ul style="list-style-type: none"> <li>Advocacy</li> </ul>	<ul style="list-style-type: none"> <li>Violence against women on the increase</li> </ul>
Substance Abusers	<ul style="list-style-type: none"> <li>Substance Abuse Prevention Unit</li> </ul>	<ul style="list-style-type: none"> <li>Counselling</li> </ul>	<ul style="list-style-type: none"> <li>Only small number can access detoxification service</li> </ul>
School Feeding	<ul style="list-style-type: none"> <li>Ministry of Education</li> </ul>	<ul style="list-style-type: none"> <li>Provision of meals to children at selected primary schools.</li> </ul>	<ul style="list-style-type: none"> <li>Not all children in need in receipt of service.</li> </ul>
Youth at risk	<ul style="list-style-type: none"> <li>Salvation Army Girls' Home</li> <li>Child Guidance Unit</li> </ul>	<ul style="list-style-type: none"> <li>Rehabilitation and protection of girls in difficult circumstances</li> <li>Big Brother, Big Sister Programme</li> </ul>	<ul style="list-style-type: none"> <li>No comparable facilities for boys</li> <li>Informal anti-social groups like gangs likely to be influential among the youth.</li> </ul>
The Elderly	<ul style="list-style-type: none"> <li>Fines Institute</li> <li>Citizens Welfare Division</li> <li>St. Vincent de Paul</li> <li>Meals-on-Wheels</li> </ul>	<ul style="list-style-type: none"> <li>Care for the elderly</li> <li>Home help for the Elderly</li> <li>Provision of hot meals</li> </ul>	<ul style="list-style-type: none"> <li>Increase in number of elderly in need of care posing challenge to present arrangements.</li> <li>Ageing in the society, the decline in the role of the extended family and the denudation of the family through emigration will increase need for services for the elderly</li> <li>Need for institutional care and hospices</li> </ul>

### **11.4.2 IMPLICATIONS FOR POLICY**

The formal structures of social services delivery by the Central Government resides mainly in the Ministry of Housing and Social Transformation. The Citizens Welfare Division provides a range of services. However, even though this agency seems to be effective within the confines of its remit, its services do not span the full range needed by the different types of conditions of vulnerability.

There are a few other official agencies outside of this Ministry but which are important in the delivery of social services to the vulnerable. For example, the Gender Affairs Division is in the Ministry of Health. The school feeding programme and the uniforms and school books programme are administered by the Ministry of Education. There are also the programmes run by NGOs: such as the home for girls at risk which is run by the Salvation Army; 'Meals-on-Wheels' provide hot meals to elderly shut-ins and vagrants; and St. Vincent de Paul serves the needs of some of the poor.

The existing social protection measures may seem wide, but are seldom adequate in respect of geographical distribution and many lack suitable targeting. There is also a need for coordination among the range of programmes for social protection having regard to the large numbers in need.

Given the heavy 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. The treatment of the educational needs of teenage mothers has to be addressed, in terms of their having

rights: the current sentiments seem to suggest that pregnancy abrogates their rights to education. There is no safe house for women who have been victims of physical abuse in domestic situations.

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. The fiscal limitations suggest the need for community and other forms of support as a supplement to the resources provided by the State.

There is also the need to treat the elderly who live with relatives but need care during the course of the day, and are also left unattended.

## **11.5 UNDERGROUND ECONOMY AND SECURITY**

### **11.5.1 ASSUMPTIONS**

- Personal security is an important ingredient in the quality of life of the citizen
- An underground economy founded on drug-running contributes to the formation of gangs
- Competition for market space among gangs leads to crimes and violence in the society
- 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 constitutional provisions.

Antigua and Barbuda has been enmeshed in the international narcotics industry. The country has been used in the past as a transshipment point for narcotics destined for the North Atlantic, and there have been high profile locals who have been charged and convicted of involvement in the industry. Moreover, given the high level of inequality in the society, the country is at risk of an increase in violence as inherent tensions lead some of the poor to utilize any means possible to extract what they see as their share of the pie. There is enough international evidence to suggest that this thesis cannot be discounted.<sup>40</sup>

The finding that as much as 20 percent of young people in the school system are amenable to selling drugs emphasizes the degree to which drug running has become acceptable within the subculture of Antigua and Barbuda. Another element in the growth of the underground economy has been the rise in prostitution. The sector has created a rewards system that is totally at variance with the growth and development of a well integrated society in Antigua and Barbuda.

### **11.5.2 IMPLICATIONS FOR POLICY**

The Government has to invest heavily in curbing the growth of the underground economy. The costs of appropriate security are high, but the alternative to the country in terms of lost income from its tourism sector is higher. There is need for modern security systems by way of universalizing the presence of cameras, and real time systems providing information on the movement of vehicles along the main arterial roads and heavily frequented locations.

The costs of policing the waters of the country are considerable, but there is no other option in arresting the inflow of illegal narcotics and guns into the country.

At the same time, the country has to invest in community services to reduce the proclivity of some sections of the youth to delinquency. There is need for a two pronged attack, the one dependent on strong policing and the other on social services that treat with social problems in a benign and humane way. There are enough examples from elsewhere in the Caribbean of the costs of indifferent approaches to the problem. There is a resultant negative impact on living standards.

## **11.6 CONCLUSION**

The economic changes in Antigua and Barbuda in the recent past have had an impact on the social fabric of the society. The mechanisms to deal with the fall-out from this have been largely inadequate. The inadequacy of responses has become evident at the level of the individual, the family and the community.

The SLC/HBS provided measurable indicators of the underlying social conditions that exist in the society as well as some of the impact of the fall-out. The PPA revealed in the voices of the people, their own perspectives on the problems created by the adjustment, and their ways of coping with it. The Institutional Analysis has identified the strengths and weaknesses of the organizational structures of the country in managing the impact of change caused by the conjuncture of internal and external factors and events.

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<sup>40</sup> Fajnzylber, O., Lederman, D., and N. Loayza, 'Inequality and Crime,' *Journal of Law and Economics*, April, 2002.

## **PART IV: REDUCING POVERTY IN ANTIGUA AND BARBUDA**



## **CHAPTER 12 – TOWARDS POVERTY REDUCTION IN ANTIGUA AND BARBUDA**

### **12.1 NATIONAL PROGRAMME FOR POVERTY REDUCTION**

Following its independence, Antigua and Barbuda embarked upon a growth strategy that transformed a plantation society and economy dependent on sugar, to one primarily engaged in tourism mainly, and to a lesser extent on financial services and light manufacturing. The latter was impacted early in its development, firstly by the competition among CBI countries better endowed with cheap and plentiful labour for export-processing operations – for example the Dominican Republic and a number of Central American countries – and then by the entrée of Mexico into the North American Free Trade Area, which gave the advantage to maquiladora production in the north of Mexico in the United States market.

The rapid expansion of international tourism in the last two decades of the 20<sup>th</sup> century facilitated the development of Antigua and Barbuda. Its natural amenities of numerous beaches allowed it to follow Barbados in creating an up-market tourism product. Moreover, it succeeded in exploiting its location and some initial investment in airport facilities and aircraft handling to become a hub in the North-eastern Caribbean. The introduction of financial services and subsequently of internet gaming allowed the country to generate employment and income and to increase Government revenues in ways that

were far more successful than the model pursued in some of the neighbouring countries. Income levels rose and it came to be seen as one of the more successful economies of the region. The country might have been lulled into the belief that the essential development issues had been overcome.

The second half of the first decade of the 21<sup>st</sup> century finds Antigua and Barbuda emerging out of a major fiscal crisis. Starting in the late 1990s, the economy had declined to a slower growth path, and real incomes fell with the buffeting that its main tradable sector, tourism, endured. The slowdown in the North Atlantic economy in the early 21<sup>st</sup> century, and then the terrorist attack of September 2001 made things worse in the tourism sector. Meanwhile, the country was adjusting its institutional infrastructure to counter the moves to censure its involvement as an off-shore centre in financial services.

The underlying trajectory of an economy shifting to a higher reliance on the export of services continued, nevertheless. Rural-urban drift was maintained and given the relative income of Antigua vis-à-vis some of the neighbouring economies, the country continued to attract immigrants seeking employment. Apparently, there has been institutionalized considerable flexibility in the labour market, such that the adjustment process is shared among workers through part-time work.

The Government sought to maintain public sector employment but this led to the ballooning of public debt. The tax system that had evolved eschewed the income tax as a source of revenue. While in the exercise conducted here, no attempt has been made to test whether the tax system was regressive in its final impact, it is well known that systems based on indirect taxes tend to be regressive. In the case of Antigua and Barbuda, there was a tendency to discretionary exclusions on the part of the authorities, such that a number of businesses did not pay duties and other taxes for which they might otherwise have been liable. At the very least, it could be said that the revenue yield to the Government from its tax measures was not elastic enough relative to the growth in its expenditures, or to the growth of its debt.

The fiscal crisis was reflected in the failure to pay public servants on time, the unwillingness of the local private sector to provide materials and supplies to the Government, the earmarking of revenue from particular sources for almost direct transfer to creditors, the ad hoc virement of any balances of state corporations to the Treasury, and the resort to more borrowing, both domestic and foreign.<sup>41</sup> Early in the 21<sup>st</sup> century, the country achieved the dubious distinction of being one of the most indebted countries in the world, largely because of its fiscal situation.

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<sup>41</sup> It has been suggested in some quarters that the previous Administration became beholden to the Stanford Group when this was the only creditor prepared to lend further sums to the Government. This allegedly strengthened the negotiating position of the Group in treating with the Government in respect of any major investments it contemplated in Antigua and Barbuda. Previous creditors had apparently insisted on securing Crown Lands when the Government found itself challenged to repay.

The new administration that took control of Government in 2004 has busied itself in addressing the fiscal crisis and has sought to reschedule debt, secure debt forgiveness and to demonstrate that it is prepared to put its house in order, by its own 'home-grown' adjustment programme. The reduction in Government recurrent expenditure or in its rate of increase, by the implementation of VSEP and through improvement of efficiency in the public service is high on the list. The reorganization of the structure of taxes, the introduction of income taxes and the simplification of taxes are some of the measures geared to increasing the revenue base.

At the same time, the Government is sensitive to the need to manage the fall-out on the most vulnerable sections of the society, even though the fiscal latitude in addressing their needs may be severely circumscribed by the existing resources at the disposal of the Government. The present project on Poverty Assessment is also part of the effort to develop pro-poor approaches, in the midst of resource limitations. Moreover, this project allows for interventions to be based on evidence and for the country to undertake the most efficient approach to poverty reduction and poverty alleviation.

In the final analysis, there will always be need to have in place a transfer system to provide social protection to those least capable of protecting themselves. However, poverty reduction has to be anchored in economic and social strategy that treats

with the transformation of the economy and society in the context of the emerging globalised structures. Antigua and Barbuda, on its absorption as plantation economy under British colonial rule, has been part of the international economy since the 16<sup>th</sup> century.

As an independent country, the task before its policy makers is to continue the process of changing the terms of engagement with the international economy, such that its residents in the 21<sup>st</sup> century, both the descendants of the slaves who were brought here and those who have chosen to make the country their home can derive such yields from their participation in the new international economy that the vast majority can secure decent living consistent with their wishes. In that regard, poverty reduction is very much about development policy. This is the context in which the country has to mount a response to the poverty that has been established. The approach must lead to sustainable development and to equipping the population to cope with future challenges that will come from participation in the international economy.

The following constitutes the key elements of a programme for poverty reduction in the present decade. These elements are elaborated further with greater specificity in the pages that follow.

**The key elements of the strategy are:**

1. The development of the people to be effective participants in the knowledge economy of the 21<sup>st</sup> century: beneficiation through the human assets;
2. The social marketing of wellness and of life-long involvement in education and training, with a view to being always equipped with the most recent information and knowledge in real time;
3. The upgrading of the Public Service to provide quality service to the population and to facilitate the growth of the directly productive sector.
4. 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 country;
5. Macro-economic adjustment supported by industrial policy, private sector cooperation, and reform of the tax system to achieve equity and efficiency in fiscal operations;
6. Coherent and systematic physical planning in the management of the land resources of the country, compatibly with ecological sustainability, and consistently with the needs of agriculture, tourism, including eco-tourism and sustainable tourism, and housing;



7. The development of the safety net to provide social protection where necessary, with clear mechanisms to graduate those whose condition no longer justify protection;
8. The reorganization of Community Development to assist in social integration in the light of the challenges of rapid urbanization, and rural depopulation, and in the assimilation of immigrants from abroad;
9. Urgent action in the reorganization of the Statistics Department to serve the interests of country by way of the timely provision of national statistics;
10. The development of a firm strategy for crime reduction and arresting the growth of the underground economy in Antigua and Barbuda.

There is the wider and overarching national security issue that the country faces that goes beyond the interest only of those in difficult economic circumstances. This is the protection of a very fragile physical environment in the face of global climate change. While much of the fall-out therefrom derives from the measures taken by the now industrialized countries, Governments in the Caribbean are often under pressure to facilitate investments especially in tourism related projects which impose societal costs that do not emerge in the private calculus of investors.

One possible result is that the environment may be compromised since the

environmental costs of such investments remain unrevealed, but are usually permanent in their impact of the natural endowments of the country and the society. There is need for vigilance to ensure balance vis-à-vis the environmental assets of the society.

## **12.2 KNOWLEDGE, LEARNING AND THE INDIVIDUAL**

An overriding assumption is that the investment in human resources is a sine qua non for escaping poverty both at the level of the individual and of the society in Antigua and Barbuda at the beginning of the 21<sup>st</sup> century. In that regard, much is often made of the heavy investment in education being made in the Caribbean and the recent efforts to universalize secondary education. These initiatives have to be viewed in the context of the secular retardation in educational performance in the Commonwealth Caribbean, which has attracted the attention of a growing list of analysts, including more recently, the World Bank. Antigua and Barbuda is no exception, to the norm: according to the World Bank, in spite of their starting the development process better endowed with human capital in the 1960s, the Commonwealth Caribbean has fallen behind the emerging countries in Asia in terms of quality in the human resource base.<sup>42</sup> Their relatively retarded rates of growth can be explained by this deficiency.

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<sup>42</sup> World Bank, Organisation of Eastern Caribbean States: Towards a New Agenda for Growth, World Bank, Washington, 2005.

In universalizing secondary education in Antigua and Barbuda, care needs to be taken to arrest any decline in standards. Officials and the general population need to be disabused of the notion, very prevalent in the Caribbean, that the expansion of secondary education must be associated inevitably with a decline in average performance of students, in terms of the percentage achieving passing grades. The experience of Singapore proves that this need not be so if the right measures are put in place.<sup>43</sup>

An issue that was identified in the PPA and in the Institutional Analysis is the engagement of students in the educational process. If in spite of the expenditure on personnel and other resources, the school system is not producing results commensurate with the inputs, educators and policy makers need to identify the factors that are responsible. Failure of the educational system prepares the poverty script for the next generation of adults, and thus for the country.

In addition to addressing the needs of the present cohort of secondary school students, and stimulating among them, a *yearning for learning*, there is the requirement of work-force upgrading, and the adoption of an ethos of continuing education and learning. This is an issue that has preoccupied countries that are highly advanced, but which are concerned with

their being able to sustain their competitiveness. Post-school education and training throughout working-life is seen as central to the capacity to compete of the United States: a recent report calls attention to this as an area of weakness in structure that could cost it its technological leadership in a number of areas and could herald its decline. A statement in this report speaks volumes, and should be instructive to Caribbean policy-makers in taking stock of their current reality:

*'...although we have an elaborate funding mechanism to provide funds to send young people to college and university to launch them in the careers of their choice, we have done a very poor job of making it possible for adults who have full-time jobs and family responsibilities to get the continuing education and training they need to survive in the world that is coming.'*<sup>44</sup>

Antigua and Barbuda has little option but to emulate, and surpass such standards in its objectives. In this regard, the profile and the resources available to ABICE will have to be enhanced significantly.

But in addition to the provision of facilities, there is need to inculcate an ethos that commits individuals to the pursuit of knowledge and to its application in their daily lives. There will be need for social marketing of education and training to engage the entire national community. In other words, there is need to engage young people and the population at large at the

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<sup>43</sup> The percentage of students achieving 5 or more O Levels has been rising from just over 70 percent in the early 1990s to just over 80 percent in the middle of the present decade. See <http://www.moe.gov.sg/esd/ESD2006.pdf> page 65.

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<sup>44</sup> The New Commission on the Skills of the American Workforce, December 14, 2006. Executive Summary, p.9. See <http://www.skillscommission.org>.

psychological level, such that there is an individual commitment to self-upgrading through education and training. Marketing goes much beyond the provision of programmes and of places, and revolves around constant and up-beat messaging, that is normally associated with the strategies aimed at inducing mass appeal in consumer advertising. This applies as much to health and wellness as to education, training and life-long learning. The necessary behavior change to reduce the spread of HIV/AIDS and the prevalence of chronic diseases would require similar social marketing.<sup>45</sup>

In respect of the educational and training system, there is one important implication. There will be need to reorganize post-school education and training to make it easier for out-of-school youth and participants in the labour market to record their advances in various stages of the educational and training process. The Ministry of Education

will need to establish a data base in which the progress and learning experience of every individual, from entry at the level of pre-school to the end of one's career, can be documented.

This is likely to facilitate the continuing engagement in education and training of many who would normally have deemed the formal process to have ended on their entering the labour market. In the new dispensation, life long education and training will be documented, thereby allowing to individual to establish his/her progress and potential employability. Another complement to this approach is the use of ICTs. This is the medium that is most attractive to young people. But ICTs are also useful in the development of programmes that are more accommodating to the needs of individual clients.

The components of an appropriate approach include the following:

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<sup>45</sup> In this regard, there is much that can be learnt from the strategies of firms engaged in the promotion of products that are prejudicial to individual well-being, as with cigarette advertising.

## 12.2.1 BROADLY BASED WORK-FORCE UPGRADING

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Maximise training and upgrading of existing work force	I	<ul style="list-style-type: none"> <li>• Use of secondary school infrastructure on evenings and other facilities to upgrade workers</li> <li>• Use of educational and training modules to facilitate workers in their advancing through various stages of development, and the recording of such advances</li> <li>• Close counterparting by nationals of technical and professional persons on work-permits</li> <li>• Institutionalising of training and retraining programmes as normal activities for industrial and service sector development</li> <li>• Use of social marketing to encourage yearning for learning</li> <li>• Development and promotion of use of telecentres in communities, and application of novel approaches driven by ICT applications</li> </ul>	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, Ministry of Labour, Trade Union Movement, and Private Sector	Better trained workers among the population	Development of Data Base on all participants in the educational and training system, from pre-school, and continuing through life long careers. Reports of Ministry of Education, Department of Labour, on worker upgrading

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
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 informants data from employers	Reports of Department of Labour

Key: I - Immediate Priority

S - Short-term Priority

M - Medium-term Priority

## 12.2.2 SPECIAL PROVISIONS TO COMPLEMENT PARTICIPATION OF MOTHERS IN PROGRAMMES IN WORKFORCE UPGRADING

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
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 responsible for Industry, and Ministry of Education	Expanded number of persons with skills	Reports of Ministry for Industry and Ministry of Education

## 12.2.3 SOCIAL MARKETING OF WELLNESS

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
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"> <li>Behaviour change</li> <li>Reduce incidence of chronic diseases and spread of HIV/AIDS</li> </ul>	Ministry of Health and Ministry of Housing and Social Transformation	Healthier population, improved life expectancy, reduced need for secondary and tertiary care, and improved quality of life	Periodic reports of respective agencies

### **12.3 TRANSFORMATION OF THE PUBLIC SERVICE**

While the Public Service was not the subject for research in the conduct of the Survey of Living Conditions, the Institutional Analysis has established that the country needs to upgrade the operations of the Public Service. The country is blessed with personnel with experience and relevant training, with a number of organizations performing creditably. However, there are clearly structures that need to be reorganized to improve the delivery of public services and to ensure that a facilitative environment is created to permit the country to compete on the global stage. The apparent resort to criteria that were occasionally particularistic in the past might have impacted on the Public Service, and led to a warping of the rewards system, in so far as it was seen not to be related to performance and level of training.

The Community Development Division and the Statistics Department are immediate candidates for initiating the process of upgrading. In both cases, there will be need

for auditing needs of the organizations vis-à-vis the availability and suitability of personnel to meet those needs. The same approach will be applicable across the length and breadth of the Public Service and will require that the Government secure the services of appropriate experts.

In the short to medium term in respect of Community Development and of the Statistics Department, there is the likelihood of a need for extensive training abroad. In the short term, attachments to similar agencies in the Caribbean would be useful. In respect of Community Development, personnel in Antigua and Barbuda can learn much from short attachments to the Ministry of Housing and Social Transformation of Barbados and the agency responsible for Community Development in St. Lucia. In respect of Statistics, similarly, short-study tours to St. Lucia and to more immediate neighbours of St. Kitts/Nevis and Dominica should be helpful in achieving an understanding of what is possible, with a small dedicated staff.



### 12.3.1 UPGRADE OF PUBLIC SERVICE

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Improve performance of the Public Service	I	<ul style="list-style-type: none"> <li>▪ Institutional reorganisation and personnel upgrading</li> <li>▪ Strict adherence to merit and performance in the hiring and promotion of public servants</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improve service delivery of Public Service</li> </ul>	Office of the Prime Minister	Improved public services	Periodic reports of respective agencies in the context of programme of institutional upgrading and monitoring thereof
Upgrade Community Development Division	I	<ul style="list-style-type: none"> <li>▪ Undertake staff audit</li> <li>▪ Upgrade existing staff with relevant qualifications</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improve community development</li> </ul>	Ministry of Housing and Social Transformation	Improved delivery of services in respect of community development	Reports of the Ministry of Housing and Social Transformation
Upgrade Statistics Department	I	<ul style="list-style-type: none"> <li>▪ Undertake staff audit</li> <li>▪ Upgrade existing staff with relevant qualifications</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ensure delivery of the full range of statistics on a timely basis to the national community</li> </ul>	Ministry of Finance	Up-to-date statistics for planning, and policy making and for the public records of the country	Regular supply of statistics according to the agreed periodicity

## **12.4 MACRO-ECONOMIC ADJUSTMENT AND ECONOMIC DEVELOPMENT**

While the worst stage of the fiscal crisis might have been passed, the country is still faced with the challenge of reducing its debt burden. There would have been some crowding-out, given the level of domestic borrowing on the part of the Government. At the same time, there is still need for Government Expenditure to expand the production frontier by investment in the physical and social infrastructure, some of which involves lumpy investments. Inequality is high. In raising revenues, there is need to ensure that equity principles are observed as far as possible. The ECCB and CARTAC may be helpful in respect of studies of the fiscal system and the approaches that the Government may need to consider.

In addition, ingenious ways must be found to increase the supply of savings and create the fund of investible resources, rather than relying mainly or only on foreign capital. The savings of nationals abroad can be encouraged to inflow into the national investible pool. There will be need for the Ministry of Finance to work closely with the ECCB in the development of the appropriate institutional arrangements to encourage and manage such inflows.

There is also need to create new openings to encourage the emergence of entrepreneurs from unaccustomed quarters, having regard

to the fact that the historical experience and traditions have segmented economic participation, excluding some and including select groups. The democratization of participation in entrepreneurial activities is conducive to social integration. One important area for encouraging non-traditional participation is in respect of small hotels and guest houses with more nationals involved in owning and running such operations. Their training for managing what will have to be elite establishments will be a major investment.

Small undiversified countries like Antigua and Barbuda are highly vulnerable when one or more of their tradable sectors encounter difficulty, with resulting impact on the population and more so the poor in the society. While the Government cannot attempt to engage in industrial policy à la South Korea, there is still the responsibility for it to be in a constant search for options for diversification.

The formation of the tripartite council focusing on economic and social development provides a useful platform. In the short term, the diversification strategy may reside largely within the existing tradable sectors, and these have to be exploited to their limits. For example, eco-tourism and eco-sensitive tourism allow for some amount of differentiation of the tourism product of the country, thereby creating opportunity for income growth and the potential for quality employment.

#### 12.4.1 MACRO-ECONOMIC ADJUSTMENT COMPLEMENTED BY INDUSTRIAL POLICY AND TAX REFORM AND SUPPORTED WITH THE DEVELOPMENT OF ENTREPRENEURSHIP

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Managed adjustment in face of trade changes	I	Application of industrial strategy consistent with sustainable development	<ul style="list-style-type: none"> <li>Flexibility in responding to challenges of the international economy</li> <li>Take greater responsibility for finding own resources</li> </ul>	The Ministry of Finance, Trade and Industry	Expansion based on constant monitoring of competitiveness vis-à-vis the international economy	Reports of Ministry of Finance, Trade and Industry
Tax reform	I	Increase in resources for economic development, infrastructure and social service provision	<ul style="list-style-type: none"> <li>Improve self-reliance</li> </ul>	Ministry of Finance	Better resource provision for economic and social infrastructure	Ministry of Finance, and ECCB

#### 12.4.2 INSHORING OF OFF-SHORE' RESOURCES HELD BY NATIONALS ABROAD

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Mobilise resources from abroad	M	Development of institutional structures to encourage savings from abroad to be used in development of Antigua and Barbuda	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 and ECCB

### 12.4.3 ENTREPRENEURIAL DEVELOPMENT

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Deepen participation of nationals in the 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, Antigua and Barbuda Development Bank, Credit Unions and other agencies for administering credit to, farmers and fishers and to SMEs.	<ul style="list-style-type: none"> <li>Improved equity and reduction in disparity in income and wealth</li> </ul>	Annual Reports of Ministry of Finance

### 12.4.4 TOURISM AND RELATED DEVELOPMENT

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Deepen participation of nationals in the owning and operation of tourism plant	M	Use of financial resources of the country in building domestic entrepreneurship in tourism operations	Ensure better participation of all in the development of the country, and in the generation of wealth	Antigua and Barbuda Development Bank and other agencies administering credit to nationals in hotel and guest house operations	<ul style="list-style-type: none"> <li>Improved equity and reduction in disparity in income and wealth</li> <li>More nationals involved in the operation of elite establishments in the tourism sector</li> </ul>	Annual Reports of Ministry of Finance

## 12.4.5 AGRICULTURAL DEVELOPMENT

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Restore faith in agricultural future	I	Provision of coordinated support system for selected agricultural output	Create employment and income growth, with forward linkage to the hotel industry with high quality products	Ministry of Agriculture in collaboration with private sector and farmer based organisations	Restoration of vitality in farming communities	Periodic reports of Ministry of Agriculture

## 12.5 PHYSICAL PLANNING AND DEVELOPMENT

Physical Planning in Antigua and Barbuda has a wide remit. The country is highly vulnerable and has to anticipate threats to the environment from global warming, and sea rise. Its infrastructure investment has to be upgraded to higher levels. In the light of the greater frequency of violent hurricanes, there is need for revisiting building codes as to their adequacy, and putting mechanisms in place for strict observance. This increases the costs of buildings, infrastructure and the provision of homes for lower income people.<sup>46</sup>

St. John's, the capital, and its environs are betraying signs of congestion. The encouragement of more balanced development is an imperative to avoid the pitfalls of densification. Other challenges are the reallocation of households in areas vulnerable to flooding and other problems, the management of waste, the protection of reefs, the control of sand mining in Barbuda, and of beach erosion, generally.

In all of this, there is need for balance in securing ecological sustainability, and compatibility among the uses for various sectors – agriculture, tourism, eco-tourism and housing. There is need for the development of mechanisms to improve the sensitivity of the population to the importance of protection of the environment and their role in the process. While Physical Planning is essentially a regulatory function, there is need for

<sup>46</sup> The much greater destruction suffered by Grenada as compared to the Cayman is attributed to the much lower observance of the building code in Grenada.

advocacy to encourage the citizenry to assist in conserving their environment, and to become and remain vigilant and meticulous stewards, in this regard.

The costs to future generations of investment being made in the current period need to be more clearly and transparently elucidated in the planning process. The rush to encourage investment by the private sector, and especially hotel and other related investments by the foreign private sector, often prompts Governments to ignore externalities that the

society will have to bear in the future. Impacts on the natural capital result can be negative and permanent: these are seldom part of the calculus and are often ignored.<sup>47</sup> In this regard, sand mining in Barbuda, and quarrying operations in at least one area of Antigua may have irreversible effects, the costs of which can be huge when viewed in intergenerational terms. The fragility of the environment invokes much higher standards on the State that has to represent the interests of future generations, and much beyond the life cycle of any party in power.

### 12.5.1 UPGRADING OF BUILDING CODES

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
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

<sup>47</sup> See Pearce, David and Giles Atkinson, 'Capital Theory and the Measurement of Sustainable Development: an Indicator of 'Weak' Sustainability,' *Ecological Economics*, 8 (1993) 103-108.

## 12.5.2 INCULCATING ENVIRONMENTAL SENSITIVITY AND MEASURING IMPACTS

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Orient entire population to social responsibility for protecting the environment	I	Consistent and concerted initiatives across all publics on the role the individual must play in protecting the environment	Protection of the environment and ensuring sustainability for future generations	Environment Division in Ministry of Agriculture in association with appropriate NGOs and CBOs,	Heightened awareness of the population of the need to be good stewards of the fragile ecology of Antigua and Barbuda	Annual Reports of the Environment Division
		Institutionalisation of methodology to measure costs imposed on future generations of physical investments being assessed		Department responsible for Physical Planning	Transparent assessment of environmental impact that extend beyond private costs	Annual Reports of the Department responsible for Physical Planning

## 12.5.3 DEVELOPMENT OF NEW NODES OF GROWTH

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
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 St. John and environment	Annual Reports of Physical Planning Department



#### 12.5.4 SQUATTER REGULARISATION AND SLUM CLEARANCE

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
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 Works	Better quality accommodation for poorer communities	Annual Reports of Physical Planning Department, Ministry of Works on set targets for squatter regularisation and slum clearance

#### 12.6 SOCIAL INTEGRATION AND SOCIAL PROTECTION

The underlying principle that should inform social protection is that the machinery being put in place must provide for the poor and vulnerable where they have no capacity for doing so for themselves. This may require long term care and protection as for example, with the elderly who lack social insurance, or persons with severe physical and other disabilities.

In respect of others who are in, may succumb to poverty or suffer, a temporary disadvantage or disability, the response mechanism will provide relief where necessary, but more importantly, provide the wherewithal for the individual to achieve the potential and capacity for self-actualisation consistent with their own innate potential. Single women with children and without the support of their mates, may need some assistance in the short term, but can become self-sufficient from training and educational upgrading and job placement.

There are entire communities in Antigua that could benefit from sensitive community interventions. Rapid urbanisation has created a number of negatives – spread of drug abuse, inter-personal violence, juvenile delinquency, and purveying of values that are antithetical to social and economic development. There are also new immigrants from non-English speaking language groups that need to be assimilated.

In all of the required interventions, there is need for the official social service and community development agencies to work closely with the NGOs and CBOs where they exist, in responding to the requirements of individuals, households and communities. Moreover, there is the range of other state agencies that deliver services to these latter but which should be encouraged to collaborate with the Community Development Division in their work in communities. As the Division rises to the challenge of discharging its role, it will gain the respect, enough to be seen as a true partner with other agencies capable of

contributing to the empowerment of people in their communities.

The management of disaster is another critical issue in a country that is highly vulnerable to natural events, and now that these are being precipitated by global warming, as the Science and most expert opinion seems to suggest. The challenge of climate change has potential repercussions that are beyond the resources of Antigua and Barbuda, especially if one or both islands experience inundation, resulting in citizens being permanently displaced or becoming environmental refugees, as predicted in the Stern Report.<sup>48</sup>

Much will depend on international society in addressing this whole country vulnerability of Antigua and Barbuda.

At the national level, the greater involvement of communities in their own affairs is now accepted as contributory to the social good and to social integration. The PPA demonstrated that there are communities willing to become involved and surely capable of developing approaches relevant to their own circumstances. The lone example of devolution – the case of Barbuda – suggests that there is some receptivity in communities for involvement in managing community affairs.

## 12.6.1 STRENGTHENING SOCIAL SAFETY NET

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Improve social safety net for the vulnerable	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 Housing and 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 Housing and Social Transformation

<sup>48</sup> See Stern Review on the Economics of Climate Change, [http://www.hm-treasury.gov.uk/independent\\_reviews/stern\\_review\\_economics\\_climate\\_change/stern\\_review\\_report.cfm](http://www.hm-treasury.gov.uk/independent_reviews/stern_review_economics_climate_change/stern_review_report.cfm).

## 12.6.2 COORDINATION AND ENHANCEMENT OF COMMUNITY INTERVENTIONS

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
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 Housing and Social Transformation to coordinate through the Community Development Division	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 Housing and 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 Community Development Division

### 12.6.3 DISASTER MANAGEMENT

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
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, Ministry of Housing and Social Transformation, and National Office of Disaster Services	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 and National Office of Disaster Services

### 12.6.4 IMPLEMENTATION LOCAL GOVERNMENT REFORM

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Improve governance	I	Involvement of local representation in running affairs of communities	Ensure better representation of population in their local affairs	Ministry of Housing and Social Transformation	Improved participation of people in their own affairs	Annual Reports of the Ministry of Housing and Social Transformation

## 12.6.5 IMPROVE PUBLIC ORDER

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Promote social harmony	M	Development of programmes to treat with anger management among individuals and dispute settlement within communities	Ensure more harmonious intra-community relations	Community Development Division	Better social integration	Annual Reports of Ministry of Housing and Social Transformation
Decrease substance abuse	I	Improve resources for counselling	Encourage development of a drug free society	Substance Abuse Unit and Community Development Division	Reduced number of victims of drug abuse	Annual Reports of the Ministry of Housing and Social Transformation
Improve policing and surveillance	I	Development of sophisticated security systems, including the widespread use of surveillance cameras Improve monitoring of coast line for drug interdiction and arresting illegal import of weapons Use of canine patrols at airport and in public places to detect movement of illegal drugs	Ensure better protection of the population from criminal elements  Discourage import of illicit drugs and illegal weapons  Improve detection rates in respect of drug-running	Ministry of National Security	More secure general public and better quality of life	Annual Reports of the Ministry of National Security

## 12.6.6 SOCIAL PROTECTION

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Provide for the vulnerable	I	Development of mechanisms to treat with vulnerability as it mostly presents in Antigua and Barbuda	Ensure the protection of the vulnerable	Community Development Division, Citizens Welfare Division, NGOs, CBOs and FBOs engaged in the delivery of social services – St. Vincent de Paul, Salvation Army	<ul style="list-style-type: none"> <li>• Transparent system for treating with those in difficult circumstances where and when this occurs</li> <li>• Collaboration between state agencies and NGOs and CBOs, thus ensuring universal reach of programmes to all areas of the country</li> </ul>	Annual Reports of Community Development Division

## 12.7 CREATING AND SUSTAINING A POVERTY REDUCTION PROCESS IN ANTIGUA AND BARBUDA

A fiscal crisis has necessitated a process of macro-economic adjustment in Antigua and Barbuda. In the last quarter of the 21<sup>st</sup> century, the economy had been transformed from a typical plantation economy driven by sugar exports to one based on a tourism services economy that had benefited from the high expansion phase of this industry internationally. The work-force of the country had become engaged almost fully, around the dynamic created by the sector.

Tourism accounted for the vast share of its tradables. In addition to the large number of jobs that the sector created, albeit at the lower level, it contributed to Government revenue directly through taxes on the sector and indirectly on the revenue from custom duties from the demand for imports of the sector as well as those of an increasingly employed population. Government itself accounted for a large percentage of employment, and in the fluid labour market that became institutionalised around tourism, employment was shared among large numbers, including among immigrants coming in from abroad. The

slow down in the tourism sector and the failure of the Government to contain expenditure within the confines of the tax structure created the debt crisis that the country has faced in the more recent past.

The crisis has unearthed poverty in Antigua and Barbuda which might have surprised some. However, there have been some underlying realities that predated the crisis. The educational and skill endowments of the labour force consign large numbers to low wage employment having regard to their potential contribution to international tradables. While there have been in place some semblance of structure to treat with poverty and vulnerability by way of transfers, the nature of the task in poverty reduction has much more to do about the reorganisation of the skills set of the work-force and its upgrading to the requirements for competition in the early 21<sup>st</sup> century.

The resources have to be found firstly to continue to manage debt reduction at the same time as investment is undertaken in putting in place a system for life long education and training upgrading, while the present and future cohorts of school goers are stimulated to develop a yearning for learning. Concomitant with this is the range of services that need to be provided to treat with other development issues, problems of social integration and the management of negative influences of an underground economy that can offer rewards to some that could distract from positive nation and community building. The social institutions to manage the

myriad challenges are weak, especially some of the key ones in the public sector. Moreover, and critically, the country has severe data challenges in mapping hard economic facts, including employment by sector and wage rates.

In developing the relevant approaches and in systematising the responses, the State and Non-State actors would do well to constantly revisit the institutional infrastructure. This can be assessed on the basis of the availability of structures equipped to treat with the population and their needs across the various age cohorts into which the population can be divided. Secondly, the institutional infrastructure can be analysed against problems areas and the capacity to treat with social processes that create results that are antithetical to social integration and to development of the society. Thirdly, there are particular mechanisms that may be relevant in treating with the need for empowering poorer people to overcome their economic difficulties.

The tables below allow for a quick situational analysis in answering different types of questions in interrogating the institutional infrastructure. Such analysis when conducted at the level of a community or even at the national level, quickly establishes whether there is anything in place to serve the different needs of individuals. The next challenge is then to develop the capacity to service such identifiable needs. The tables complement the analysis provided in earlier Chapters.



Table 12.1: Assessment of Institutional Infrastructure by Age Cohort of Target Group and Type of Service

Category of Social Services	Community A				
	I 0-5	II 6-15	III 16-25	IV 26-64	V 65+
Preventive					
Remedial					
Supportive					
Developmental					

Table 12.2: Assessment of Institutional Infrastructure Serving Individuals with Special Needs by Type of Service

Category of Social Services for Risks and Vulnerabilities	Community A				
	Deportees	Victims of Incest	Teenage Delinquents	Drug Addicts	Teenage Mothers
Preventive					
Remedial					
Supportive					
Developmental					

Table 12.3: Assessment of Institutional Infrastructure Serving Individuals with Special Economic Needs by Type of Service

Category of Services in face of Economic Shocks and Fluctuations	Community A				
	Un-employed	Under-employed	Informal Economy	Under-ground Economy	Start Up Business
Preventive					
Remedial					
Supportive					
Developmental					

The PPA established that the population at large has clear insights on the nature of the requirements and on the level of interventions required. The communities have voiced their conviction that their needs, which are wide-ranging, go much beyond the matter of transfers. The society is committed to development of capacity in communities generally, while guaranteeing a decent quality of life to those who are no longer able, or are not yet ready, to contribute to the production of economic goods and services.

## **12.8 CONCLUSION**

Sustained poverty reduction will require investment in people primarily, and in institutions that assist the population at large to become empowered in taking on the current challenges of the 21<sup>st</sup> century as well as those to come. Those that face serious hurdles need institutions that can help them; those that cannot be in the race created by globalisation, need institutions and structures that can care for them in ways consistent with what is deemed socially acceptable in Antigua and Barbuda; those that are temporarily challenged need assistance to arrive at self-actualising. Much of the task falls to institutions of the State. However there exist a few effective civil society organisations that may partner with the State, in order to improve the efficiency in service delivery in some cases.

There is also the issue of international cooperation in the face of the imminent physical vulnerability faced by SIDS, as a result of global climate change. Sea rise of

half metre can render most Barbudans into environmental refugees. The increase in violent weather episodes like Ivan and Katrina on small island states have repercussions that cannot be addressed by their internal resources, but need the intervention of the international community in guaranteeing basic welfare of citizens of SIDS in the face of environmental catastrophe. There is a longer term threat of poverty to the entire society therefore.

At the national level, the Government has been instrumental in the establishment of a National Economic Council that brings together the social partners in examining the problems of development and treating with the challenge of economic transformation. It may be well advised to establish a Social Council that formalises the existing National Assessment Team that was established for this project.<sup>49</sup> The establishment of a Social Policy Unit in the Ministry of Housing and Social Transformation offers the possibility of a permanent secretariat: it will have to be properly financed and resourced in respect of trained personnel and physical resources, if it is to be effective. In the final analysis, policy for poverty reduction is very much about social and economic development, and has to yoke together state and civil society actors, and even international society, given the range of issues that are involved in change of the ideational structure of a society and its capacity for sustained development.

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<sup>49</sup> There will be need for some rationalization of the NAT, now that the country has had the experience of the conduct of a poverty assessment and can identify the agencies that are best equipped to contribute to the continuing work.

## **APPENDICES**



## **APPENDIX I – SUMMARY AGENDA OF NEW ADMINISTRATION**

### **Agenda for change**

- Promote Fair and Balanced Development
- Energise Small Business
- Export financial, information technology and tourism services as a growth engine to provide good jobs
- Strengthen institutions by constituting the National Economic and Social Council and the Antigua and Barbuda investment Authority
- Democratise the media

### **Tourism**

- Establish a national tourism task force
- Establish a functional sports tourism commission
- Construct a Caribbean festival park to host World Cup Cricket and CARIFESTA 2007
- Upgrade facilities to make yacht tourism a growth sector

### **Agriculture**

- Actively rescue agriculture, marine resources and food production

### **Manufacturing**

- Establish an export trading house that will provide group export marketing for designated enterprises such as garment manufacturers, agro processors, and producers of handicraft and souvenir items

### **Education**

- Reform the educational system to promote life long learning
- Work with the national library committee to ensure completion of the national library project

### **Health**

- Quality health care for all

### **Land and Housing Development**

- Ensure that land is used to create wealth and to establish well ordered communities
- Deliver well-designed, attractive, comfortable, durable homes that can withstand hurricane force winds, and which citizens of modest means can afford

### **ICT Development**

- Ensure the integration and adaptation of state of the art information and communication technologies in all spheres of daily life
- Utilise computer technology to deliver reliable government services

### **Culture**

- Create national awareness in order to transform the culture of the nation to achieve excellence
- Promote national identity through the development of culture

### **Poverty Reduction**

- Ensure that pensioners share fairly in the prosperity of the nation
- Listen to the young people and respect their views
- Eradicate poverty and uplift the poor and needy

### **Foreign Policy**

- Create a professional and technically competent foreign service machinery to ensure that the capacity is developed to address issues



## APPENDIX II – THE RISK OF BEING POOR IN ANTIGUA AND BARBUDA

### Preamble

This logistic regression model for Antigua and Barbuda is an enhancement to work done by this (See Henry, St Catherine, 2004) and a number of researchers in other parts of the world (see: Marc Ruben 1996, Ranjan Ray 1999, and Alemayehu Geda 2001). The techniques applied in this exercise have been elaborated in various methodological texts which treat with the specification of models with a dichotomous dependent variable (see: Maddala 1983, Aldrich and Nelson 1984, provide the bibliographic references at the bottom too). The variable in focus, namely, poverty, takes one of two conditions for every household in the micro-dataset under consideration (Antigua and Barbuda SLC 2005) that is, poor or non-poor. In addition, to improve the explanatory power of the model the quintile grouping variable is also considered since it allows the issue of risk of poverty to be analysed throughout the distribution of per capita adult equivalent consumption.

The logit model applied in this study attempts to establish the chances for a given household of being poor, given various conditioning factors usually including, but not restricted to, age, gender, adult equivalent household size<sup>50</sup>, education,

sector of employment, region, unemployment and being out of the labour force, and so on. The choice of exogenous variables made is based on confounding and effect modifying (interaction) impacts they create, but final selection is based on theory, precedent of use in other studies and limitations in the Antigua and Barbuda household micro dataset. Several different variable types are used based on inherent natural contrast, such as, the unemployed in contrast to the employed and non participants in the labour force, Indian as opposed to black in the case of ethnicity of the head of household; for gender, it is male versus female headed households. Variables such as age and adult equivalent family size are continuous variables and their impact on the condition of poverty is interpreted in terms of what percentage contribution one additional year or one additional equivalent adult household member would add to the odds of being poor, respectively. We also in this model utilize variables where contrasts are less clear-cut. Should a specific region or definitional proxy to a region (urban/rural) be included or should all regions be considered in relation to a computed average region or a chosen baseline region? The general form of the logistic regression model being tested is given below in the following equation:

$$Prob(poor) = \frac{1}{1 + e^{-(B_0 + B_1X_1 + \dots + B_pX_p)}}$$

or

<sup>50</sup> The use of adult equivalent scales in this study improves the specification of the absolute poverty line when compared to a per capita measure by according higher relative weights to adults over children. This study, however does not explore the possibility of economies of household size in consumption which has been shown in some studies to be significant (Ranjan Ray 1999).

$$\log \left( \frac{\text{Prob}(\text{poor})}{\text{Prob}(\text{not poor})} \right) = B_0 + B_1 X_1 + \dots + B_p X_p$$

From this equation it can be seen that, the logistic regression coefficient for a variable is the change in the log odds associated with a one-unit change in the independent variable, when all other independent variables are held constant (assuming there are no other interaction terms in the model involving the variable).

This equation was defined in the first instance very broadly. Theory and prior research have shown that variables mentioned previously should be included as a matter of model validity, and hence are not removed in every case on the basis of tests of statistical significance since systematic as opposed to random error may result. In specifying the model, interaction effects between variables are considered and removal there from is done in the case of multiplicative variables which are too complex or which cause a rejection of the null hypothesis at the 5% level. These restrictions ensure the reduction of multi-collinearity errors and improve the interpretation of odds/risk ratios associated with the equation coefficients.

This model attempts to address the main issues which affect the quality of a logistic regression model, namely:

- Independence of observations
- Linearity of the relationship between the logit for poverty and the exogenous variables in question

Model discrimination, that is, the model's ability to accurately predict poor household outcomes when compared to the occurrence of poor households

- Model calibration, that is, how well the predicted and observed probabilities of poor households match over the entire SLC 2005 micro dataset for Antigua and Barbuda
- Unusual cases in the micro dataset

## Model Definition

In arriving at the “gold standard” logistic regression equation we have refined the general hierarchically well formulated (HWF)<sup>51</sup> model by a backward elimination procedure based on chi-squared test if interaction is involved. We were able to eliminate the vast majority of interaction terms which were not significant at the 10% level or better. In addition, we examined the inclusion of variables based on a forward elimination process using, score statistics and the Likelihood ratio test. Industry and occupation were, similar to region and education included as categorical variables; both of these variables proved to be statistically insignificant on the Wald chi-squared test at the 10% level and were therefore eliminated in the early stages of model refinement. The coding of industry precludes those who are unemployed from identifying themselves with their former employers. This meant that having an

<sup>51</sup> Tests about retention of lower order components are independent of coding.

“occupation” is synonymous with being employed and perforce would reduce the risk of poverty, unless wage scales were severely depressed or highly skewed. A variable normally considered as an indicator of “un-met” basic housing needs, namely, number of persons per bedroom, though not usually considered from precedent set in other studies or by theory is also introduced for two reasons. Firstly, it is intuitively appealing to make an association between the risk of poverty and housing conditions of members of households as represented by the proxy number of

persons per bedroom, since congested housing adversely impact on variables deemed to be essential in acquiring improved welfare, such as education. Secondly, and expectedly, the statistical properties of this variable in the model are very appealing and it significantly enhances the model’s overall validity based on Nagelkerke  $R^2$  and likelihood ratio test results. The variables specified in the model are based on micro data, the records for which are defined at the household level and are as follows:

Variables	Definition	Symbol in estimated equation
<b>Dependent variable</b>	Poor=1 if poor, 0 otherwise Poverty estimate based on consumption per adult equivalent	Poor in binary logit model
<b>Explanatory variables</b>		
Sex	Sex = 1 if Female, 0 Male	P1_3
Unemployed	=number unemployed	UNEMP
Age	Single years of household head’s Age	P1_4
Adult Equivalent	Equivalent number of adults	ADEQ
Education (all)	Education at all levels	EDUCAT
1)Education(none)	No Education =1, 0 otherwise	(reference)
2)Education(pre-primary)	Primary =1, 0 otherwise	EDUCAT(1)
3)Education(primary)	Pre-primary =1, 0 otherwise	EDUCAT (2)
4)Education(post-primary)	Post-primary =1, 0 otherwise	EDUCAT (3)
5)Education(Secondary)	Secondary exams passed=1, 0 otherwise	EDUCAT (4)
6)Education(Tertiary)	Tertiary exams passed=1, 0 otherwise	EDUCAT (5)
7)Education(University)	University exams passed=1, 0 otherwise	EDUCAT (6)
Income	Income in 5 percent groups	Nhact_in
Dependants	Persons over the age of 65 and under the age of 15	DEPENDS



Variables	Definition	Symbol in estimated equation
<b>Explanatory variables</b>		
Ethnicity	Black=0, 1 otherwise	NOTBLACK
Persons per Bed	Number of persons per bed	PERBED
Geographic Region of Residence	All Districts	REGION
1 St. John ( City)	=1, otherwise 0	region
3 St. John ( Rural)	=1, otherwise 0	region(1)
4 St. George	=1, otherwise 0	region(2)
5 St. Peter	=1, otherwise 0	region(3)
6 St. Phillip	=1, otherwise 0	region(4)
7 St. Paul	=1, otherwise 0	region(5)
8 St. Mary	=1, otherwise 0	region(6)
9 Barbuda	=1, otherwise 0	region(7)

## Model Diagnostics

This section focuses on tests presented below which prove that the underlying assumptions of a good logistic regression are not violated. These assumptions were stated in the introductory paragraphs to the model. Unlike classical regression analysis, logistic regression does not produce goodness of fit statistics that are unambiguous and universally accepted. Two of these summary model statistics (Cox and Snell  $R^2$ , Nagelkerke  $R^2$ ) are reported along with the individual wald statistics on a variable by variable basis and the likelihood ratio test for overall model validity. Note, that the  $R^2$  measures presented are not to be confused with the  $R^2$

measures used in linear regression analysis which are generally a lot higher.

## Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	636.645(a)	.144	.265

a Estimation terminated at iteration number 6 because parameter estimates changed by less than .001.

In addition, we present two additional tests of the “goodness of fit of this model”. These are namely, the classification table, which measures the ability of the model to predict that a household may be poor on the basis of a probability outcome of greater than 0.5 and the mean and standard deviation of the

normalized residuals of the logistic regression which must be shown to be very close to 1 and 0 respectively, these tests follow:

**Classification Table(a)**

		Observed		Predicted	
				Poor	Percentage Correct
				0	1
Step 1	Poor	0		858	15
		1		109	26
		Overall Percentage			87.7

a The cut value is .500

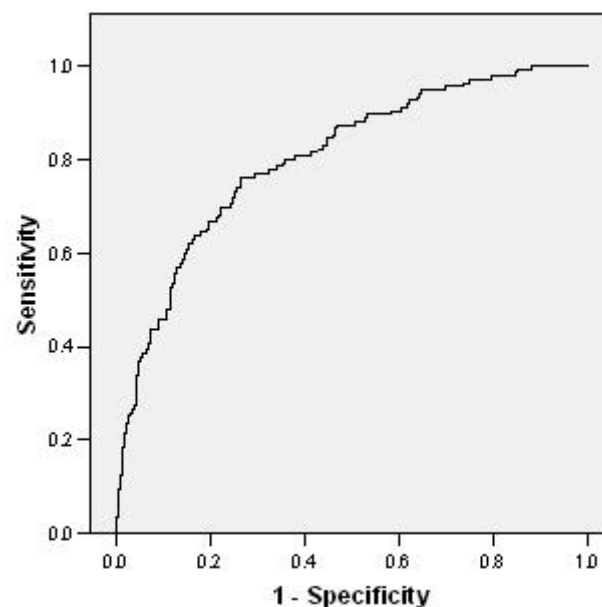
**Descriptive Statistics**

	N	Mean	Std. Deviation
Normalized residual	1008	-.0053804	.97576350
Valid N (listwise)	1008		

Since the classification table replaces actual values with a cutoff value, 0.5 it is a poor indicator of model fit and must be used with a good deal of reservation. The mean and standard deviation of the standardized residuals of the logistic regression model are shown to be close to what is expected of a good model in keeping with assumptions underlying logistic regressions.

We also present the C Statistic (area under the ROC curve) of 0.804 as an indicator of the models ability to discriminate; This statistic can take on a value between 0.5 and 1. A value of 0.5 indicates that the model is no better than flipping a coin in its ability to predict a poor household outcome. A value of 1 means that the model always assigns a higher probability to poor households than to non-poor households when poor households are observed. For this model we find that, in 80% of all possible pairs of cases in which a poor household is observed the model assigns a higher probability of having poverty to the household. The C-Statistic Follows:

**ROC Curve**



#### Area Under the Curve

Test Result Variable(s): Predicted probability

Area	Std. Error <sup>a</sup>	Asymptotic Sig. <sup>b</sup>	Asymptotic 95% Confidence Interval	
			Lower Bound	Upper Bound
.804	.020	.000	.764	.844

The test result variable(s): Predicted probability has at least one tie between the positive actual state group and the negative actual state group. Statistics may be biased.

a. Under the nonparametric assumption

b. Null hypothesis: true area = 0.5

The last of the model diagnostic we present is an indicator of how well the predicted probabilities of the model match the observed probabilities over the entire range of values of the SLC 2005 micro dataset. For this we present the Hosmer and Lemeshow Test which follow:

#### Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	3.139	8	.925

#### Contingency Table for Hosmer and Lemeshow Test

		poor = 0		poor = 1		Total
		Observed	Expected	Observed	Expected	
Step 1	1	101	99.647	0	1.353	101
	2	97	98.287	4	2.713	101
	3	98	96.880	3	4.120	101
	4	94	95.319	7	5.681	101
	5	93	93.604	8	7.396	101
	6	93	91.629	8	9.371	101
	7	90	89.096	11	11.904	101
	8	85	84.333	16	16.667	101
	9	74	75.184	27	25.816	101
	10	48	49.023	51	49.977	99

This test indicates that the model is significant at the 1% level and therefore we can reject the null hypothesis that there is no difference between the observed and the household predicted as poor by the model.

## Logistic Regression Results

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)	95.0% C.I. for EXP(B)	
								Lower	Upper
Step 1	perbed	.427	.140	9.331	1	.002	1.533	1.165	2.016
	adeq	.559	.136	16.779	1	.000	1.748	1.338	2.284
	Nhact_in	-.120	.024	24.920	1	.000	.887	.846	.930
	educat			24.058	5	.000			
	educat(1)	-.099	.453	.048	1	.826	.906	.373	2.198
	educat(2)	-1.414	.437	10.477	1	.001	.243	.103	.572
	educat(3)	-.893	.405	4.856	1	.028	.410	.185	.906
	educat(4)	-1.346	.572	5.531	1	.019	.260	.085	.799
	educat(5)	-1.564	.713	4.810	1	.028	.209	.052	.847
	parish			15.236	7	.033			
	parish(1)	.531	.219	5.888	1	.015	1.701	1.107	2.612
	parish(2)	.406	.244	2.782	1	.095	1.501	.931	2.419
	parish(3)	-.308	.479	.412	1	.521	.735	.288	1.880
	parish(4)	-.474	.472	1.007	1	.316	.623	.247	1.571
	parish(5)	1.015	.372	7.436	1	.006	2.758	1.330	5.720
	parish(6)	.279	.306	.830	1	.362	1.322	.725	2.410
	parish(7)	-.536	.403	1.768	1	.184	.585	.265	1.290
	child	-.050	.127	.156	1	.693	.951	.742	1.220
	NotBlack	.794	.354	5.036	1	.025	2.212	1.106	4.425
	p1_3	.085	.197	.186	1	.666	1.089	.740	1.600
	p1_4	.005	.007	.437	1	.508	1.005	.991	1.018
	Constant	-2.365	.558	17.984	1	.000	.094		

a. Variable(s) entered on step 1: perbed, adeq, Nhact\_in, educat, parish, child, NotBlack, p1\_3, p1\_4.

### Interpretation of the Results of the Model:

Generally a negative coefficient indicates that the odds of being poor fall with an increase in the value of the variable under consideration. Therefore, as expected when household income increases by 5% the odds of the household being poor falls by 89%.

Most research on poverty has identified unemployment as a major contributing factor. Antigua and Barbuda as is the case with most of the Leeward Islands of the Caribbean experiences very low levels of unemployment. In the case of Antigua and Barbuda the unemployment rate is approximately 4%, basically, unemployment is at a frictional rate. Unemployment or the number of earners

was not found to be a significant factor in the determination of the level of poverty neither was the number of earners in the household. An examination of the change in the log likelihood statistic and the Wald statistics indicated that these variables were insignificant in the determination of poverty.

The adult equivalent (AQEQ) family size was included as a continuous variable in this model and is significant at the 1% level on the chi square distributed Wald test. The odds ratio Exp(B) shown indicates that for each additional equivalent adult added to the household, the risk of poverty increases by 175%. This is not an unexpected result as larger household sizes are associated with

greater levels of deprivation, social and material deficiencies.

The issue of race was tested for households headed by Non-African/Negro (NOTBLACK), at the 5% level the model showed that households headed by Non-African/Negro were poorer by a factor of 221%, proving that ethnicity cannot be ignored as a criterion in poverty reduction projects. The influx of persons from the Dominican Republic and other nationals of non black descent have, it appears increased the ranks of the poor in Antigua and Barbuda.

Overcrowding at the household (PERBED) level was one of the most statistically significant variables affecting the determination of a poor household than any other. The improvement of housing conditions can, conditioning on the other variables included in this model improve the situation of the poor by up to 153%.

The issue of education when introduced as a categorical variable in the model (EDUCAT) was significant at the 1% level. The components of this variable were classified, broadly as none, meaning no education (reference group), primary (EDUCAT (1)), post primary (EDUCAT (2)), secondary (EDUCAT(3)), tertiary (EDUCAT(4)), and university (EDUCAT(5)). It is clear from the model that where the household head had at least primary school education (primary (EDUCAT (1)), (2)) the odds of the household being poor was reduced by 91% when compared to reference household

heads who possessed no education. The incremental reduction in the odds of being poor fall with increasing levels of education, with respect to secondary and tertiary education the incremental odds are 41% and 26% respectively. This is very strong evidence in support of ensuring that poverty reduction be accompanied by very deliberate and sustained emphasis on primary and by extension secondary education (EDUCAT(3)). The incremental returns fall as you go to higher levels of education.

The region variable (PARISH) included shows the Districts most affected by poverty and the odds associated with the extent of the problem for every parish. The odds of being poor for households in St Philip are the highest at 276% greater than the average district, with St. John's City next in line having a poverty risk of 170%. Living in St. Mary reduced the odds of being poor by 59%. This finding corroborates the summary statistics on the poverty gap and poverty severity indices at the district level reported in previous sections of this report.

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## TECHNICAL APPENDIX TO CHAPTER 4

### 1. Constructing the poverty Line

The poverty line is constructed in two distinct stages: first there is the estimation of an indigence or food poverty line. Next the indigence line is adjusted upwards to account for non-food basic needs.

The concept of *indigence* is premised on the notion that every individual must satisfy certain basic nutritional requirements for survival. A basket of goods is selected in such a way as to maximise one's nutrient intake at the lowest possible cost. The market cost of the selected basket is then derived and the monetary value of purchasing the selected basket of basic food calculated. Households unable to meet the cost of obtaining this basket of food items are categorised as *critically poor*, or *indigent*.

The market cost of the basic food basket (the indigence line) represents a lower limit of poverty and is considered the critical poverty line. The minimum cost of obtaining the basic food requirement (2,400 kilocalories) is established using prices collected at the time of the SLC/HBS for various foods readily available at food distribution outlets.

Using software developed by the CFNI (Caribbean Food and Nutrition Institute) which estimates

the nutritional and calorie content of all foods generally consumed in the Caribbean, *a priori*, a selection is made by the software of the basket of foods amounting to 2400 kilocalories, across all the food groups, at the minimum cost. The cost associated with this "balanced" diet per day (which can also be expressed per month) is referred to as the indigence line. Households with per capita consumption below this line are deemed to be *indigent*.

Table I shows the composition of the basket of goods selected by the CFNI software and used in the estimation of the indigence and poverty lines for Antigua and Barbuda.

Next, an allowance is made for non-food basic needs consumption, by adjusting the indigence line upwards, to arrive at the poverty line. The method applied involves the ranking of the adult equivalent per capita total consumption (food and non-food) of each household in the sample and finding the average value of the non-food adult equivalent per capita consumption associated with the bottom two quintiles of the distribution.



**Table I: Selected Minimum Cost Daily Food Basket for an Adult - Antigua and Barbuda  
(2,400 Kilocalories: 2005/06)**

Item	Amount (Gr)	Energy (kcal)	Cost (EC\$)
Corn Meal	66	238.0	0.15
Rice	66	242.7	0.20
Flour	66	239.3	.30
Potato	135	94.1	0.52
Green Banana	135	95.0	0.60
Cassava	135	146.9	1.01
Brown Sugar	64	240.0	0.12
Lentil Peas	42	143.8	0.19
Black Eye Peas	42	144.2	.21
Tomato Ketchup	15	16.0	0.12
Canned Corn	15	9.9	0.15
Frozen Tomato Paste	15	12.3	0.19
Mix Vegetables	15	9.8	0.20
Raisins	24	68.2	.27
Ripe Banana	24	14.7	0.11
Oranges	24	8.4	0.10
Grapefruit	24	4.7	0.07
Corned Beef	24	52.3	0.22
Pig Feet	24	37.9	0.11
Chicken Thigh	24	23.2	0.16
Salami Beef Sausage	24	108.9	0.32
Chicken Breast	24	21.0	0.23
Chicken Drumstick	24	16.7	0.16
Chicken Whole	24	43.5	0.21
Liver Beef	24	32.4	0.31
Margarine	21	150.8	0.17
Oil	21	185.2	0.29
		<b>2,400</b>	<b>6.69</b>
<b>DIET COMPOSITION</b>			
Water (G)	= 121.5	Riboflavin (Mg)	= 1.56
Energy (Kcal)	= 2400.0	Niacin (Mg)	= 21.5
Protein (G)	= 77.9	Vitamin C (Mg)	= 108.0
Fat (G)	= 64.3	Total Cost (\$)	= 6.71
Carbohydrate (G)	= 385.8	Total Amount (Lb)	= 2.52
Fibre (G)	= 7.3	Total Amount (Kg)	= 1.14
Calcium (Mg)	= 288.0		
Iron (Mg)	= 22.0		
Vitamin A (R.E.)	= 2395.5		
Thiamin (Mg)	= 1.8		

Using the SLC/HBS data set, the percentage distribution of food and non-food in total expenditure among the poorest 40 percent of the population is calculated. This average value for non-food expenditure is added to the monetary value of the indigence line to derive the poverty line<sup>52</sup>.

## 2. Definitions of Vulnerability Indicators

a. **Poverty Line:** A monetary measure of the minimum consumption, in dollar terms, of goods and services that a household should obtain in order to ensure that its basic needs are adequately met. The poverty line, therefore, represents a minimum budget that a household should spend, over a defined period, if it is to meet its basic food and non-food requirements.

b. **Vulnerability Line:** The vulnerability line is 125 percent of the poverty line; it measures the number of persons who are susceptible to becoming poor due to an unanticipated event

such as a natural disaster or other economic shock.

c. **Poverty Head Count Index:** This is the percentage of the population which lives in households whose adult equivalent per capita consumption falls below the poverty line. Unlike per capita consumption which is measured at the household level as total household expenditure divided by the number of household members, adult equivalence measures the total number of equivalent adults in the household, in this case each person is assigned based on his/her age and sex a number equal to or less than one using the following scale. The total number of equivalent adults is always less than or equal to the number of persons in the household.

Table II: Adult equivalence Scales

Adult Equivalence		
Age Range	Male	Female
Less than 1	0.270	0.270
1 to 3	0.468	0.436
4 to 6	0.606	0.547
7 to 9	0.697	0.614
10 to 14	0.825	0.695
15 to 18	0.915	0.737
19 to 29	1.000	0.741
30 to 60	0.966	0.727
61+	0.773	0.618

<sup>52</sup> In the World Bank approach to the construction of the poverty line, food requirements are derived based on nutritional requirements set by the indigence line, while non-food expenditures are set on the basis of a relative measure, namely, the average non-food expenditure of the poorest 40 percent of the population.

d. **The Poverty Gap Index:** This is the mean proportionate distance across the whole population of the poor from the poverty line. Gives a good indication of depth of poverty since it is a function of the distances of the poor below the poverty line. The poverty gap represents the minimum cost of eliminating poverty using targeted transfers, in other words, if every person below the poverty line is given just enough money to get him or her above the poverty line the cost would be the total sum of these transfers.

e. **The Foster-Greer-Thorbecke P2 Index ("Poverty Severity Index"):** This measure is defined as a weighting of the poverty gaps of the poor based on those poverty gaps. It is defined as:

$$P_2 = \frac{1}{n} \sum_{i=1}^q \left[ \frac{z - y_i}{z} \right]^2 = \text{mean}$$

of squared proportionate poverty gaps

$Z$  is the monetary value of the poverty line.  $q$  is the total number of people who are poor.  $N$  is the size of the population.  $y$  is the per capita adult equivalent consumption expenditure. To be clear, this measure can be thought of as being composed of two components: an amount due to the poverty gap, and

an amount due to the inequality amongst the poor. Expressed mathematically we have equation 6, where  $CV_p^2$  denotes the squared coefficient of variation of consumption/income amongst the poor.

$$P_2 = \frac{PG^2}{H} + \frac{(H - PG)^2}{H} * CV_p^2$$

While there are difficulties interpreting this measure, it is its ability to order distributions in a better way than alternative measures such as the Sen index that make it useful, not the precise numbers obtained.

f. **Low per Capita Household Consumption:** This is the percentage of the population which belongs to households with per capita expenditure less than the monetary value of the vulnerability line defined previously.

g. **Low Adult Equivalent Per Capita Consumption:** This is the percentage of the population which belongs to households with per capita adult equivalent expenditure less than the monetary value of the vulnerability line defined previously.

h. **Low Educational Attainment:**

This is defined as the percentage of the entire population which have not passed any academic examination. Typically this is derived by reporting the percentage of the population responding “None” to the standard question “What is the highest examination that ....(you) have passed?” in a frequency distribution of the population by the variable highest examination passed. This is strictly a characteristic which can only be defined for an individual and therefore no measure exists for the household.

i. **No Schooling:** This is a measure of truancy and is defined as the percentage of the school age population between 5 to 15 years of age who missed at least one day of schooling of the total available number of days of schooling last week. This is strictly a characteristic which can only be defined for individuals if school age and therefore no measure exist for the household.

j. **No Employment:** This measure is defined as the percentage of households in the population where the total number of persons employed within the households is zero. The percentage of persons within

households with no employed adults is the equivalent persons based measure for the population on this indicator. A person is defined as employed if he/she did any work at all in the past week for at least one hour or was on vacation during that time. This is the standard ILO (International Labour Organization) definition of the employed.

k. **Insufficient Employment:**

Basically this concept is defined as the percentage of households or persons in the population living in households where less than one in two adults is employed. There are several aspects to this definition; firstly an adult is defined for all applicable indicators as a person over the age of 15. Secondly an employed person is defined according to the ILO definition stated previously. In practical terms an employment rate for adults is generated for each household, if this rate is less than 50 percent then the household is said to have insufficient employment.

l. **High Dependency Ratio:** This is defined as less than one person of working age for every two persons not of working age in households for the entire population. The percentage of

households and the percentage of persons living in those households which qualify on this definition is reported. For all countries the working age was defined as persons over the age of 15 years, no upper limit was imposed on the data.

m. **Poor Access to Safe Water:** This is defined as the percentage of household or persons living in those households with no piped water. Typically, the sum of the valid percent on the “None”, “river” or “other” type of water source from a frequency distribution on the household question “*What is the MAIN source of your water supply?*” is reported. For Antigua and Barbuda the option “private catchment not piped” is included as a safe water source since Wells and Cisterns are designed to generate treated accessible water generally whether or not the water is piped.

n. **Poor Quality Housing:** This is defined as the percentage of households or persons living in those households where the toilet is a pit latrine or worse. Typically, this is the sum of the valid percent of households which report that they have a pit latrine, whether or not ventilated or no toilet facilities.

o. **Low Asset Base:** This is defined as the percentage of households or persons living in those households with less than four out of nine possible common durables. A common durable is a popular household appliance which typically allows the household to derive more than one year of service flow from its use. All durables owned by the households in a country are ranked and the nine most popular ones are determined. An aggregate of the number of the nine most common durables is generated for each household. If this number exceeds three the household is not considered to have a low asset base, otherwise it is considered to have a low asset base. Common durables generally include but are not confined to the following, stove, refrigerator, television set, radio/stereo, vehicle, Telephone, Video, computer, electric iron, washing machine etc.

### 3. **Measuring Inequality – The Lorenz curve and the Gini Coefficient:**

The Lorenz curve is used in economics to describe inequality in wealth amongst individuals in the population. The Lorenz curve is a function of the cumulative proportion of ordered individuals mapped onto the corresponding cumulative proportion of their wealth. If all individuals within the

population have equal amounts of wealth, the Lorenz curve is a straight diagonal line, called the line of equality. If there is any inequality in size, then the Lorenz curve falls below the line of equality. The total amount of inequality can be summarized by the Gini coefficient (also called the Gini ratio), which is the ratio between the area enclosed by the line of equality and the Lorenz curve, and the total triangular area under the line of equality.

The Gini coefficient (or Gini ratio)  $G$  is a summary statistic of the Lorenz Curve and a measure of inequality in a population. The Gini coefficient is most easily calculated from unordered size data as the "relative mean difference," i.e., the mean of the difference between every possible pair of individuals, divided by the mean size  $\mu$ ,

$$G = \frac{\sum_{i=1}^n \sum_{j=1}^n |x_i - x_j|}{2n^2\mu}$$

The Gini coefficient ranges from a minimum value of zero, when all individuals have an equal amount of wealth, to a theoretical maximum of one in an infinite population in which every individual except one has wealth of zero.

#### 4. Ranking Communities according to Unmet Basic Needs (by Edwin St. Catherine, Consulting Statistician)

A further attempt was made to massage the findings of the survey into a more meaningful representation of welfare and living conditions, to allow for the useful analysis of small areas. One well understood approach is the much more now much discussed "Basic Needs" index. This index is implemented by ascribing to each household or characteristic of a person within that household a score based on the presence or absence of a condition which can be aggregated to the level of the household. This household based summary score can be normalized to a community score on the basis of the total number of households in the community. With each community allocated a score, all the communities within the country can be ranked.

Such an index was built to allow communities in Antigua and Barbuda to be classified on the basis of "unmet" basic needs. The approach applied was a modified version of a Basic Needs Index developed by CELADE-ECLAC (Centre for Demographic Studies, Economic Commission for Latin America and the Caribbean).

The resulting ranking of communities based on the unmet basic needs index is presented in the table below.

**Table III Major Division/Areas Ranked by Living Condition Index 2001**

Antigua & Barbuda Major Division/Areas Ranked by Living Condition Index 2001				
Major Division	Major Division Name	Number of Persons	Living Condition Index	Unemployment Rate
1	GREEN BAY	2120	11.24	21
11	POINT	1034	11.47	17.3
2	COOKS HILL	1143	11.70	21.1
3	GRAYS FARM	1352	11.78	18.6
84	URLINGS	761	11.94	12.8
4	NUT GROVE	1040	12.11	19
83	JOHN HUGHES / SA	350	12.15	10.2
5	KENTISH	1569	12.34	17.2
70	LIBERTA	2153	12.37	16.1
13	LOWER VILLA	1184	12.39	17.7
63	FREETOWN	591	12.51	17.9
33	POTTERS	1715	12.60	16.1
81	EBENEZER / JENNI	1603	12.61	11.5
82	OLD ROAD	905	12.66	13
73	ALL SAINTS (S)	475	12.69	13
74	BETHESDA	408	12.76	12.7
72	SWETES	1539	12.92	17.6
6	DESOUZA ROAD	1188	12.93	12.9
53	ALL SAINTS (NE)	1744	13.02	12.4
34	BRANNS HAMLET	857	13.10	15.7
42	PIGGOTTS	1222	13.17	15.3
37	BENDALS	1012	13.26	13
7	BROWNS AVENUE	733	13.31	12.8
60	WILLIKIES	983	13.32	12.5
52	FREEMANS VILLAGE	689	13.39	8.31
50	PARHAM	1244	13.41	9.09
80	BOLANS	1565	13.54	15.4
10	CITY CENTRE	310	13.69	11
41	BARNES HILL	661	13.72	10.3
14	VILLA	1534	13.73	11.6
64	NEWFIELDS / ST.	454	13.85	8.92
8	RADIO RANGE	821	13.89	9.69
17	SUTHERLANDS DEVE	1993	13.89	11.9



Antigua & Barbuda Major Division/Areas Ranked by Living Condition Index 2001				
Major Division	Major Division Name	Number of Persons	Living Condition Index	Unemployment Rate
15	UPPER FORT ROAD	1457	13.92	13.1
90	CODRINGTON	924	14.05	6.58
40	NEW WINTHORPES	730	14.10	6.3
85	JOHNSONS POINT /	272	14.13	21.4
75	FALMOUTH	286	14.20	10
30	CEDAR GROVE	752	14.26	7.67
61	GLANVILLES	366	14.30	3.09
51	PARES	513	14.36	7.57
76	REST OF ST. PAUL	1061	14.44	11.9
62	SEATONS	379	14.48	9.64
91	REST OF BARBUDA	417	14.52	2.63
71	ENGLISH HARBOUR	683	14.56	10.3
9	MICHAEL'S MOUNT	1100	14.59	18.3
36	BUCKLEYS	542	14.62	12.7
35	ALL SAINTS (NW)	1019	14.74	10.9
12	PRINCESS MARGARE	761	14.97	11.2
38	REST OF ST. JOHN	8879	15.11	12.7
43	SEA VIEW FARM	1400	15.41	8.78
32	CLARE HALL	1125	15.74	10.2
16	UPPER GAMBLES	955	16.02	11.9
54	REST OF ST. PETE	330	16.29	8.38
86	REST OF ST. MARY	147	16.31	6.17
44	REST OF ST. GEOR	1547	17.66	4.15
65	REST OF ST. PHIL	118	17.92	9.38
31	NORTH COAST	1419	19.59	8.88

Source: Antigua & Barbuda Census 2001

**Table IV Enumeration Districts/Areas Ranked by Living Condition Index 2001**

Antigua Enumeration Districts/Areas Ranked by Living Condition Index 2001				
ED Number	Area Name	No of Persons	Living Condition Index	Un-employment Rate
11000	Central St.(Nort	114	10.32	28.1
17200	Wilkenson Cross(	188	10.66	11.7
11600	White Road	250	10.68	23.5
11100	GreenBay School	227	10.75	18.3
10600	Federation Rd(So	216	10.8	22.4
17600	Dickenson Bay St	177	10.84	10
71300	GreenHill	244	10.9	17
10300	Buckleys St.(Sou	245	10.92	18.4
17000	Point WaterFront	73	11.04	15.6
10500	Cooks Hill Rd	265	11.06	15.7
81400	Urlings-Central	195	11.09	15.4
17700	Villa School	180	11.12	28.2
12700	Nut Grove	221	11.13	14.4
12600	Grey Hill East	230	11.17	22.9
11200	GreenBay Canal	98	11.2	10.6
60800	FreeTown-South	150	11.2	20.6
11500	Matthew St.	357	11.24	14.6
10400	Federation Rd.(N	314	11.32	17.9
72400	TableHillGardens	179	11.33	13.3
11400	Lower Grey Hill	204	11.44	25.8
10800	Green Bay Ext	193	11.45	20.8
11900	Station Rd.(Nort	203	11.45	17.6
33100	Potters-South	216	11.45	12.8
82101	Jennings-Yorks_1	120	11.51	8.33
12300	Tindale Rd.(Cent	275	11.55	25.7
80900	OldRoad-ClareMon	131	11.55	13.8
17500	Pelle St.(East)	181	11.57	26.6
10100	Buckleys St.(Har	201	11.58	17.3
70902	Liberta-West_2	291	11.58	9.7
17400	Wappping Lane (C	163	11.6	16.3
12900	Malone St.	230	11.62	10.6
18700	Upper Fort Rd(Ce	338	11.66	21.2
10200	Buckleys St.(Cen	173	11.67	23.5

Antigua Enumeration Districts/Areas Ranked by Living Condition Index 2001				
ED Number	Area Name	No of Persons	Living Condition Index	Un-employment Rate
82400	Ebenezer-GreenHi	252	11.68	6.54
12100	Kentish Road	219	11.7	19.7
81000	OldRoad-Central	130	11.7	6.78
10900	George St.(South	198	11.77	39.7
35500	JacksHill	215	11.78	17.9
81500	Urlings-West	179	11.8	11.5
17900	Pigott St.	222	11.81	18.7
82000	Jennings-South	251	11.82	16.9
34202	Emmanuel_2	144	11.83	14.3
18900	Fort Rd. (West)	155	11.87	3.7
71100	Liberta-SouthCen	227	11.88	30.9
11700	Grays Farm Rd.	231	11.92	21.6
34900	BrammsHamlet-Sou	356	11.95	21.1
70400	Swetes-North	279	11.97	19.1
33200	Potters-Cemetery	322	12.01	26.1
31600	Prison Farm	438	12.06	20.5
81100	OldRoad-MorrisBa	161	12.07	24.2
12400	Tindale Rd.(Sout	203	12.08	20.9
14000	Ottos School	214	12.09	12.6
82500	JohnHughes-B_Nec	193	12.09	7.14
17100	Point Wharf	250	12.13	17.2
80600	Bolans-CentralEa	86	12.13	20
32800	Potters-North	266	12.16	14.5
50201	AllSaints-North	283	12.21	14.4
11800	Kentish (North)	183	12.22	20.9
80500	Bolans-CentralWe	185	12.22	19.5
82600	JohnHughes-Bisho	157	12.22	14.5
12500	Grey Hill Reserv	280	12.25	23.6
70100	AllSaints-East	247	12.27	12.1
13700	Desouza Road (Ce	247	12.29	12
19000	Villa (East)	219	12.3	17.9
35900	HattonHill	204	12.3	20
81300	Urlings-StMarysC	165	12.34	6.85
35800	UnionRoad-North	271	12.35	16.1

Antigua Enumeration Districts/Areas Ranked by Living Condition Index 2001				
ED Number	Area Name	No of Persons	Living Condition Index	Un-employment Rate
40800	Piggotts-St.Mary	272	12.38	16.3
35400	GraysHill	226	12.39	22.3
82300	EbenezerHall	184	12.39	9.3
50700	Parham-LoversLan	206	12.4	11.3
70800	Liberta	269	12.45	12.5
80300	BolansHill	211	12.45	20.2
50302	AllSaintsPlayG2	142	12.46	3.08
71500	Bethesda-West	88	12.46	12.8
72500	Tyrells	299	12.48	15.1
14400	Browne's Ave.	197	12.49	15.9
15800	St. Johnsons(Eas	239	12.49	12.3
32700	Upper Potters	285	12.5	13.6
81600	UrlingsSchool	222	12.51	15.8
71000	Liberta-NorthCen	350	12.52	13
17300	Wapping Lane(Sou	166	12.54	21.2
11300	Warnford Rd.	148	12.57	27.6
50202	AllSaints-North	187	12.57	12.1
80401	Bolans-JollyH_1	201	12.58	11.6
10700	Grays Hill	310	12.59	18.3
80800	OldRoad-North	177	12.6	9.21
13600	Stetson Avenue	249	12.62	15.9
17800	Bennett St.(West	244	12.62	16.1
40900	Piggotts-Moravia	192	12.63	16
12000	Grays Crescent	257	12.64	8.96
50600	FreemansVille-No	406	12.66	10.4
80200	Bolans-Tottenham	121	12.66	14.5
13000	Warren Road	201	12.7	23.6
41000	Piggotts-Central	249	12.7	15.5
15700	St.Johnsons Vill	267	12.71	15.9
70600	Swetes-SouthWest	253	12.73	19.6
16000	Skerritts Pa.(No	257	12.74	13.3
13200	Craven Road	256	12.76	14.1
13800	Paige Road (West	285	12.8	15.2
35600	UnionRoad	237	12.8	16.8

Antigua Enumeration Districts/Areas Ranked by Living Condition Index 2001				
ED Number	Area Name	No of Persons	Living Condition Index	Un-employment Rate
82200	Jennings-CedarHa	268	12.81	7.44
32900	Potters-Central	259	12.82	15.7
50800	Parham-Market	202	12.83	13.1
60700	FreeTown-West	139	12.83	32.6
51001	Parham-School_1	305	12.85	5.16
40600	Piggotts-School	181	12.86	24.8
70700	Swetes-East	336	12.86	13.4
30300	Cedar Grove-East	223	12.87	9.62
70901	Liberta-West_1	357	12.88	13.6
71400	Bethesda-East	320	12.88	12.7
16800	Census Off. (Nor	209	12.93	14.3
60100	Willikies-North	223	12.98	21.6
12200	Tindale Rd. (Nor	250	12.99	13.6
80402	Bolans-JollyH_2	255	12.99	10.3
60300	Willikies-Centra	203	13	4
61400	St. Phillips	129	13	12.9
72600	Pattersons	153	13.02	26.8
15200	Tanner St.	124	13.03	14.3
50301	AllSaintsPlayG1	315	13.03	11
60600	FreeTown-North	302	13.08	8.98
13100	Baxter Street	159	13.09	10.6
70500	Swetes-Central	296	13.1	18.1
41200	SeaViewFarm-Zion	300	13.11	15.4
34000	AllSaints-Police	220	13.12	14.6
31402	McKinnons-S.P._2	242	13.14	13.2
34800	BrammsHamlet-Nor	213	13.15	15.6
16900	Lower North St.	188	13.16	15.6
70200	AllSaints-South	230	13.16	13.8
14100	Ottos (West)	182	13.19	11.8
71900	EnglishHarb-Ordn	153	13.19	15.5
16100	Simon Bolivar Pa	369	13.2	17.5
33000	Potters-East	232	13.21	7.83
40100	NewWinthorpes-No	174	13.24	5.48
60200	Willikies-West	180	13.24	11.3

Antigua Enumeration Districts/Areas Ranked by Living Condition Index 2001				
ED Number	Area Name	No of Persons	Living Condition Index	Un-employment Rate
33702	Buckleys-East_2	145	13.26	15.4
61100	Seatons-Central	294	13.26	10.9
34300	GreenCastle-Agri	195	13.29	17.5
60401	Willikies-S_1	194	13.29	9
50400	AllSaintsAnglica	343	13.3	9.7
15400	Country Pond	123	13.32	7.81
34400	BendalsQuar-Sch	277	13.35	12.2
34502	BendalsRd-Bendal	295	13.35	10.1
13300	Golden Grove Sch	181	13.36	4
35100	GoldenGrove-Sout	261	13.38	31.6
51200	Pares-West	192	13.38	8.6
81900	Jennings-Central	311	13.38	11.9
14200	Martins Road (Ea	85	13.39	21.2
18000	Athill St.(East)	190	13.4	12.9
41300	SeaViewFarm-Cent	210	13.4	15.2
36000	FiveIslands	327	13.41	4.76
14300	Whenner Road(Nor	183	13.44	11.5
35700	UnionRoad-East	160	13.44	20.5
16400	Clare Hall(West)	217	13.48	13.8
40500	BarnesHill-East	304	13.48	12.3
16300	Christ The King	236	13.49	19.1
15100	New St.(West)	128	13.5	14.8
33600	Buckleys-West	196	13.5	12.4
13400	Golden Grove	294	13.57	13.6
60500	Willikies-East	96	13.57	16.3
90200	Codrington-Centr	239	13.6	3.15
50100	AllSaints-Jonas	474	13.67	16.5
14500	Brams Hamlet Rd(	268	13.68	8.84
34100	Bendals	119	13.68	6
19100	Villa(Central)	175	13.7	9.2
70300	Swetes-NorthWest	375	13.71	18.7
13900	Fiennes St.	242	13.72	16.2
90100	Codrington-North	442	13.72	5.7
15000	Nelson St.(West)	187	13.73	18.9

Antigua Enumeration Districts/Areas Ranked by Living Condition Index 2001				
ED Number	Area Name	No of Persons	Living Condition Index	Un-employment Rate
80700	BolansClinic	261	13.74	19.4
33902	AllSaints-N_2	297	13.78	9.79
35301	Montclear_1	457	13.78	8.02
34201	Emmanuel_1	277	13.87	12.3
18400	Upper Fort Rd(Ea	127	13.91	12.1
35001	StateCollege_1	202	13.91	14.3
40400	BarnesHill-Schoo	357	13.93	8.47
33800	Clarkes Hill	291	13.94	14.8
81201	OldRoad-West_1	189	13.94	9.41
14900	Nelson St.(East)	179	13.96	18.6
19200	Bay Street	244	13.96	10
71200	Liberta-SouthWes	260	13.98	14.8
35302	Montclear_2	365	14.03	13.6
35002	StateCollege_2	184	14.1	18.8
81700	JohnsonsPoint	128	14.1	9.33
82102	Jennings-Yorks_2	217	14.15	17.4
81800	CrabbHill	144	14.16	31.2
18800	Cotton Lane	240	14.17	11
71800	EnglishHarb-Town	168	14.18	14.5
71600	Falmouth	286	14.2	10
30400	Cedar Grove-St.	201	14.21	11.8
61300	Newfield	322	14.21	7.33
35200	Creeside	322	14.22	7.65
60900	Glanvilles-Centr	224	14.23	3.25
81202	OldRoad-West_2	117	14.23	15.8
51002	Parham-School_2	224	14.24	11.4
90400	Barbuda-North	254	14.24	3.01
40200	NewWinthorpes-So	331	14.27	4.82
12800	CMC	165	14.28	18.8
50500	FreemansVille-So	283	14.28	5.71
19500	Barrymore	262	14.3	15.8
72300	CooksHill \Chris	206	14.3	9.35
34700	MoravianConfHall	288	14.32	10.1
18600	Upper Fort Rd(No	297	14.38	15.6



Antigua Enumeration Districts/Areas Ranked by Living Condition Index 2001				
ED Number	Area Name	No of Persons	Living Condition Index	Un-employment Rate
61000	Glanvilles-Outer	142	14.39	2.82
40300	NewWinthorpes-Ea	225	14.45	9.09
19300	Blackburn Park	290	14.46	9.74
13500	Edward St.	223	14.47	7.32
15900	Skerritts Pa.(So	142	14.59	11.8
14600	ABS(Old)	238	14.64	10.5
50900	Parham-ByamsWhar	307	14.66	6.96
15600	Sutherlands(Cent	234	14.76	9.01
18500	Friars Hill(West	219	14.85	4.13
31401	McKinnons-S.P._1	276	14.87	12.1
40700	Pigotts Hill	334	14.87	8.67
16700	Deanery	145	14.88	11.3
60402	Willikies-S_2	87	14.88	14.3
15500	Sutherlands(West	230	14.9	7.94
32200	Clare Hall Schoo	189	14.91	3.33
51100	Pares-East	321	14.93	6.96
90500	Barbuda-South	163	14.96	2.11
32500	Obeez	135	15.04	16.4
18300	Cemetery	235	15.08	11.1
19400	Fort James	189	15.08	12.7
72100	MarshVillage	230	15.09	6.48
30500	Cedar Grove-Sout	328	15.1	3.95
34501	BendalsRd-Bathlo	166	15.14	11
90300	Codrington-South	243	15.14	12.1
32302	Skyline_2	212	15.2	20.2
33301	Tomlinsons_1	258	15.2	12.6
32400	Skerritts-East	283	15.31	16.8
33402	Belmont_2	228	15.39	18.7
18200	Gambles	244	15.44	10.5
32000	Clare Hall-Centr	236	15.48	12.2
41501	UpperLightfoot_1	86	15.55	0
15300	Down Town	63	15.57	9.09
51400	Diamonds	29	15.58	27.8
33302	Tomlinsons_2	313	15.59	12.5

Antigua Enumeration Districts/Areas Ranked by Living Condition Index 2001				
ED Number	Area Name	No of Persons	Living Condition Index	Un-employment Rate
32301	Skyline_1	257	15.61	9.35
72000	EnglishHarb-Midd	93	15.63	2.17
14700	Radio Range	187	15.72	4.04
33401	Belmont_1	194	15.82	8.55
31900	Upper Clare Hall	378	16	7.84
32100	Clare Hall-Chris	239	16.06	15.7
31500	Adelin	279	16.12	5.44
31800	Piggotts Ville-W	83	16.19	12.5
41400	Renfrew	279	16.2	3.66
16200	Sutherlands(Nort	255	16.25	4.35
82700	BoggyPeak	147	16.31	6.17
51300	Vernons	301	16.39	6.04
41601	Sugar Factory_1	248	16.43	2.96
61500	LongLane_Collins	51	16.45	7.69
33701	Buckleys-East_1	201	16.49	11.7
41602	Sugar Factory_2	536	16.7	4.21
80100	Bolans-JollyBeac	245	16.74	12.5
71700	CobbsCross	245	16.76	13.5
18100	P.M.School	155	16.93	8.7
14800	Holberton	218	17.01	28
72700	DieppeBay	60	17.02	3.57
41100	SeaViewFarm-Sout	183	17.06	7
41502	UpperLightfoot_2	336	17.08	6.42
33502	St. Claire_2	253	17.11	9.01
31300	McKinnons	325	17.39	7.34
61200	Seatons-Coastal	88	17.47	5.88
33501	St. Claire_1	132	17.74	6.67
41700	Carlisle	301	17.76	7.22
16600	Cortsland	179	17.83	2.17
16500	Upper Gambles	331	17.86	10.9
72200	DowHill	111	17.94	7.55
34600	Bellevue Heights	273	18.07	5.77
32600	Scotts Hill	182	18.14	2.15
36100	Yeptons	94	18.2	14

Antigua Enumeration Districts/Areas Ranked by Living Condition Index 2001				
ED Number	Area Name	No of Persons	Living Condition Index	Un-employment Rate
30200	Hodges Bay-Royal	220	18.45	3.88
33901	AllSaints-N_1	211	18.63	4.39
61800	Long Bay	33	18.64	15
31701	Cedar Valley-Lon	187	18.81	4.95
42000	Airport	68	18.91	0
41900	Coolidge	269	19.06	2.53
41800	FitchesCreek	125	19.18	4.23
30800	Crosbies-Mill To	223	19.22	6.9
31100	Trade Winds	122	19.32	6.06
30900	Crosbies-WIOC	275	19.57	28.2
31702	Cedar Valley	136	19.67	11.1
30700	Crosbies-Sandpip	170	19.84	1.16
30100	Hodges Bay-Benai	291	19.91	4.62
31200	Paradise View	162	20.1	6.67
31000	Marble Hill	141	20.16	3.9
30600	Blue Waters	240	20.49	0.64

Source: Antigua & Barbuda Census 2001

*Note: Eds with Population less than 30 have not been included due to distortions*