

FINAL REPORT
**Country Poverty Assessment: Grenada,
Carriacou and Petit Martinique**

VOLUME I
Main Report



COUNTRY POVERTY ASSESSMENT: GRENADA, CARRIACOU AND PETIT MARTINIQUE

VOLUME 1 – MAIN REPORT

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THE CARIBBEAN DEVELOPMENT BANK

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TABLE OF CONTENTS

LIST OF TABLES	VI
LIST OF FIGURES	IX
LIST OF MAPS	X
LIST OF ACRONYMS/ ABBREVIATIONS.....	XII
EXECUTIVE SUMMARY	XIV
CHAPTER ONE: INTRODUCTION	1
1.1 BACKGROUND	1
1.2 DEFINING POVERTY	2
1.3 TERMS OF REFERENCE	3
1.4 THE PARTNERS.....	5
1.5 STRUCTURE OF THE REPORT	6
CHAPTER TWO: METHODOLOGY	7
2.1 SURVEY OF LIVING CONDITIONS (SLC) AND HOUSEHOLD BUDGETARY SURVEY (HBS)	7
2.2 THE PARTICIPATORY POVERTY ASSESSMENT	8
2.3 INSTITUTIONAL ASSESSMENT (IA).....	9
2.4 MACRO SOCIO-ECONOMIC ANALYSIS	10
CHAPTER THREE: GEOGRAPHY, HISTORY AND POPULATION.....	11
3.1 GEOGRAPHY	11
3.2 HISTORICAL SETTING	12
3.3 GOVERNANCE.....	14
3.4 TRENDS IN POPULATION SIZE AND COMPOSITION	15
3.5 AGE-SEX COMPOSITION	15
3.6 SOCIO-DEMOGRAPHIC CHARACTERISTICS OF RESIDENTS	16
3.6.1 <i>Population by Religion</i>	16
3.6.2 <i>Population by Ethnic Origin</i>	16
CHAPTER FOUR: MACRO-ECONOMIC ANALYSIS.....	17
4.1 INTRODUCTION	17
4.1.1 <i>International Context</i>	17
4.2. OVERVIEW OF GRENADA'S ECONOMY	20
4.3. ECONOMIC PERFORMANCE.....	21
4.3.1 <i>Tourism</i>	23
4.3.2 <i>Trade</i>	23
4.4 FISCAL TRENDS.....	24

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

4.5 FINANCIAL SERVICES	26
4.6 REMITTANCES	29
4.7 POVERTY REDUCTION PROGRAMME.....	31
CHAPTER FIVE: KEY POVERTY AND VULNERABILITY INDICATORS	34
5.1 ESTIMATING THE POVERTY RATE, POVERTY SEVERITY AND POVERTY GAP INDICES	34
5.1.1 <i>The Indigence Line</i>	34
5.1.2 <i>The Poverty Line</i>	34
5.1.3 <i>The Vulnerability Line</i>	35
5.1.4 <i>The Headcount Index</i>	36
5.1.5 <i>The Poverty Gap Ratio and Poverty Severity Index</i>	37
5.1.6 <i>The Gini Coefficient of Inequality</i>	39
5.2 ECONOMIC SITUATION OF HOUSEHOLDS	40
5.3 PERFORMANCE ON THE MILLENNIUM DEVELOPMENT GOALS.....	41
CHAPTER SIX: THE FACE OF POVERTY IN GRENADA	52
6.1 GEOGRAPHIC DISTRIBUTION OF POVERTY.....	52
6.2 DEMOGRAPHIC DISTRIBUTION OF POVERTY	57
6.3 EMPLOYMENT STATUS OF THE POOR.....	58
6.4 PHYSICAL LIVING CONDITIONS OF THE POOR	60
6.4.1 <i>Mean Household Size</i>	60
6.4.2 <i>Dwelling Conditions</i>	60
CHAPTER SEVEN: LABOUR MARKET ISSUES	65
7.1 INTRODUCTION	65
7.2 SLC LABOUR MARKET DATA	65
CHAPTER EIGHT: EDUCATION	72
8.1 INTRODUCTION	72
8.1.1 <i>Literacy</i>	72
8.2 SCHOOL ENROLMENT	73
8.2.1 <i>Absenteeism from School</i>	73
8.2.2 <i>School Feeding Programme</i>	75
8.2.3 <i>Textbooks</i>	76
8.2.4 <i>Transport</i>	78
8.2.5 <i>Educational Attainment</i>	79
8.2.6 <i>Longitudinal Change</i>	80
CHAPTER NINE: HEALTH AND POVERTY	82
9.1 INTRODUCTION	82
9.2 HEALTH DATA	82
9.2.1 <i>Health Status</i>	82
9.2.2 <i>Chronic/Lifestyle Diseases</i>	83

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

9.2.3 Source for Medical Care	87
9.2.4 Waiting Time for Care and Level of Satisfaction	89
9.2.5 Health Insurance	90
9.2.6 Fertility.....	91
9.2.7 Teenage Pregnancy.....	91
CHAPTER TEN: PHYSICAL LIVING CONDITIONS	94
10.1 INTRODUCTION	94
10.2 HOUSING CONDITIONS.....	94
10.2.1 Outer Walls.....	94
10.2.2 Roofing	95
10.2.3 Tenure	95
10.2.4 Toilet Facility	98
10.2.5 Water Source and Frequency of Supply	99
10.2.6 Fuels for Cooking and Lighting.....	99
CHAPTER ELEVEN:: SELECTED CROSS-CUTTING FACTORS AND LIVING CONDITIONS	105
11.1 INTRODUCTION	105
11.1.1 Gender Roles.....	105
11.1.2 Gender Relations	105
11.1.3 Mating and Fertility Patterns	106
11.1.4 Gender and the Labour Market.....	106
11.1.5 Gender and Institutions	107
11.2 ENVIRONMENT	108
11.2.1 Amenity Resources and Tourism	108
11.2.2 SOLID WASTE MANAGEMENT.....	109
11.2.3 COASTAL EROSION.....	109
11.3 CRIME AND VIOLENCE.....	109
CHAPTER TWELVE: SUMMATIVE OVERVIEW OF LIVING CONDITIONS	115
12.1 POVERTY REDUCTION SINCE 1999 – ADVANCE OR RETROGRESSION?	115
12.1.1 Poverty then and Now.....	117
CHAPTER THIRTEEN: POVERTY REDUCTION: REORIENTING THE THRUST	134
13.1 RETROFITTING THE PHYSICAL INFRASTRUCTURE FOR ENVIRONMENTAL THREAT.....	137
13.2 CURBING GANG VIOLENCE AND ELIMINATING THE UNDERGROUND ECONOMY.....	138
13.3 REDUCE TEEN AGE PREGNANCY AND ABUSE OF ADOLESCENT GIRLS.....	139
13.4 URBAN RENEWAL	139
13.5 BUILD A KNOWELDGE-BASED ECONOMY.....	140
13.6 MACRO-ECONOMIC MANAGEMENT	141

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

13.7 MOBILISATION OF NATIONAL FINANCIAL RESOURCES	142
13.8 DIVERSIFICATION AND INDUSTRIAL STRATEGY	142
13.9 FACILITATING ENTREPRENEURSHIP	143
13.10 FOOD SECURITY AND CUISINE DEVELOPMENT	144
13.11 IMPROVING GOVERNANCE	145
13.12 ELIMINATION OF GENDER SEGMENTATION.....	145
13.13 INSTITUTIONAL DEVELOPMENT - LAND REFORM.....	146
13.14 INSTITUTIONAL DEVELOPMENT - EDUCATION AND HEALTH	147
13.15 INSTITUTIONAL DEVELOPMENT - LABOUR MARKET ENTRY PREPARATION AND SKILLS UPGRADING	148
13.16 INSTITUTIONAL DEVELOPMENT - SOCIAL SAFETY NET AND SOCIAL SERVICES.....	148
13.17 CONCLUSION.....	149

LIST OF TABLES

TABLE 1: COMPARISON OF 1998 AND 2008 POVERTY RATES	XVI
TABLE 2 SUMMARY PHYSICAL LIVING CONDITIONS – 1998 AND 2008 COMPARED	XVII
TABLE 3: POVERTY AND LIVING CONDITIONS - TRIANGULATION OF THE FINDINGS OF THE ASSESSMENT	XXII
TABLE 3.1: MID-YEAR POPULATION ESTIMATES 1990-2006	15
TABLE 3.2: POPULATION DISTRIBUTION BY PARISH (PERCENT)	15
TABLE 3.3: POPULATION BY AGE GROUP AND SEX	16
TABLE 4.1: OVERVIEW OF THE WORLD ECONOMIC OUTLOOK PROJECTIONS.....	18
TABLE 4.2: GRENADA GROSS DOMESTIC PRODUCT BY ECONOMIC ACTIVITY AT MARKET PRICES IN CURRENT PRICES (EC\$M)	22
TABLE 4.5: GRENADA: CENTRAL GOVERNMENT FISCAL OPERATIONS IN EC\$ MILLIONS 1997-2008	27
TABLE 4.6: MIGRANT REMITTANCE INFLOWS (US\$ MILLION) SELECTED CARIBBEAN COUNTRIES	29
TABLE 5.1: POVERTY, INDIGENCE AND VULNERABILITY LINES FOR GRENADA	35
TABLE 5.10: ORIGINAL UNITED NATIONS MILLENNIUM DEVELOPMENT GOALS AND TARGETS.....	42
TABLE 5.11: PERFORMANCE OF GRENADA ON THE CARIBBEAN-SPECIFIC MDGS.....	44
TABLE 6.1: DISTRIBUTION OF POOR AND NON POOR BY PARISH.....	52
TABLE 6.2: PERCENTAGE OF RESIDENTS POOR BY PARISH	53
TABLE 6.3: DISTRIBUTION OF POOR BY AGE GROUP	57
TABLE 6.4: DISTRIBUTION OF MALES AND FEMALES BY POVERTY STATUS.....	57
TABLE 6.5: DISTRIBUTION OF POOR AND NON POOR BY EMPLOYMENT STATUS	58
TABLE 6.6: LABOUR FORCE BY EMPLOYMENT STATUS AND SOCIOECONOMIC STATUS	58
TABLE 6.7: DISTRIBUTION OF POOR AND NON POOR BY INDUSTRY	59
TABLE 6.10: DISTRIBUTION OF POOR AND NON POOR BY TENURE OF DWELLING.....	61
TABLE 6.11: DISTRIBUTION OF POOR AND NON POOR BY TYPE OF TOILET FACILITIES.....	62
TABLE 7.1: GRENADA SUMMARY LABOUR FORCE INDICATORS.....	67
TABLE 7.2: DISTRIBUTION OF LABOUR FORCE PARTICIPANTS BY AGE GROUPS AND SOCIOECONOMIC STATUS	67
TABLE 7.3: EMPLOYMENT STATUS BY SEX	68
TABLE 7.4: UNEMPLOYED BY AGE GROUP AND SEX.....	68
TABLE 7.5: YOUTH UNEMPLOYMENT RATE BY QUINTILES (%).....	69
TABLE 7.6: EMPLOYED PERSONS BY INDUSTRY AND QUINTILES (PERCENT).....	69
TABLE 7.7: TYPE OF WORKER BY QUINTILES.....	70
TABLE 7.8 DISTRIBUTIONS OF PERSONS EMPLOYED BY NUMBER OF HOURS WORKED IN REFERENCE WEEK BY QUINTILES	71
TABLE 8.1: LITERACY LEVEL - PERSONS 15+ BY AGE AND QUINTILES (PERCENT).....	73

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 8.2: SCHOOL ENROLMENT AS PERCENTAGE OF RELEVANT AGE GROUP BY QUINTILES (PERCENT)	74
TABLE 8.3: PERSONS 5-15 YEARS - NUMBER OF DAYS ATTENDED SCHOOL IN REFERENCE WEEK BY QUINTILES (PERCENT).....	74
TABLE 8.4: PERSONS 5-15 YEARS – REASON FOR NOT ATTENDING SCHOOL IN LAST WEEK BY QUINTILES (PERCENT)	75
TABLE 8.5: SCHOOL FEEDING PROGRAMME BY EDUCATION LEVEL	76
TABLE 8.6: SCHOOL FEEDING PROGRAMME BY QUINTILES (PERCENT)	76
TABLE 8.7: PERSONS HAVING ALL REQUIRED TEXTBOOKS BY QUINTILES (PERCENT).....	77
TABLE 8.8: PERSONS RECEIVING BOOKS FROM SCHOOL FREE OF COST BY QUINTILES (PERCENT)	77
TABLE 8.9: PARENTS MAKING USE OF BOOK LOAN FACILITY BY QUINTILES (PERCENT)	77
TABLE 8.10: DISTANCE FROM SCHOOL (IN MINUTES) BY EDUCATION LEVEL AND QUINTILES	78
TABLE 8.11: MODE OF TRAVEL TO SCHOOL BY CONSUMPTION QUINTILES AND LEVEL	79
TABLE 8.12: HIGHEST GRADE COMPLETED BY HEADS OF HOUSEHOLD BY QUINTILES (PERCENT)	80
TABLE 8.13: HIGHEST EXAMINATION PASSED BY QUINTILES IN CPA 1999	81
TABLE 9.2: PERSONS SUFFERING FROM CHRONIC LIFESTYLE DISEASES BY SEX AND QUINTILES (PERCENT)	84
TABLE 9.3: DISTRIBUTION OF CHRONIC DISEASE SUFFERERS BY SEX ACROSS CONSUMPTION QUINTILES.....	85
TABLE 9.4: TYPE OF CHRONIC ILLNESSES BY QUINTILES	86
TABLE 9.5: TYPE OF CHRONIC ILLNESSES BY SOCIO-ECONOMIC STATUS	86
TABLE 9.8: FIRST PLACE VISITED FOR MEDICAL ATTENTION BY QUINTILES (PERCENT)	88
TABLE 9.9: REASON FOR VISITING FIRST PLACE VISITED FOR MEDICAL ATTENTION BY QUINTILES (COUNT).....	88
TABLE 9.10: PERSON PROVIDING MEDICAL TREATMENT AT PLACE VISITED BY QUINTILES (PERCENT)	89
TABLE 9.11: LENGTH OF TIME SPENT WAITING BEFORE RECEIVING MEDICAL TREATMENT AT PLACE VISITED BY QUINTILES (PERCENT).....	90
TABLE 9.12: LEVEL OF SATISFACTION WITH TREATMENT RECEIVED BY QUINTILES (PERCENT)	90
TABLE 9.13: INSURANCE COVERAGE STATUS BY SEX AND QUINTILES (PERCENT).....	91
TABLE 9.14: UNION STATUS FEMALES 15+ BY QUINTILES (PERCENT)	92
TABLE 9.15: FEMALES 15+ YEARS CURRENTLY PREGNANT BY QUINTILES (PERCENT).....	92
TABLE 9.16: AGE AT FIRST BIRTH BY QUINTILES (PERCENT)	93
TABLE 10.1: MAIN MATERIAL OF OUTER WALLS OF DWELLING BY QUINTILES (PERCENT).....	95
TABLE 10.2: MAIN MATERIAL OF ROOF OF DWELLING BY QUINTILES (PERCENT)	96
TABLE 10.3: TENURE OF DWELLING BY QUINTILES (PERCENT)	96
TABLE 10.4: TYPE OF TOILET FACILITIES BY QUINTILES (PERCENT)	98
TABLE 10.5: HOUSEHOLDS SHARING FACILITIES WITH ANOTHER HOUSEHOLD BY QUINTILES (PERCENT)	99
TABLE 10.6: MAIN SOURCE OF WATER BY QUINTILES (PERCENT)	100
TABLE 10.7: DAYS HAVING WATER IN TAP PAST WEEK BY QUINTILES (PERCENT)	100

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 10.8: TYPE OF COOKING FUEL USED MOST BY QUINTILES (PERCENT)	100
TABLE 10.9: TYPE OF LIGHTING USED BY QUINTILES (PERCENT)	101
TABLE 10.10: YEAR DWELLING BUILT BY QUINTILES (PERCENT)	102
TABLE 10.11: SUMMARY INDICATORS OF LIVING CONDITIONS.....	104
TABLE 11.1: VICTIMS OF CRIME IN LAST 12 MONTHS	111
TABLE 12.1: AGE DISTRIBUTION OF THE POOR, 1998, AND 2008	117
TABLE 12.2: POOR POPULATION BY SEX 1998 AND 2008 COMPARED	118
TABLE 12.3: MATERIALS OF OUTER WALLS	118
TABLE 12.4: TOILET FACILITIES	119
TABLE 12.5: ACCESS TO POTABLE WATER	120
TABLE 12.6: SOURCE OF LIGHTING.....	120
TABLE 12.7: POVERTY AND LIVING CONDITIONS - TRIANGULATION OF THE FINDINGS OF THE ASSESSMENT	121
TABLE 13.1: COMPARABLE PERFORMANCE BY OECS AND OTHER REGIONAL COUNTRIES.....	135
TABLE 13.1: RETROFITTING PHYSICAL INFRASTRUCTURE	137
TABLE 13.2: ELIMINATING THE GROWTH OF THE UNDERGROUND ECONOMY	138
TABLE 13.3: REDUCTION OF TEENAGE PREGNANCY	139
TABLE 13.4: URBAN RENEWAL	140
TABLE 13.5: KNOWLEDGE BASED ECONOMY	140
TABLE 13.6: MACRO-ECONOMIC MANAGEMENT.....	141
TABLE 13.7: MOBILISATION OF NATIONAL FINANCIAL RESOURCES	143
TABLE 13.8: DIVERSIFY INDUSTRIAL BASE	143
TABLE 13.9: DEVELOPMENT OF ENTREPRENEURSHIP.....	144
TABLE 13.10: FOOD SECURITY AND CUISINE DEVELOPMENT	144
TABLE 13.11: IMPROVING GOVERNANCE	145
TABLE 13.12: ELIMINATION OF GENDER SEGMENTATION	146
TABLE 13.13: LAND REFORM	146
TABLE 13.14: COMMITMENT TO EDUCATIONAL AND WELLNESS	147

LIST OF FIGURES

FIGURE 4.1: CURRENT REVENUE VS CURRENT EXPENDITURE	26
FIGURE 4.2: GDP AT MARKET PRICES	30
FIGURE 4.3: CONTRIBUTION TO GDP (SELECTED SECTORS)	30
FIGURE 4.4: TRANSFERS AND SUBSIDIES AND PERSONAL EMOLUMENTS IN EXPENDITURE.....	32
FIGURE 5.1: GRENADA LORENZ CURVE	40

LIST OF MAPS

MAP 6.1 – POVERTY HEADCOUNT INDEX BY PARISH	53
MAP 6.2: POVERTY SEVERITY INDEX BY PARISH.....	54
MAP 6.3: POVERTY GAP INDEX BY PARISH.....	55
MAP 6.4: PERCENTAGE VULNERABLE PERSONS IN 2008 BY PARISH	56
MAP 6.5: PERCENTAGE OF PERSONS UNEMPLOYED IN 2008 BY PARISH	59
MAP 6.6: PERCENTAGE OF HOUSEHOLDS WITH PIT LATRINES OR NO TOILET FACILITIES BY PARISH.....	62
MAP 6.7: PERCENTAGE OF PERSONS WITH CELLPHONES BY PARISH	63
MAP 6.8: PERCENTAGE OF PERSONS WITH INTERNET AT HOME BY PARISH	64

LIST OF PHOTOGRAPHS

PHOTOGRAPH 10.1: SETTLEMENT DISTRICT ALONG THE WEST COAST OF GRENADA	97
PHOTOGRAPH 10.2: HOUSING REMAINS A CHALLENGE.....	97
PHOTOGRAPH 11.1: SEA-WALL ALONG THE COAST	110
PHOTOGRAPH 11.2: THE YOUTH IN AN URBAN COMMUNITY ARE CAUTIONED ABOUT DRUGS.....	112
PHOTOGRAPH 11.3: THE PIONEERS IN GOUYAVE	113
PHOTOGRAPH 11.4: A GIRLS' FOOTBALL CLUB AT PRACTICE IN ST. GEORGE'S.....	114
PHOTOGRAPH 12.1: A RURAL DEVELOPMENT INITIATIVE IN CLOZIER.....	116

LIST OF ACRONYMS/ ABBREVIATIONS

AEFR	-	Annual Economic and Financial Report
CARICOM	-	Caribbean Community
CET	-	Common External Tariff
CBO	-	Community-Based Organisation
CDB	-	Caribbean Development Bank
CFNI	-	Caribbean Food and Nutrition Institute
CIDA	-	Canadian International Development Agency
CPA	-	Country Poverty Assessment
DFID	-	Department for International Development
EC\$	-	Eastern Caribbean Dollars
ECCB	-	Eastern Caribbean Central Bank
ECCU	-	Eastern Caribbean Currency Union
EU	-	European Union
FGT	-	Foster, Greer and Thorbeke
FDI	-	Foreign Direct Investment
GDP	-	Gross Domestic Product
GULP	-	Grenada United Labour Party
HBS	-	Household Budgetary Survey
HDI	-	Human Development Index
HIV/AIDS	-	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
IA	-	Institutional Analysis
IADB	-	Inter-American Development Bank
IMF	-	International Monetary Fund
Kcal	-	Kilocalorie
LPG	-	Liquefied Petroleum Gas
MDGs	-	Millennium Development Goals
MIF	-	Multilateral Investment Fund

MSEA	-	Assessment of the Macro Social and Economic Environment
NAT	-	National Assessment Team
NEWLO	-	New Life Organisation
NDC	-	National Democratic Congress
NGO	-	Non-government Organisation
NNP	-	New National Party
OECS	-	Organisation of Eastern Caribbean States
PG	-	Poverty Gap
PPA	-	Participatory Poverty Assessment
PRG	-	People Revolutionary Government
PSIA	-	Poverty and Social Impact Analysis
SATAP	-	Structural Adjustment Technical Assistance Programme
SLC	-	Survey of Living Conditions
TOC	-	Team of Consultants
UN	-	United Nations
UNDP	-	United Nations Development Programme
UK	-	United Kingdom
US	-	United States
VAT	-	Value-added Tax
WC	-	Water Closet
WEO	-	World Economic Outlook
WTO	-	World Trade Organisation

EXECUTIVE SUMMARY

The primary objective of this Grenada Country Poverty Assessment (CPA) is to assess the well-being of the population of Grenada, and to develop recommendations on policies, and strategies to reduce poverty in the country. This study was undertaken in 2007/08, ten years after the first such study was undertaken in Grenada, in 1998/99.

Thus, this CPA gives an update on the extent to which the country has been able to reverse the poverty situation that was established in the earlier report.

The Terms of Reference (TOR) for the study required that there be an assessment of:

1. The level of poverty and indigence in the country;
2. The causes of poverty and the groups that have been most directly impacted by the various manifestations of poverty; and
3. A viable programme of action to mitigate or reduce poverty, or to equip the poor to rise out of poverty.

The Team of Consultants (TOC) collaborated with the National Assessment Team (NAT), which had responsibility for data gathering, and data entry and for field activities related to the CPA.

The study was comprised of a comprehensive Survey of Living Conditions (SLC) which gathered information on the expenditure of households in Grenada; a Participatory Poverty Assessment (PPA) which gave voice to the poor and vulnerable by providing opportunities for them to articulate their perceptions and experiences, to analyse and reflect on their reality; an Institutional Assessment (IA), which provided the perspectives of a range of organisations that impact on the lives of the population, including poorer people; and a Macro Socio-economic Analysis, based on secondary data and information.

The study is contextualised against the backdrop of measures that the Government sought to implement in the light of the findings and recommendations of the first Report. That study proposed a radical human resource strategy to embrace the entire population in self-upgrading. This was to be the pillar on which diversification could be promoted, including agricultural diversification. The poverty reduction strategy included measures for:

- Expansion of secondary education places, and upgrading of quality of primary and secondary education;
- Infrastructure expansion in terms of access roads, potable water supply, electricity and low-income housing;

- Promotion of inter-industry linkages, especially between Agriculture and Tourism;
- Promotion of niches within Tourism, with high level of participation of nationals; and
- Improvement of delivery in social development and social services.

The general response of the Government was reflected in the annual budget exercises which embraced the objectives of the Millennium Declaration and the Millennium Development Goals (MDGs). The theme of the budget of 2000 declared the Government's intention to eradicate poverty through "Growth, Equity and People's Participation in the New Millennium."

However, its development initiatives were pre-empted in their implementation by the shocks that befell the country which impacted with enormous effect, creating economic and social emergency. These followed in relatively quick succession, namely:

- Terrorist attack in the US, September 11, 2001;
- Hurricane Ivan, 2004;
- Hurricane Emily, 2005;
- Escalation on prices of energy and essential foods in late 2007 and early 2008; and
- Global recession 2008, impacting the vital tourism sector, and reducing remittance income from the Diaspora.

The Government had barely rolled out its Poverty Reduction Strategy when Ivan struck, to be followed in the next year by Emily. The country found itself in crisis mode. While the objective of most policy was poverty reduction, maintaining coherence in approaches, as for example, through a Poverty and Social Impact Assessment, (PSIA), would have posed a challenge, in the midst of restoring basic infrastructure to functioning.

In any comparison of the poverty level in 2008 with that of 1998, the question which emerges is as follows:

To what extent can any changes in poverty be attributed to the crises that Grenada faced as a Small Island Developing State, or to initiatives of the Government, positive or negative, in dealing with the poverty situation?

The two surveys are not exactly comparable, except possibly in respect of their estimate of indigence, because of the introduction of methodological advances which were not used in the previous study a decade ago. The data, as seen in Table 1, suggest that indigence was reduced drastically, that is, there were fewer people consuming at levels below the minimum accepted level of nutrition.

Other data not directly tied to the poverty line and more anchored on living conditions indicators show mixed results. In some areas, there might have been some improvement, albeit slight, and in other areas, things might have got worse or there was no real improvement.

**TABLE 1: COMPARISON OF 1998 AND 2008
POVERTY RATES**

Poverty Indicators (1996 and 2007/08 Compared)	Grenada	
	% Individuals 1998	% Individuals 2008
Indigence Rate	12.9	2.4
Poverty Headcount Index (Poverty Rate)	32.1	37.7
Vulnerability Rate (Vulnerable but not Poor)	* n/a	14.6

**The vulnerability rate was not calculated in
the earlier study done in 1998.*

Indeed, it would have been remarkable if the country had been successful in recording a massive improvement in living standards, in the face of the various economic and environmental shocks which Grenada has faced in the last decade. It would have had to have implemented the measures proposed in the first Poverty Assessment in short order, and to have achieved a diversified economic structure, a highly trained workforce, capable of adapting readily to scientific and technological change, and of taking on board advances to produce competitive export products and services – a major challenge even under the most auspicious conditions.

This did not happen at the beginning of the present decade and Grenada was not well fortified in facing the crises that were in the offing. The IA shows that the economic and social institutional infrastructure to achieve revolutionary

change could not be put in place to face momentous economic and environmental shocks.

There are other findings that suggest difficult conditions for the people of Grenada. In addition to the 37.7 percent that is poor, there is another 14.6 percent that is vulnerable. Given the deep downturn in the international economy since data for this study were collected, another 15 percent of the population might have fallen into poverty.

There were other disturbing findings. The unemployment rate among the poor was 10 percentage points higher than the national unemployment rate of 24.9 percent. There is little wonder, then, why people would not ignore the underground economy in seeking sustenance. When asked about their survival strategy, these were some responses:

"well maybe a little gambling."

"Having sex for money."

"Sell drugs, fastest way to make money."

A closer look at unemployment by sex and age confirms that the Youth (persons aged 15-24) accounted for 42.0 percent of all unemployed persons in Grenada. Young males in particular were more likely than any other group to be unemployed. The macro-economic analysis and the IA suggest limited capacity for employment creation in the formal sector. Construction activity slowed following the rebuilding - financed through grants and loans - after the hurricanes. The programme of the Ministry of Agriculture to provide land to

the landless and through land reform and the initiatives in building agro-processing are yet to impact employment. Outside of fishing, there was little spurt to employment growth.

Indeed, in respect of employment creation generally, and economic development specifically, the IA concludes that there was little in the operations of the existing institutional infrastructure that could provide for a radical transformation of the economy of Grenada to face a more competitive environment of the early 21st century, at the same time as it sought to rebuild an infrastructure laid waste by two devastating hurricanes.

In respect of living conditions of the poorest, certain features were identified. The average number of individuals living in a household in the poorest quintile was 5, compared to the national average of 3 persons per household across all consumption groups. Among the poor, 58.2 percent of households had homes built of wood or timber compared to the national average of 32.6 percent.

The majority of poor households (66.6%) used pit latrines. Only one third of poor households had water closets linked a septic tank/soak-away or sewer, compared to 71.6 percent of the non-poor.

Approximately 59 percent of households had water in their taps seven (7) days per week, irrespective of household consumption quintile. Most households (96.5%) used gas/LPG/cooking gas for

cooking, irrespective of household consumption quintile.

**TABLE 2 SUMMARY PHYSICAL LIVING CONDITIONS
– 1998 AND 2008 COMPARED**

Indicator	1998	2008
% of households with Pit Latrine/ Ventilated Pit Latrine or worse	54.3	38.7
% of households owned (with/without a mortgage)	--	83.2
% of households built with walls of Concrete/Concrete Blocks/ wood and concrete	55.74	61.6
% of households using electricity as primary fuel for lighting	85.04	90.0
% of households with water piped to dwelling	57.28	66.2
% of households with Pit Latrine/ Ventilated Pit Latrine or worse	54.3	38.7
% of households owned with/without a mortgage	--	83.2
% of households built with walls of Concrete/Concrete Blocks/ wood and concrete	33.18 22.56	38.9 22.7
% of households using electricity as primary fuel for lighting	85.04	90.0
% of households with water piped to dwelling	57.28	66.2

The PPA and IA establish that there are a number of interventions that treat with social problems. There are NGOs and CBOs involved in social service delivery which are targeted in their approaches to

problems. Some of the initiatives of the Government in the provision of transfers in education and in health are revealed in the SLC and corroborated in the IA and PPA. There is an underlying strategy to ensure equity in the distribution of benefits.

Access to the school feeding programme appears to have been higher for those in the poorest quintile; 47.9 percent of students in the poorest quintile reported receiving a meal or snack from the Programme compared to 39.8 percent of those in the highest quintile. On average about half of students accessing the programme pay for the school feeding service.

"Parents have been given school vouchers to assist with sending children to school."

The Primary Health Care System has universal reach. However, behavioural problems in the society create a challenge to the health system. The most serious of these include abuse of girls, transactional unprotected sex, drug abuse, and maiming among the youth.

While more men were estimated to be poor than women, the segmentation in the labour market conferred power in gender relations.

"As ah come here we make friend and I decide to give a little help..." but only for the time being. I don't stay here too long."

"I am the man, I do the major bull work, that's how the power come."

The following box summarises findings in the SLC.

There was a high degree of convergence between the findings in the SLC and the statements made in the PPA and in the IA. This can be seen in the triangulation table at the end of this Summary (Table 3). Volumes 2 and 3, the PPA and IA, respectively, provide in full detail the more qualitative information on the reality that the SLC has sought to measure.

The Report notes that in embarking on poverty reduction in the second decade of the 21st century, many of the proposals of 1999 need to be revisited along with others made in a number of reports since, including the National Strategic Development Plan. The recommendations from this report focus on interventions in the following high priority areas:

- **The environmental threat:** in addition to upgrading and implementing its building code, the country is faced with the mammoth task of preparing its infrastructure for sea rise. Carriacou and Petit Martinique are very much at risk but there are parts of Grenada as well.
- **Gang Violence and Drug Peddling:** the recent surge in the growth of gangs is linked to the growth of the underground economy in Grenada.
- **Abuse (especially sexual abuse) of girls and teenage pregnancy:** there is need for the authorities to take

BOX 1: SUMMARY INDICATORS OF LIVING CONDITIONS IN GRENADA (2007/08)

- *The annual Indigence Line was estimated at EC \$2,394 per annum per adult*
- *The annual Poverty Line was estimated at EC \$5,842 per annum per adult in 2008.*
- *The Vulnerability line (set at 25 percent above the poverty line) was EC \$7,302 per adult per annum.*
- *37.7 percent of the population was deemed to be poor in 2008, and 2.4 percent was deemed to be indigent.*
- *The highest incidence of poverty was found in St. Patrick – 56.67 percent of residents in this Parish were deemed to be poor. The lowest incidence of poverty was found in Carriacou – 6.57 percent of resident poor.*
- *The Poverty gap index for the country was 10.13 and the Poverty Severity Index was 4.03 (2008).*
- *The Gini coefficient of inequality was estimated to be 0.37 in 2008.*
- *The richest 10 percent of the population accounted for 29.76 percent of total consumption expenditure, while the poorest 10 percent accounted for a mere 2.88 percent of total consumption.*
- *40.2 percent of household heads rated their social and economic circumstances as being worse now compared to one year ago; 16 percent felt that their economic situation had “remained the same”.*
- *According to the perception of those deemed to be among the poorest only 37 percent of household heads in the lowest quintile rated themselves as poor*
- *Males are more at risk of being poor than females - 39.5 percent of all males were deemed “poor” compared to 36.2 percent of all females, although the unemployment rate is drastically higher among women (31.8%) than men (17.9%).*
- *The average size of households in the poorest quintile was 5 persons, compared to an average of 2 persons per household in the quintile V.*
- *The proportion of households using pit latrines fell from 54 percent in 1998 to 36.3 percent in 2008. However, among the poorest households the percentage using pit latrines grew from 66.7 in 1998 to 72.3 in 2008. the majority of poor households (66.6%) used pit latrines*
- *90 percent of all households used electricity for lighting, with the poorest up from 75.9 in 1998 to 79.1 in 2008*
- *The national unemployment rate was 24.9 percent, but the unemployment rate among the poor was 34.9 percent.*
- *The Services Industry employed the largest proportion of persons (34.3%), followed by Construction which employed 19.0 percent of the labour force.*
- *63.7 percent of the poorest workers were paid employees with private employers. 59.5 percent of Grenadians work a 35-40 hour week.*
- *Primary level education was most likely to be the highest level of education attained (65.2%) among heads of households in 2008.*
- *Diabetes and High Blood Pressure were the two most prevalent lifestyle diseases overall (30.5% and 61.4% respectively of persons suffering chronic diseases)*
- *40.3 percent of Females had their first child between the ages of 15-19 years*

concerted action to arrest the apparent impunity with which girls are being abused in some sections of the society. There is also a need to strengthen the capability of State agencies to respond in timely and effective manner in

treating with this issue. There may also be need for a related public education programme to deal with the culture of tolerance that appears to prevail.

- **Urban Renewal:** rural to urban migration has led to the growth of

tenements in haphazard spontaneous settlements which are unsightly and present a health hazard. This is quite apart from the housing programme for low income groups that has to continue apace.

- **Adult and Continuing Education:** Education is a critical social protection measure and a means of escaping poverty. In this regard, the fact that a large proportion of the workforce have not gone beyond primary and secondary education means that a programme or series of programmes targeted at training and retraining persons in the workforce needs to be mounted and maintained to allow most to be able to compete in the knowledge economy of the 21st century.

Other recommendations include initiatives on the following:

- **Building a knowledge based economy**
- **Macro-economic Management**
- **Mobilisation of Financial Resources**
- **Promotion of Domestic Entrepreneurship**
- **Industrial Restructuring**
- **Food Security and Cuisine Development**
- **Improved Governance**
- **Elimination of Gender Segmentation**
- **Institutional Development - Education, Health and Wellness**

- **Institutional Development - Labour Market Entry Preparation and Skills Upgrading**
- **Institutional Development - Social Services Delivery and Social Safety Net**

Grenada has had a torrid experience over the last ten years, which is not inconsistent with the realities of Small Island Developing States (SIDS) in the global economy. Environmental threat, external shock, income volatility have been its reality with episodes of disaster and economic reversals occurring in quick succession.

The present study, reported through the three volumes, has found that the country has not made the level of advance that was anticipated. While indigence or food poverty has been reduced substantially, and few might be failing to secure basic minimum nutritional requirements, poverty levels have not abated significantly. There has been some improvement in the levels of inequality as evidenced by the Gini coefficient. While the country may score reasonably well on the Human Development Index (HDI), it has been battered in the more recent episodes of economic and environmental shocks.

The country now finds itself faced with a fiscal crisis, still needing to restructure its economy, but now in the context of an international economy that is still in the throes of rebalancing after the worst downturn in decades. Given the level of

estimated vulnerability, about half of the population of Grenada would be hurting in this most recent crisis.

The indigence line estimated in the study, appropriately adjusted for other requirements might be used for cash transfers to meet the expanded number that might be in need. However, the reorganisation of the safety net will need to be undertaken to improve targeting and to reduce leakage.

There are other immediate interventions needed - protection of children from abuse, stemming gang violence and drug peddling, initiation of retrofitting for climate change, urban renewal in areas showing increasing social blight in peri-urban areas. There is also the need for macroeconomic management including austerity in fiscal expenditure and the need to keep public servants wages within manageable bounds.

There is also the host of measures that treat with the reorganisation of the economy to face the challenge of competition, and to permit its people to reinsert themselves as competitive participants in the global market place, through which ultimately the country has to arrive at sustainable development. Only with a competitive economy, will the people of Grenada achieve genuine and sustained poverty reduction.

To achieve this competitive platform, the country will need external support, even after mobilising all the resources at its disposal. While Grenada cannot be deemed to be a basket case, securing the turn-around of a country still reeling from various shocks, requires resources much beyond its present capacity. Appropriately resourced, the country can redouble its efforts at poverty reduction and implement the strategies outlined above which are essentially about transformation and development to face the challenges of participation in the international economy in the 21st century.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 3: POVERTY AND LIVING CONDITIONS - TRIANGULATION OF THE FINDINGS OF THE ASSESSMENT

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Measured Poverty	<ul style="list-style-type: none"> • Poverty rate estimated at 37.7% and the annualised Poverty Line is estimated at EC\$ 5,842. • Vulnerability rate estimated at 14.6% (Annualised Vulnerability Line estimated at EC\$7,302. • Indigence rate estimated at 2.4%. • Annualised Indigence line estimated at EC\$ 2,394. • The odds of being poor for households in St Mark are the highest followed by St Patrick, while Carriacou and the Town of St Georges prove to be the least likely to be poor by a considerable margin. • Carriacou accounted for 1.1 percent of the poor. • Children (persons aged 0-14) and youths (persons aged 15-24) together account for 66.4 percent of the poor • 39.5 percent of all males were deemed to be poor, compared to 36.2 percent of all females • The Gini Coefficient of inequality is 0.37 		<ul style="list-style-type: none"> • A number of Institutions have programmes in place to address poverty in Grenada, including NGOs and CDOs: • Some institutions in the public sector not well geared to treat with the crisis: Community Development now being reorganised to suit its mandate; Youth Department now getting off the ground with new programmes. • Ministry responsible for transfers has targets set in terms of number of clients to be reached. GRENCODA serves people in North West of Grenada.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Perceptions of Poverty	<ul style="list-style-type: none"> • 64.6% of residents felt that conditions had worsened when compared to the previous year. • 37% of household heads in the poorest quintile rated themselves as being poor. 	<ul style="list-style-type: none"> • A small number of the men who participated in the discussions did not consider themselves poor because they managed their money well and were able to meet their basic needs. However most male participants considered themselves to be poor and they identified things that contributed to their poverty. Among these are unemployment, low wages, the high cost of living, and their inability to provide for themselves and their children and their families. • Most women defined poverty as not being able to meet basic needs, lacking basic necessities and unable to sustain themselves. Many saw it as a struggle to make ends meet and to provide for their families. Many said that they were poor because they are unemployed, the cost of living is high and they don't have money to meet their basic needs and those of their families. • Young people feel the impact of poverty very keenly. It lowers their self-esteem, makes them feel discriminated against, and prevents them from furthering their education. 	

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Employment/Unemployment	<ul style="list-style-type: none"> • Overall 24.9% percent of labour force participants were unemployed. • The unemployment rate in the poorest quintile was 37.8% and for quintile II the unemployment rate was 30.8% • Of those who are employed, 31.5 percent are deemed to be poor (the working poor) • The male unemployment rate is 17.9% and female unemployment rate is 31.8% • the Youth (persons aged 15-24) accounted for 42.0 percent of all unemployed persons • In the lowest quintile, 20.6 percent were engaged in elementary occupations. • The labour force was not subject to underemployment (defined as working less than 35 hours per week) as the mean number of hours worked was above 35 hours across quintiles. The mean number of hours worked by those in the lowest quintile was 37 and for those in the highest quintile it was 40. • Each additional unemployed person in the household increases the odds of the household being poor by 69%. 	<ul style="list-style-type: none"> • Residents are aware that inability to obtain jobs is often because of low levels of education, lack of qualifications and work experience. <i>"I didn't finish school so it hard for me to get a good job."</i>; <i>"More skill training centres to learn a skill and improve chances of getting a job."</i> • Analysis of the data provides concrete evidence that the labour market is segmented along gender lines because the many of males who are employed in construction and fishing are doing jobs that are usually regarded as "men's work", which pays higher wages than jobs which are regarded as "women's work" and pay less. 	<ul style="list-style-type: none"> • The Labour Commissioner's Office is responsible for maintaining peaceable Industrial Relations, Employment and Occupational Issues, Health and Safety in the work place, Labour Legislation and Labour Market Information System. • The number of newly registered employees fell from 3, 625 to 2, 646 over the period 2003 and 2004, most likely on account of Hurricane Ivan. However by 2005, newly registered employees increased to 3,728. • Though there is no Industrial Court, the Department is involved in conciliation and mediation, and has the right to intervene in labour disputes.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Education	<ul style="list-style-type: none"> • school enrolment was almost universal with 93.8 percent of 5-9 year olds and 97.2 percent of 10-14 year olds enrolled in schools respectively • absenteeism (proportion of students missing at least one day of school in the reference week) decreased as socioeconomic condition improved from 16.5 percent in the lowest quintile to 5.6 percent in the highest quintile • The odds of being poor falls by 43% when the household head has a secondary level education. Primary education (when compared with no education) does not contribute as significantly as secondary • 	<ul style="list-style-type: none"> • Of the 35 heads of households with whom in-depth interviews were conducted 77% only had up to primary level education. • While some adult education and literacy programmes are available, interest and participation are low; while a few young people are attending some classes, the majority of adults in the communities studied are not participating in any adult education programmes • Some poor children are not able to benefit fully from educational opportunities because their parents are not always able to send them to school every day, because of their inability to provide lunch, school materials and transportation • Residents in several of the communities studied have low levels of education and illiteracy is said to be high, especially in Bogles, Post Royal, Apres Tout, Petit Martinique, and Gouyave are said to be low. 	<ul style="list-style-type: none"> • School books are provided on rental basis. Through the Rehabilitation Programme at the Prison, inmates may acquire skills and also through the help of the Ministry of Education they can upgrade their education from the adult literacy level up to university level.

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> • Females were also more likely to report being ill than males: 28.6 percent of all females reported being ill compared to 18.9 percent of all males • 12.2 percent of males and 19.6 percent of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers. • 25.9 percent of those who reported having a chronic lifestyle disease belonged to the highest quintile; 6.4 percent of chronic disease sufferers belonged to the poorest quintile • Of all males with chronic disease, 6.6 percent belonged to the poorest quintile, while 31.7 percent belonged to the fifth quintile. • Among women with chronic diseases 8.5 percent belonged to the poorest quintile while 32.3 percent belonged to the highest quintile. • Public health centres were the first place visited for medical attention by 36.9 percent of respondents • 89.5 percent of respondents were satisfied with treatment they received • Only 7.4 percent of respondents reported to being covered by health insurance. 	<ul style="list-style-type: none"> • In some of the communities the health status of residents is said to be good but in Bogles there appears to be some evidence of malnutrition. • In some other communities including Clozier there is evidence of high cholesterol, lifestyle diseases, diabetes, hypertension and obesity, and asthma in children. • In Clozier there is also a concern about mental health problems • The absence of health centres in some communities and the distance that some residents have to travel to access health services is a concern in some areas • The high cost of medicines is burdensome to many: "I am sick all the time because I cannot afford to buy medicine."; "Right now I am suffering from diabetes and hypertension and last month I did not have the money to pay for medication so I had to do without. • Recreational facilities are only available in a small number of the communities studied so residents in several communities have to travel to other communities to participate in recreational activities; 	<ul style="list-style-type: none"> • There are hospitals located at St. George's, St. Andrew's, Gouayave, and Carriacou. The Maternity Unit at Gouayave is being rebuilt. • Sauteurs is blessed with the best Maternity Unit. • Chronic diseases account for most of the reported health problems among the population. Diet and life style changes were responsible for the increased incidence of chronic diseases. • HIV/AIDS Has emerged as critical among infectious diseases requiring a special programme. There is also a campaign to encourage sexually active persons to observe safe sexual practices. • There are many girls who become pregnant under the age of 16 years. They are clearly vulnerable to HIV/AIDS, given that they engage in unprotected sex.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Disability	No data in SLC	<ul style="list-style-type: none"> • There are a number of persons with disabilities in eight of the communities. While there may be some organizations that provide care and assistance to persons with disabilities, the majority of those identified in these communities are being cared for at home by family members with little if any assistance from any organization • The majority of heads of households in which there are persons with disabilities said that they receive no assistance at all. 	<ul style="list-style-type: none"> • NCH treats with children with disabilities.
Remittances	<ul style="list-style-type: none"> • Remittances accounted for 30.7 percent of all income to households in the lowest quintile and 12.0 percent of household incomes overall. 	<ul style="list-style-type: none"> • Remittances, money, gifts and barrels of clothing and household goods from family and friends at home and abroad, are an important source of income for families and individuals in several of the communities. "People receive barrels from family and friends abroad."; "<i>Many people get support from family members abroad.</i>" However with the recent downturn in the international economy, this source may be threatened and remittances may well be diminished or cease altogether. 	<ul style="list-style-type: none"> • Personnel from the Ministry of Carriacou and Petit Martinique recognised that remittances are important in the economy of Carriacou, deriving from United States, England, Canada and from other locations like Aruba and Trinidad and Tobago where the people of Carriacou have migrated to in the past.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Physical Living Conditions	<ul style="list-style-type: none"> • Most dwellings had outer walls made of either of concrete/concrete blocks: (35.8%) or wood/timber (32.6%) • The poor were more likely to use wood/timber than any other type of material; 63.2 percent of those in the poorest quintile live in homes made of wood/timber. • 97.7 percent of households reported that their roof was made of galvanized metal sheets • Pit latrines were used by 36.3 percent of all households; as much as 72.3 percent of the poorest households used pit latrines. • Gas/LPG was used almost universally for cooking by households: 96.5 percent. 93.2 percent of those in the lowest quintile used Gas/LPG for cooking. • 58.5 percent of households had a supply of water seven days per week. • 85 percent of the population had access to electricity from a public source, but in the lowest quintile only 79.1 percent used electricity. • There was a peak in home construction in 2005 following hurricane Ivan; as much as 20.1 percent of households from the lowest household consumption quintile reported that their home was built in 2005 • As expected, when the number of household members increases by one the odds of the household being poor increases by 49%. Moreover, each additional person under the age of 15 increases the odds of being poor by 35%. 	<ul style="list-style-type: none"> • In several of the communities there is a mixture of concrete and wooden houses; however in some communities like Telescope and Post Royal there are still several small wooden houses and housing is still inadequate • While some houses do have flush toilets, a significant number (74%) of those interviewed, use pit latrines and a small number of those interviewed have no toilet. • Practically all households (94%) use gas as their main fuel for cooking, but when the gas runs out or when there is no money to replace it several resort to wood and/or charcoal. • There has been an increase in the number of residents who have access to electricity, pipe borne water, and telephones, including cell phones and access to the internet • In Apres Tout, Gouyave and Darbeau there is a constant supply water and shortages are rare. On the other hand, water is not always available in Darvey/Prospect and there is no running water in the upper half of Clozier. • The urban communities are all well served by public transport systems comprising of mini buses that run on a regular basis and in Gouyave there are also taxis for hire. But in Darvey/Prospect the bus only operates in the morning and the afternoon, and in Apres Toute where there is no regular bus service • There have been significant improvements in the infrastructure including improvement in housing. "After Ivan everybody try to build back better."; "Some homes were old and broken now we have decent, comfortable homes." 	<ul style="list-style-type: none"> • Due to the devastation of the vast majority of the housing stock in Grenada, the government put in place several programmes to assist with the crisis. These include: the Emergency Housing Programme, the Housing Repair Programme, the Materials Assistance Programme, and the Loans Programme.

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Crime/Substance Abuse	<ul style="list-style-type: none"> • Overall, 1 percent of individuals reported having been victims of crime. 	<ul style="list-style-type: none"> • Alcoholism is a serious problem in seven of the communities studied • In terms of the increase in social problems, residents in several of the communities cited illegal gambling, alcoholism, crime and violence and heavy use and abuse of drugs. Some are particularly concerned about use of illegal drugs by children. 	<ul style="list-style-type: none"> • At the end of 2008, crime was showing a downward trend. • While there had been a few murders in the course of 2008, there had been an increase in youth violence with maiming and dismemberment of victims. • Overall detection rates were in the vicinity of 75 percent, although the rates for larceny were lower. • The Prison Service has a Rehabilitation Programme which is optional and the recidivism rate is lower among those who participated in the programme. • The National Drug Control Secretariat operates a referral system, through which persons who succumb to drug use can receive counselling from medical personnel, social workers and others involved in the treatment of drug abuse.
Teenage Pregnancy	<ul style="list-style-type: none"> • 40.3 percent of females between the age of 15 -49 reported having had their first child when they were between the ages of 15-19. • The percentage of females having their first birth during their teenage years declined as socio-economic status improved from 57.8 percent in the lowest quintile to 25.0 percent in the highest quintile. • 4.6 percent of females reported to have had their first child under the age of 15 years. 	<ul style="list-style-type: none"> • Teenage pregnancy appears to be a phenomenon in some households and residents in some of the communities identified it as a problem. In spite of this it appears there is little acknowledgement that men who impregnate teenage girls are breaking the law and there is little evidence that such males had been arrested or convicted for statutory rape 	<ul style="list-style-type: none"> • There exists a Programme for Adolescent Women (PAM) through which assistance is given to adolescent mothers. Girls are taught skills in parenting, office administration, physical education, health and family life. Girls come into the Programme based on self referral, the Ministries of Health, Education as well as Social Development.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Gender Inequity	<ul style="list-style-type: none"> • The male unemployment rate is 17.9% and female unemployment rate is 31.8% • Somewhat contradictory to conventional expectation the logistic regression model produced the result that for each additional female person in the household the odds of being poor falls by 31% (significant at the 2% level on the basis of the Wald statistic). • Where the marital status of the household head is "legally married" the odds of the household being poor falls by 67%, (statistically significant at the 2% level) indicating that the household head being married reduces its odds of being poor. 	<ul style="list-style-type: none"> • Serial mating and fertility patterns have resulted in early and multiple pregnancies for some women and some have had several children for more than one man. • Within many of the households studied, division of labour is along gender lines. Adult females are responsible for child care and for managing and maintaining the home. 	<ul style="list-style-type: none"> • The new Legislation in place has removed some of the gender biases but they have not all been eliminated • Previously, the labour force was heavily dominated by males but in more recent times, women have been entering the labour force.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Natural disasters and environmental management	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • The sea is also a valuable resource in Bogles, Darvey, Gouyave, Telescope, and Petit Martinique; in these communities fishing and related activities are the main economic activities in which women and youth as well as men are engaged • All of the communities are vulnerable to natural disasters, especially hurricanes, and all suffered from the effects of Ivan which devastated many of them • Sea rise is also a matter of concern especially in Carriacou where the sea is "taking over" a cemetery and where several graves have been submerged and headstones are "jutting out" of the sea • In all of the communities there are several environmental problems, caused by actions of residents. Among these are improper disposal of garbage and faeces including in rivers, streams and the sea, the existence of poor drainage and the presence of rats and mosquitoes, over-fishing in rivers and in the sea, and hunting in the closed season • Emily and Ivan have had a significant negative impact on the national economy and on the lives of those individuals and households that depended on agriculture for their livelihoods. 	<ul style="list-style-type: none"> • Agriculture remains critical in income-generation, and in employment creation in this small economy. The devastation of hurricanes Ivan and Emily of the agricultural sector further retarded in its contribution to livelihoods of large numbers.
Democracy and governance	<ul style="list-style-type: none"> • n/a 		<p>Ministry of Carriacou Affairs has helped in decentralisation of services to the two other islands. New constitutional provisions may allow for devolution.</p>

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Economic and social structural change and poverty	<ul style="list-style-type: none"> • The poverty level has risen (32.1% in 1998 to 37.7% in 2008), while the indigence level has fallen (12.9% in 1998 to 2.4% in 2008). 	<ul style="list-style-type: none"> • Most residents are of the view that few organizations, governmental, NGOs or CBO were present or operating in their communities, and the data show that there are no institutions or organizations in Darvey/Prospect and a limited number of government institutions in Petit Martinique. 	<ul style="list-style-type: none"> • The market conditions for primary agricultural exports have displayed declining terms of trade, and the removal of protection on such exports as bananas resulted in the marginalisation of Grenada as a banana producer. At the same time, Grenada's presence in the market for spices had been severely contested by suppliers like Indonesia. • Efforts were directed at short-term crops including bananas, and secondary vegetables and root-crops to sustain the level of food production and food security in the country. Resources were deployed at resuscitation of nutmeg, cocoa and coffee with support from the Food and Agriculture Organisation (FAO). Efforts are also being made to promote citrus cultivation. • The enhancement of the supply claim is in the offing with the reorganisation taking place in WIBDECO and its commitment to undertake the marketing of vegetables, mangoes, papaya and dasheen in Europe. • Hurricane Ivan devastated much of the tourism plant, and a number of establishments had to undertake major repairs and rebuilding

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Causes of poverty	<ul style="list-style-type: none"> • Contrary to conventional wisdom, standard econometric modelling of the data suggests that for each additional female person in the household the odds of being poor falls by 31%; when the number of household members increases by one the odds of the household being poor increases by 49%. • Each additional person in the household under the age of 15 increases the odds of being poor by 35%. • The odds of being poor falls by 43% when heads have secondary education'; additional tertiary level education by household heads results in a decline in household poverty levels by 107 %. • The level of unemployment in Grenada which stands at 25% is the highest in the Eastern Caribbean. Each additional unemployed person increases the odds of the household being poor by 69%. 	<ul style="list-style-type: none"> • Several of the women said that their male partners/their children's fathers did not contribute to financial support of the children and some blamed this on the fact that the men spent their money on alcohol." 	<p>Most institutions committed to assist in fields consistent with their mission. Some are outstanding in this regard. Institutional gaps exist nevertheless.</p>
Current policies and programmes in social protection	<ul style="list-style-type: none"> • There is a State funded School Feeding Programme in Grenada, which services a large proportion of preschool/kindergarten children (68.1%), primary school children (81.6%); and, to a lesser extent, secondary school students (35.4%). 	<ul style="list-style-type: none"> • No mention was made by residents in any of the communities of work being done by organizations to address the many social problems that they identified. This suggests that their reach may not have extended to the communities that were studied. • Interviewees mentioned two NGOs that in their opinion had contributed to improvement in living conditions: GRENCODA and the Red Cross. These organizations had helped some of the interviewees to replace or repair houses that had been destroyed by Ivan. 	<ul style="list-style-type: none"> • There are a number of programmes and transfers provided by the Ministry of Education through the school system which include the School Feeding Programme, the Book Rental Programme, textbook and uniform assistance as well as transportation. • The Grenada Red Cross, PAM, the AIDS Directorate, the National Drug Secretariat, NEWLO, the Ministry of Social Development, NCH, Roving Caregivers Programme, Bel Air home for Children and Adolescents and BNTF are all engaged in different interventions in support of vulnerable and at risk groups.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Donor agencies and pro-poor interventions			CDB, EU, UNDP most critical at moment. Bilateral support from Governments of China and Venezuela.

CHAPTER ONE: INTRODUCTION

1.1 BACKGROUND

This report provides a quantitative and qualitative analysis of living conditions in Grenada in 2007/2008. The primary objective of this Grenada Country Poverty Assessment (CPA) is to assess the welfare of the resident population of Grenada, Carriacou and Petit Martinique, and to develop recommendations on policies, strategies, programmes and projects that could be undertaken to arrest and reduce the extent and severity of poverty, against the backdrop of an analysis of the factors that might have contributed to creating and maintaining poverty levels among the population.

The present study was undertaken almost ten years after an earlier study conducted in 1998, which documented living conditions in Grenada towards the end of the decade of the 1990s and the end of the 20th century. There are some differences in the methodology applied in the present study, largely on account of methodological improvements that have occurred over time, but these are hardly so significant as to prevent considerable comparisons between the two periods. Thus, the CPA of 2007/08 gives an update on the extent to which the country has been able to reverse the poverty situation that was established in the earlier report.

The study follows in the tradition that has now been established among countries in the Commonwealth Caribbean that have been conducting CPAs since the early 1990s. With the assistance of the Caribbean Development Bank and several international institutions, regional Governments sought to secure rigorous documentation on the poverty condition in member states as Governments became acutely aware of the impact of structural change on the quality of life of their populations. These studies have since been used as the basis for interventions and strategies that have been designed to be pro-poor specifically, and to serve as the basis for adapting development strategies that would quicken the pace of economic growth and raise general living standards of these countries.

Indeed, many countries in the Commonwealth Caribbean, both among the independent States and the Overseas Territories of Britain, have conducted CPAs or comparable studies of poverty and living conditions over the last two decades. There are a few cases where two studies were conducted within the same country. In the case of Jamaica, there has been an institutionalisation of such studies with reports being generated on an annual basis, and being used as the basis for adjustment in social and development policy and for monitoring the impact on specific groups for which measures might be targeted.

The study was funded by the CDB, with financial assistance from the Department for International Development of the United Kingdom (DFID), the Canadian International Development Agency (CIDA) and the United Nations Development Programme (UNDP).

1.2 DEFINING POVERTY

There is hardly any disagreement now that poverty is about the failure of an individual, a group, or a community to achieve some acceptable standard of living that has a material base. The poverty line is the consumption (or income) level that separates the poor from the rest of the population on the basis of this material base; it is comprised of an absolute and a relative component. Debate and disagreement enter the picture once one goes beyond the material to include other elements of deprivation usually of a non-material content.

The formal study of poverty dates back over more than a century. Some would argue that it dates back to the study of Economics itself. In Great Britain, the colonising country of the English-speaking countries of the Caribbean, there was the early work of Booth (1887)¹ who studied the working class in the late 19th century, and later of Rowntree (1902)². This did not prompt comparable work in the Caribbean.

¹ Booth, Charles (1887). "The Inhabitants of Tower Hamlets (School Board Division), Their Condition and Occupations," *Journal of Royal Statistical Society*, Vol. 50, pp 326-340.

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

It was only after the social explosion of the 1930s that there might have been serious official examination of poverty issues, as was reflected in the work of the Moyne Commission³. However, Lewis' examination of 'Labour in the West Indies'⁴ could be considered an authoritative assessment of conditions following the Great Depression, even though he did not have access to resources to conduct surveys of poverty and working conditions at the time. It should be noted though, that following the publication of the Moyne Commission Report, after the Second World War, Caribbean Governments, albeit colonial in nature, embarked on a number of poverty mitigation measures, which became institutionalised and formed the core of the interventions on poverty over many years.

The debates over the Development Decades of the 20th century led to efforts at greater and more rigorous quantification of poverty. The international agencies became divided into camps, especially after debt crises in much of the developing world in the late 1970s and early 1980s brought the IMF and the World Bank into greater prominence with stabilisation and structural adjustment programmes, as they sought to deal with balance of payments crises and to restore economies to some level of health and capacity in engaging in the international economy. These two agencies became accused of imposing

³ Trinidad and Tobago (1938-39). The West India Royal Commission.

⁴ Lewis, W, A. (1937) *Labour in the West Indies*.

conditionalities that exacerbated poverty in the developing world.

Meanwhile, the field attracted distinguished economists and social scientists. Among them was Sen (1987) who introduced the concept of entitlement and capabilities, in the discussion of poverty, which was not only about food requirements, freedom from hunger and the like, but also about the capacity for self-actualisation.⁵ Ul Haq and others were influential in the efforts of United Nations Development Programme (UNDP) to develop measures of well-being that went beyond per capita GDP in recording changes in well-being. As the World Bank sought to deflect the charge of contributing to poverty, it became involved in the development of methodology for poverty assessment that has become well established in the literature. 'Adjustment with a Human Face' required precise measurement of the impact of interventions: it could be argued that the Bank did more than a facelift since then (Singer, 1989).⁶

At the regional level, the CDB has been influential in the promotion of a Basic Needs approach to development. Much of its lending and assistance, even before poverty assessments had become *de rigueur* in the region, was directed at improving conditions for the poorest of the poor in Caribbean setting by focusing on the

physical and social infrastructure of greatest use to the poor. As interest in poverty grew in the region, other agencies joined in cooperation with the CDB in financing studies and perfecting methodology for poverty assessment in the Eastern Caribbean.

There are two distinct trends in the assessment exercises. On the one hand, there is the work of UNDP and the Human Development Index (HDI), which, in its expansion, has created a number of criteria incorporated in the Millennium Development Goals (MDGs). There is also the methodology adopted by the CDB and applied in this study, which consists of a Survey of Living Conditions (SLC) founded on indigence and poverty lines, a Participatory Poverty Assessment (PPA) and an Institutional Analysis (IA).

1.3 TERMS OF REFERENCE

This study examines living conditions in Grenada and identifies the factors responsible for poverty and conditions of deprivation that afflict sections of the population of Grenada. Some of the precipitating factors are socio-economic, others might be of a political nature, while others have their roots in historical processes that date back to decades or even to the very foundation of the society in the post-Columbian period.

In general the study attempts to document:

1. The level of poverty and indigence in the country;

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

⁶ Singer, H. W. (1989). "The World Bank: Human Face or Facelift? Some Comments in the Light of the World Bank's Annual Report," *World Development*, Vol. 17, No. 8, pp1313-1316.

2. The causes of poverty and the groups that have been most directly impacted by the various manifestations of poverty; and
3. A viable programme of action to mitigate or reduce poverty, or to equip the poor to rise out of poverty.

1.3.1 OBJECTIVES

The overall objective of the CPA was to assess the current conditions affecting the welfare of people, and identify policies, strategies, action programmes and projects that would reduce the extent and severity of poverty.

The study emphasises analyses of the poverty situation, the processes that generate and maintain conditions conducive to poverty, existing responses to the poverty situation and the means available for more vigorous and effective actions to reduce poverty.

Specifically, the CPA sought to:

- (a) determine the characteristics, extent, geographic concentration, severity and causes of poverty;
- (b) identify and analyse the dynamic links between:
 - (i) employment, unemployment, and conditions in the formal and informal sectors and poverty;
 - (ii) poverty and issues affecting development of the natural resources sector;

- (iii) poverty and issues, such as the development of squatter settlements, increased crime, substance abuse and HIV/AIDS;
- (iv) poverty, access to housing and housing conditions;
- (v) structural changes in the society and the generation, maintenance or reduction of poverty;
- (vi) poverty and processes of social, economic, cultural, civil and political discrimination and exclusion;
- (vii) economic growth and development policies on poverty and inequality indicators;
- (viii) gender and poverty;
- (ix) poverty, natural hazards and disasters and disaster risk reduction; and
- (x) governance and poverty.

- (c) analyse the impact of past and current social and economic policies and the institutional and legal environment on poverty, (particularly public expenditure, resource allocation and the impact of monetary and fiscal policies on expenditure and resource allocation), the regulatory social and legal framework, the institutional arrangements and socio-cultural systems;
- (d) assess the effectiveness of existing responses by government

institutions, Non-Governmental Organisations (NGOs) and Community-Based Organisations (CBOs), to the poverty situation (including the impact and adequacy of available resources for poverty reduction, safety nets and other programmed interventions to alleviate or reduce poverty, including where necessary, non-formal mechanisms);

- (e) review the priority civil society and public actions required to assist in moving households out of poverty; and
- (f) develop a draft programme of action which sets out strategic options for addressing critical issues emerging from the research and proposals for improving existing social development programmes, or changes to social and economic policy, as well as investment projects to strengthen or enhance the effectiveness of Government, NGO and CBO efforts to sustainably reduce poverty.

The Assessment process also provided the necessary training and institutional strengthening to develop the skilled personnel needed at the national level to plan and undertake future poverty assessments and to monitor and evaluate the impact of poverty reduction policies, strategies and programmes on an ongoing basis.

1.4 THE PARTNERS

The Caribbean Development Bank (CDB) had the primary role for oversight of the project with the collaboration of the Government of Grenada. The efforts of these two main partners were complemented by input from international development agencies.

A National Assessment Team (NAT) with a full-time Coordinator was appointed to discharge responsibilities on behalf of the Government of Grenada in the administration of the project. It was anticipated that the NAT would be the foundation for local capacity building in the conduct of Poverty Assessments, allowing Grenada to conduct future exercises of this type. The NAT had responsibility for data gathering, and data entry and for field activities related to the CPA. The members of the NAT came from the public and private sectors and from the NGO community. However, Carriacou and Petit Martinique were not consistently represented on the NAT.

The Team of Consultants, (TOC) had the responsibility for guiding the assessment process, assisting the NAT in rapidly resolving implementation issues and constraints and for advising and coaching NAT personnel in the execution of their tasks. The TOC facilitated community and national planning workshops and consultations, to elicit inputs from the various social partners during the assessment process.

The services provided by TOC included *inter alia*:

- Assessing the statistical data and information already available;
- Strengthening the capacity of relevant agencies through training of appropriate local counterparts (including members of NAT) in the use of participatory approaches, in the application of the agreed assessment methodology, to do the requisite field work and to monitor poverty indicators and conduct future CPAs;
- Designing the process to ensure the strategic involvement of all stakeholders with the objective of ensuring that CPA provides policymakers, programme managers, NGOs, and communities with the information that they require;

- Facilitating stakeholder workshops at key points in the process to ensure that key stakeholders are actively involved in the poverty analysis and the discussion of strategic options for addressing critical issues emerging from the research and analysis; and
- Generating the various reports of the assessment exercise.

1.5 STRUCTURE OF THE REPORT

The Report is presented in four volumes:

- Volume I: Main Report
- Volume II: The Participatory Assessment
- Volume III: Institutional Assessment
- Volume IV: Technical and Statistical Appendices to the Main Report.

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

CHAPTER TWO: METHODOLOGY

The CPA comprised three core elements: a combined National Survey of Living Conditions (SLC) and Household Budgetary Survey (HBS)⁷, a Participatory Poverty Assessment (PPA), and an Institutional Assessment (IA).

The study has to be contextualised against the Macro-economic and Social Environment of Grenada, and against the backdrop of the policy framework developed by the Government, in particular, following its attempt to respond to the findings of the previous poverty study. Clearly, it expected to introduce measures to impact positively on the social and economic landscape and more so, to improve the lot of the poor.

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

This survey was designed to collect the quantitative data on living conditions in Grenada, and provided the basis for the calculation of the Poverty Line. The comprehensive Survey of Living Conditions (SLC) combined with a survey of household income and expenditure, sought to collect information from households on their

buying habits (expenditures), income and other characteristics. This information was then used to relate the expenditures and income patterns of consumers (households) to the socio-demographic and other characteristics of those same households.

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

- a. Valuable data for assessing the impact of socio-economic policies on the conditions and levels of living of households;
- b. Inputs for the compilation of national accounts of the household sector which is useful in the process of calculating the growth rate of the economy;
- c. Statistics on the distribution of income and expenditure in Grenada;
- d. Household level information on the poor, their characteristics and expenditure patterns when compared to other groups in the society;
- e. Information on household consumption of various goods and services; and
- f. Information to assess the cost of provision of public health and education services and the level of satisfaction of the population with these services.

⁷ The inclusion of a survey of household budgets will allow each Government to make adjustment requiring updates to their national consumer baskets as a basis for the measurement of inflation without having to repeat in separate sample surveys, the collection of consumption expenditure.

2.2 THE PARTICIPATORY POVERTY ASSESSMENT

Participatory processes are now seen as an essential component of any research to determine the level and severity of poverty in a country. These approaches do much more than provide qualitative data to complement the quantitative data produced by the more traditional surveys; they give a voice to the poor and vulnerable by providing opportunities for them to articulate their perceptions and experiences, to analyse and reflect on their reality, and to share the strategies and mechanisms that they use to cope and survive.

In this way, Participatory Poverty Assessments (PPAs) deepen our understanding of poverty, its characteristics and various dimensions, and highlight the problems, needs and priorities of those who are poor. The data generated by PPAs are therefore critical in determining the type of interventions and programmes to be implemented in Poverty Eradication and Alleviation Programmes.

The objective of the PPA was therefore to:

- a) Collect concrete and specific data on living conditions in selected communities in order to produce a multi-dimensional view of poor living conditions and deprivation, through the eyes of poorer people themselves;
- b) Collect and analyse gender-specific data on living conditions and

deprivation and coping mechanisms;

- c) Increase understanding of poor living conditions and deprivation based on the perceptions and experience of individuals living in poor communities;
- d) Identify the vulnerability and risks faced by resource-poor individuals and households as they strive to sustain their livelihoods;
- e) Obtain information from individuals, groups and households about key initiatives that they take to sustain their livelihoods; their concerns, needs and priorities; and interventions and actions that in their view are needed in order to improve their living conditions; and
- f) Generate qualitative data that can be used to formulate policies that are informed by the voices of those most affected by poor living conditions.

The PPA was launched in May, 2007, with a training session over the period May 21-25, 2007. Teams of local Field Research Facilitators and members of the NAT were trained in the use of participatory research methods and techniques. Fieldwork began in June, 2007 and continued over a period of 20 months.

Information was collected from individuals, households, special interest groups, community leaders and community members in eight selected communities in Grenada, one community in Carriacou and one community in Petit Martinique.

Communities were selected based on pre-determined criteria. The communities selected were expected to represent a mix of different population demographics, primary economic activity; geographic location (urban/rural); levels of infrastructure development; and prevalence of specific social issues such as crime, drug and substance abuse.

Qualitative data were collected through a range of diverse methods, including field research interviews with household members and community leaders as well as community workshops, focus group discussions, and transect walks. In-depth interviews were also conducted with selected individuals from the communities.

Particular attention was paid to the social and psychological impact of living in resource-poor situations and care was taken to examine the gender differences in experiences, perceptions, and coping strategies. Deliberate efforts were made to include women as part of the research sample, to include gender-specific questions in all the interview schedules, and to apply a gender analysis to the data collected.

It was the responsibility of the TOC to detail the procedures for the selection of personnel and the processes to be observed in the implementation of the PPA. These were not followed in a number of instances, in spite of the insistence of the TOC, and this had some impact on the results of the PPA.

2.3 INSTITUTIONAL ASSESSMENT (IA)

In a feedback process, institutions are shaped by society and the economy, and then shape social and economic relations. Poverty reduction and alleviation depend in part on the role performed by institutions in the society and the economy and their interventions in the lives of the poor and of the non-poor. Thus, research on poverty is considerably enhanced by the examination of the institutional structures of society and an assessment of their effectiveness in treating with the poor.

While the terms “institutions” and “organisations” are often used interchangeably, the former refers strictly to the rules and practices that shape the behaviour of organisations and individuals in society. Some of these institutions are formal in terms of having written constitutions, laws, regulations, contracts, etcetera, and others are informal, but are reflected in the form of values and norms, and are no less influential for their being informal.

The fundamental objective of the IA was to establish the degree to which organisations are pro-poor in their work, and to determine how the system of organisations and institutions in the country collectively services the poor, the vulnerable and the society in general.

For the purposes of the Institutional Assessment, information, mainly of a qualitative nature, was gathered from organisations and institutions in Grenada that impact, or are likely to impact on living conditions. The IA involved the collation of primary data from interviews with personnel in forty-nine (49) selected organisations, and from secondary data available in reports and other relevant documentation on the operations and performance of these organisations.

An open-ended semi-structured instrument was used to secure information from the respective organisations. The IA sought to secure information from organisations on their effectiveness in treating with problems of poverty and living conditions generally. This was rated against their specific mandates and terms of reference. The assessment did not extend into an examination of their organisational structure and functioning but rather to the review of their specific interventions vis-à-vis poorer people in the society and living conditions in general. A score was allotted

to each organisation on the basis of the information provided from the interview and from secondary data. These scores were assigned by the TOC to reflect level of effectiveness in addressing living conditions and poverty mitigation. Scores were set on a scale of 1 to 5, with the latter representing the highest level.

2.4 MACRO SOCIO-ECONOMIC ANALYSIS

The findings of the macro and socio-economic analysis form the context within which the quantitative and qualitative data gathered in the field can inform understanding of conditions. The macro socio-economic analysis relied on secondary information collected mainly from governmental institutions and from research that has been conducted in recent years. The growth and transformation of the economy provide the backdrop to living conditions being experienced today. There have been challenges in the main sectors responsible for this transformation, and there are also threats on the horizon which can impact on the social fabric of the society.

CHAPTER THREE: GEOGRAPHY, HISTORY AND POPULATION

3.1 GEOGRAPHY

Grenada is the most southerly of the Windward Island chain of islands. The state consists of three islands forming an archipelago – Grenada, Carriacou and Petit Martinique. The largest island, Grenada, is the seat of Government and has the largest population base. The islands together have a land mass of just over 340 square kilometres. The island of Grenada is mountainous for the most part, and being in the path of the North East Trade Winds, sustains relatively high rainfall in the rainy season. It supports a substantial rainforest. On Grenada also, is the Grand Etang, an inland lake which is unique in the Caribbean, and provides a reservoir of fresh water.

The southern part of this island is low-lying and flat, and is blessed with a number of beaches, all of which have attracted considerable tourism development over the last four decades as the country has sought to develop its tourism sector. The other two islands are low-lying, are much drier and experience drought conditions from time to time.

The country lies in the path of the hurricanes that emerge off West Africa in the period July to December and cross the Atlantic, developing speed prior to making landfall in the Caribbean and the south-east of the United States. While there is debate as

to whether the apparent increase in frequency and intensity of violent hurricanes is due to global warming and climate change or to a cycle that repeats over a time period of decades, the region has had more regular damage and loss of life from hurricanes since the mid-1990s.

In recent years Grenada has been hit by two hurricanes that wrought havoc on the physical infrastructure of the country, including its housing and tourism room stock. Hurricane Ivan in 2004 was followed by Hurricane Emily in 2005. But hurricanes are not the only environmental threat that the country faces. It is susceptible to earthquakes, and there are active volcanoes in the waters between Grenada and Carriacou. There is clear evidence of sea rise and coastal erosion in some parts of the country. On the island of Carriacou, a cemetery is quickly reducing the interred to the status of being 'buried at sea'.

The population at the last census in 2001 was 103,532. However, since then, the population might have fallen as a result of a larger than usual external migration in the light of the major hurricanes that the country has experienced. External migration has been the primary feature of population change over the decades, as large sections of the population seek to achieve economic and social mobility by going abroad.

Unlike some of the Leeward Islands, Grenada has not attracted large numbers from neighbouring islands, and has remained a sending country, with its citizens migrating to other islands in the region, especially to Trinidad and Tobago, and also to the North Atlantic in large numbers since the middle of the 20th century.

3.2 HISTORICAL SETTING

The first poverty report of Grenada (CDB, Poverty Assessment Report, Grenada, 1998) provides an extensive historical backdrop to poverty in Grenada. This section summarises much of this and focuses on the more recent period since the publication of that report.

Grenada has a similar history to that of other English-speaking Caribbean countries, in respect of the post-Columbian period. The original population of pre-Columbian peoples was quickly wiped out following conquest by Europeans. In the case of Grenada, Spain showed little interest in the islands and competition between the French and the British characterised its early colonial history, up until 1763 when the final change in colonial control saw Britain becoming the master. The French past is reflected in the French names of places. Some of the remaining French settlers were to migrate to Trinidad, when the Spain sought to increase the population of Trinidad in the latter years of the 18th century, before the British took control.

Sugar production based on slave labour was attempted in the early years, but the country lacked the physical conditions most conducive to sugar-cane growing, and did not support the type of development achieved in such colonies as Barbados and Antigua. On emancipation, the ex-slaves withdrew and large numbers became involved in peasant subsistence agriculture on lands on which they squatted. Peasant agriculture quickly became pitted against plantation agriculture, as the planters exercised whatever political power they could in reducing options to work on the plantations for the available labour.

Market conditions were not favourable to marginal producers of sugar as Grenada was, and in the latter half of the 19th century, and plantation owners were forced to switch to other types of production or to abandon operations altogether. The peasantry expanded in Grenada, but became involved also in production for export markets, with cocoa and nutmegs soon becoming the most important export crops of the country. In the first half of the 20th century, there was some diversification, among both the peasants and the plantation owners into banana production, with the latter utilising different tenancy arrangements to secure labour and to shift to new patterns of production. Grenada remained a relatively underdeveloped and marginal colony well into the 20th century, and never attracted investment in mining or manufacturing, with the result that the colony remained highly reliant on export agriculture, which delivered a lower level quality of life for most of the population.

Emigration became the only outlet for those seeking economic and social mobility, and the culture of 'going away' became institutionalised. Trinidad, and at particular times, Panama and Cuba were the destinations. Trinidad has remained an important destination since the 19th century.

The violent reaction against economic and social conditions which was sparked off among the working people of Trinidad in the late 1930s had Tubal Uriah Butler, a Grenadian immigrant, spearheading its leadership. There was rapid sympathetic response among the poor in Grenada. The Crown Colony System had not made conditions any better for the Grenadian masses. The recommendations of the Moyne Commission led to the first major change in constitutional arrangements in the 20th century and ushered in representational politics that, by the early 1950s, arrayed Eric Gairy, the trade union leader, at the head of a political movement against the plantation owners and the small local elite that had prospered even in the poverty-stricken conditions of the country. The Grenada United Labour Party (GULP) was successful in the winning power under adult suffrage.

GULP contested in the electoral process and was the more successful among the parties that held power, in the years before political independence. Land distribution was high on the agenda of Gairy in this early populist phase. However, there was a widely-held perception that Gairy was as much concerned about punishing enemies as with serious land reform in the redistribution programme that was instituted. His

approach to public administration was not geared to the observance of universalistic rules.

While some advances were made on the social and economic landscape – land redistribution, stimulation of manufacturing and tourism – Gairy sought to be a maximum leader which led to major internal conflicts and galvanised a political opposition against him and his party. This did not prevent his seeking political independence for the country which was secured from Britain in 1974, with opposition from large sections of the society concerned about the direction of the country under Gairy's leadership.

His ever more strong-armed measures and draconian legislation against the political opposition created a sense of desperation. The New Jewel Movement staged a successful coup in 1979, toppling the Gairy Government, and eventually securing recognition from a number of Governments. The leadership benefited from the Cold War conditions between East and West, in securing international support for an agenda which was radical by Caribbean standards.

There were attempts to invest in human resources, and to reduce illiteracy which plagued the society. Cooperative production and state farms and state-owned organisations were tried with a view to increase production and to achieve diversification of the economy. In the four-year period of the revolution, there were a few successes. The Centre for Popular

Education did help in reducing illiteracy. Large numbers of students went on scholarships to university in Cuba. Cuban doctors and other personnel improved primary and secondary health services on the island. A number of infrastructure projects reached planning stage and even implementation, including the building of a new airport. Cuba was the staunchest ally of the People Revolutionary Government (PRG), and made a huge contribution to Grenada, with the most highly-prized project being the establishment of the landing strip for international traffic at Point Salines, which has since been named the Maurice Bishop International Airport.

By 1983, major internal conflicts in the party led to putting to death of the Prime Minister and other associates, and then to the intervention of the United States and a number of Caribbean countries. With the return of Grenada to democracy in 1984, there followed a period of political flux, as various political groups jostled for political power. However, two parties have emerged to dominate the politics since then – the NNP and the NDC which currently is the ruling party.

Since the return of democracy, the various Governments have pursued traditional economic and social policies, of seeking to diversify the economy, encourage inward investment, strengthen institutions of government, expand the physical and social infrastructure, improve primary and secondary health care facilities and increase access to secondary and tertiary education for the largest number of citizens.

3.3 GOVERNANCE

The country gained political independence from the United Kingdom in 1979. The Queen of England is the Head of State; a Governor General represents the Queen. This is the option that most Commonwealth Caribbean countries have followed on attaining political independence.

There is a Senate and a House of Representatives, consisting of fifteen members who are elected by adult suffrage in the respective constituencies on the ‘first past the post’ system. The last General Elections were conducted in September 2008, and the then Opposition Party defeated the governing party. The current Prime Minister was once a political prisoner during the period of the Grenada Revolution. The country has had its own chequered history in the upholding of democracy.

The ousting of the first Prime Minister in March 1979 was the first time that a Government had been removed by force in the English-speaking Caribbean since colonial times. The replacement of the alleged dictatorial governance style of the first Prime Minister was replaced by rule by decree until the collapse of the revolution with the execution of the then Prime Minister, which provided the base for the US-led invasion of the country. Since the restoration of Parliamentary democracy, there have been regular elections, and orderly transition to power of new administrations successful at the polls in unseating elected parties.

In more recent times, there have been discussions of changes to the Constitution to allow in some degree of devolution to local Government. Carriacou and Petit Martinique are served by a Ministry for Carriacou Affairs, which provides for some decentralisation of services and for a more formalised interaction between the central government and the residents of the two islands, outside of the state-citizen relationship.

3.4 TRENDS IN POPULATION SIZE AND COMPOSITION

Table 3.1 shows mid-year population estimates for Grenada. There was a 14.2 percent increase in the population over the period 1990 to 2006, from 94,700 persons in 1990 to 108,132 persons in 2006.

TABLE 3.1: MID-YEAR POPULATION ESTIMATES 1990-2006

YEAR	MALE	FEMALE	TOTAL
1990	46,600	48,100	94,700
1991	47,000	48,600	95,800
1992	47,500	49,000	96,500
1993	47,800	49,200	97,000
1994	48,200	49,600	97,800
1995	48,600	49,900	98,500
1996	48,900	50,000	98,900
1997	49,264	50,232	99,516
1998	49,599	50,501	100,100
1999	49,899	50,803	100,702
2000	50,200	51,108	101,308
2001	51,378	51,765	103,143
2002	51,865	52,203	104,068
2003	52,405	52,675	105,080
2004	52,950	53,318	106,268
2005	53,408	53,834	107,242
2006	63,617	54,315	108,132

Source: Grenada Central Statistical Office

The Parishes of St. George (excluding the town of St. George's) and St. Andrew together accounted for 57 percent the population in 2001 while Carriacou and St. Mark accounted for 5.9 percent and 3.9 percent of the population respectively (Table 3.2).

TABLE 3.2: POPULATION DISTRIBUTION BY PARISH (PERCENT)

PARISH	1981	1991	2001
St. George's (Town)	5.4	4.8	3.8
St. George (Rest)	27.6	28.6	32.1
St. John	9.3	9.2	8.3
St. Mark	4.5	4.0	3.9
St. Patrick	11.4	10.6	10.4
St. Andrew	25.2	25.2	24.9
St. David	11.4	11.5	10.7
Carriacou	5.2	6.0	5.9
Total	100.0	100.0	100.0

Source: Grenada Central Statistical Office

3.5 AGE-SEX COMPOSITION

Table 3.3 shows the age sex composition of the population. The data show that in 2001 the largest percentage of the population (32.5%) was children (under 15 years). Those in the age group 15-29 accounted for 24.7 percent of the population, while persons between the ages of 30 to 64 accounted for 33.7 percent of the population. The elderly, persons 65 years and over, represented 9.2 percent of population, an increase of 1.4 percentage points over the share of elderly in the population in 1991 (7.8%), and indicative of the ageing process that is a characteristic of the demography of the country.

TABLE 3.3: POPULATION BY AGE GROUP AND SEX

Age Group	1991			2001		
	Male (%)	Female (%)	Both Sexes (%)	Male (%)	Female (%)	Both Sexes (%)
Under 15	51	49	38	50.5	49.5	32.5
15-29	51	49	26	50.2	49.8	24.7
30-44	50	50	16	51.3	48.7	19.5
45-64	46	54	12	49.8	50.2	14.1
65+	39	61	8	43.1	56.9	9.2
Total	49	51	100	49.8	50.2	100

Source: Grenada Central Statistical Office

3.6 SOCIO-DEMOGRAPHIC CHARACTERISTICS OF RESIDENTS

3.6.1 POPULATION BY RELIGION

In 2001, Roman Catholicism had the largest single group of adherents among residents of Grenada (46%). Anglicans accounted for the second single largest religious grouping (12%), while Seventh Day Adventists and Pentecostals represented 11.1 percent and 11.4 of the population respectively. Those reporting no religious affiliation accounted for 3.8 percent of the population.

3.6.2 POPULATION BY ETHNIC ORIGIN

Over the period 1991 to 2001 there were no major change in the ethnic composition of the population of Grenada. It was not seen as a destination country, within the regional context, thus, did not draw migrants from neighbouring countries,

including from those that were more ethnically mixed. In 2001, the majority of persons (89.4%) reported being Negro/Black. East Indians and those who were mixed accounted for 1.7 percent and 8.1 percent of the population respectively.

The country was much like its Windward Islands, in some respects: it was seeking to overcome poverty with a population that was growing slowly, mainly because many of its people were using emigration as part of their poverty reduction strategy.

TABLE 3.4: DISTRIBUTION OF POPULATION BY ETHNIC GROUP AND SEX 1991 AND 2001

Ethnic Origin	1991			2001		
	Male	Female	Total	Male	Female	Total
Negro	85.2	84.5	84.8	90.9	87.9	89.4
East Indian	2.9	3.0	3.0	1.4	2.0	1.7
Amerindian	0.1	0.1	0.1	0.1	0.2	0.1
White	0.6	0.6	0.6	0.2	0.6	0.4
Mixed	10.7	11.4	11.0	7.1	9.0	8.1
Other (incl. Chinese, Portuguese, Syrian/Lebanese)	0.3	0.2	0.3	0.0	0.0	0.0
Not Stated	0.3	0.2	0.2	0.2	0.2	0.2
Total	100	100	100	100	100	100

CHAPTER FOUR: MACRO-ECONOMIC ANALYSIS

4.1 INTRODUCTION

The economy of Grenada, as a small peripheral country, depends on international economy for its motive power. Its engagement with the latter depends on the external demand for the product and services that it can produce. If these are not in high demand, the economy and the society are likely to be in a low level equilibrium. Thus, the level of poverty and indigence depends, in part, on the nature of the engagement with the international economy, and any estimates of poverty can be linked to developments at the global level at that point in time, and likewise, poverty reduction is contingent on the how quickly the international economy is restored to growth.

Living conditions depend also on the operations of domestic actors, including in particular, the Government. Its policies in respect of the management of the macro-economy, income distribution, and industrial development also impact on living conditions. The adoption of a poverty reduction strategy for example, is likely to have some impact on the quality of life of poorer people and may be more pro-poor in its effect compared to a situation where the Government relied on market forces to bring up the standards for the poor.

4.1.1 INTERNATIONAL CONTEXT

The first decade of the 21st century is likely to be seen as one of the more turbulent since the Great Depression of the late 1930s. In the first half of the decade, the terrorist attack on the United States, led to a decline in tourism on which Grenada depends heavily as a source of foreign exchange earnings and of employment. In the second half of the decade, the sub-prime crisis and related events pushed the international economy into reverse gear, with the most precipitous decline that has been experienced since the Great Depression.

The advanced economies experienced an unprecedented 7.5 percent decline in real GDP during the fourth quarter of 2008, and output was estimated to have continued to fall almost as fast during the first quarter of 2009. Emerging economies also experienced considerable hardship, contracting by 4 percent in the fourth quarter in the aggregate. Global economic activity is projected to contract by 1.3 percent in 2009, representing the deepest post-World War II recession. Its 'global' nature is underscored by the fact that output per capita is projected to decline in countries representing three quarters of the world economy. While most observers project a more positive outlook for 2010, at 1.9 percent (see Table 4.1), recovery is likely to be relatively sluggish, at best. Developing

and emerging economies are likely to experience a lagged recovery, as growth in many of these economies is still falling sharply. Fiscal deficits are expected to widen sharply in both advanced and

emerging economies, as many governments implement fiscal stimulus plans. Developing economies are expected to face greatly reduced access to external financing (WEO, April 2009).

TABLE 4.1: OVERVIEW OF THE WORLD ECONOMIC OUTLOOK PROJECTIONS

	Projections				Difference from January WEO Projections		Estimates	Q4 over Q4 Projections	
	2007	2008	2009	2010	2009	2010		2008	2009	2010
World output	5.2	3.2	-1.3	1.9	-1.8	-1.1	0.2	-0.6	2.6
Advanced economies	2.7	0.9	-3.8	0.0	-1.8	-1.1	-1.7	-2.6	1
United States	2	1.1	-2.8	0.0	-1.2	-1.6	-0.8	-2.2	1.5
Euro area	2.7	0.9	-4.2	-0.4	-2.2	-0.6	-1.4	-3.5	0.6
Japan	2.4	-0.6	-6.2	0.5	-3.6	-0.1	-4.3	-2.7	-0.6
United Kingdom	3	0.7	-4.1	-0.4	-1.3	-0.6	-2.0	-3.2	0.6
Canada	2.7	0.5	-2.5	1.2	-1.3	-0.4	-0.7	-1.9	1.7
Other advanced economies	4.7	1.6	-4.1	0.6	-1.7	-1.6	-2.7	-1.9	1.7
Newly industrialized Asian economies	5.7	1.5	-5.6	0.8	-1.7	-2.3	-4.8	-1.5	2
Emerging and developing economies	8.3	6.1	1.6	4	-1.7	-1.0	3.3	2.3	5
Africa	6.2	5.2	2	3.9	-1.4	-1.0	...	...	...
Sub-Saharan	6.9	5.5	1.7	3.8	-1.8	-1.2	...	...	...
Central and eastern Europe	5.4	2.9	-3.7	0.8	-3.3	-1.7	...	...	...
Commonwealth of Independent States	8.6	5.5	-5.1	1.2	-4.7	-1.0	...	...	...
Russia	8.1	5.6	-6.0	0.5	-5.3	-0.8	1.2	-4.7	1
Excluding Russia	9.9	5.3	-2.9	3.1	-3.2	-1.3	...	...	...
Developing Asia	10.6	7.7	4.8	6.1	-0.7	-0.8	...	...	...
China	13	9	6.5	7.5	-0.2	-0.5	6.8	6.9	7.9
India	9.3	7.3	4.5	5.6	-0.6	-0.9	4.5	4.8	5.9
ASEAN-5	6.3	4.9	0.0	2.3	-2.7	-1.8	2.1	1.2	3.3
Middle East	6.3	5.9	2.5	3.5	-1.4	-1.2	...	...	...
Western Hemisphere	5.7	4.2	-1.5	1.6	-2.6	-1.4	...	...	...
Brazil	5.7	5.1	-1.3	2.2	-3.1	-1.3	1.2	1.1	2.4
Mexico	3.3	1.3	-3.7	1	-3.4	-1.1	-1.7	-2.1	2.5
World growth based on	3.8	2.1	-2.5	1	-1.9	-1.1

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Grenada, Carriacou and Petit Martinique 2007/08*

	Projections				Difference from January WEO Projections		Estimates	Q4 over Q4 Projections	
market exchange rates									
World trade volume (goods and services)	7.2	3.3	-11.0	0.6	-8.2	-2.6	...	...	...
Imports Advanced economies	4.7	0.4	-12.1	0.4	-9.0	-1.5	...	...	...
Emerging and developing economies	14	10.9	-8.8	0.6	-6.6	-5.2	...	...	...
Exports Advanced economies	6.1	1.8	-13.5	0.5	-9.8	-1.6	...	...	...
Emerging and developing economies	9.5	6	-6.4	1.2	-5.6	-4.2	...	...	...
Commodity prices (U.S. dollars) Oil	10.7	36.4	-46.4	20.2	2.1	0.2	...	...	...
Nonfuel (average based on world commodity export weights)	14.1	7.5	-27.9	4.4	1.2	-2.9	...	...	...
Consumer prices Advanced economies	2.2	3.4	-0.2	0.3	-0.5	-0.5	2.1	-0.1	0.4
Emerging and developing economies	6.4	9.3	5.7	4.7	-0.1	-0.3	7.7	4.4	4

Source: IMF World Economic Outlook April 2009

There have been consequences for tourism, on which Grenada is heavily reliant. The United Nations World Tourism Organisation (WTO) noted the expected negative trend in international tourism in the second half of 2008, and intensifying in 2009. International tourist arrivals have suffered a sharp drop since January 2008, with the outbreak of the influenza A virus (H1N1), exacerbating the decline created by the global economic crisis. Continued economic volatility and high uncertainty generated by the growing pandemic of influenza A (H1N1) are expected to take

their toll on demand for tourism at least until 2010⁸.

In the case of Grenada, the link to the North Atlantic economy via tourism, remittances and agricultural exports suggests a sluggish growth at best, but more likely a decline in the trend rate of growth from 2007 into 2010.

Grenada has been in advance of the other Windward Islands in reducing its reliance on bananas. However, the post-banana

⁸ United Nations World Tourism Barometer, June 2009

phase has not been attended by emergence of successful niches.

The deepening of the regional process has brought some benefits. In addition to the use of a single currency that reduces transaction costs among the member states in respect of the movement of goods and services, there has been cooperation with regard to bulk-purchasing of essential medical supplies, which augurs well for their seeking to secure economics of scale in respect of other imports.

There is greater coordination of economic policy in some areas among the OECS, which, in the most recent past, has allowed the countries to respond collectively to the crisis caused by the collapse of financial institutions operating in the sub-region.

There is greater freedom of movement among member states of the OECS, and this has allowed Grenadians a more readily available escape valve in the face of problems in the domestic economy.

The entire region has signed on to the Economic Partnership Agreement with the European Union. The Agreement anticipates the application of reciprocal rules, in trade between the EU and CARIFORUM States. This represents a threat but may well create an opportunity for the OECS to work together in seeking entry into particular markets and in creating economies of scale. Much depends on the population and in the facilitating agencies of the state in realising the possibilities that have been created.

4.2. OVERVIEW OF GRENADA'S ECONOMY

Grenada's amenity resource provides the base for its tourism driven economy. The industry is mainly concentrated in the southwest region, where most of the island's idyllic beaches are located, including Grand Anse Beach, which has garnered a reputation as one of the world's finest beaches. In addition to conventional beach and water-sports tourism, the country offers eco-tourism, deriving from rare natural vistas - the Grand Etang, mountains and distinctive flora. There are now small eco-friendly guesthouses being established in the more remote parishes.

A large cruise ship pier and esplanade were recently constructed in the capital city, in response to the rapid growth in cruise-ship market segment. The south-western region also boasts of large luxurious accommodations such as the Spice Island Resort, adding to the international appeal of Grenada as a premier Caribbean tourist destination.

The island is also well known, for its spice and Grenada is synonymous with the Spice Isle. Grenada's agricultural sector is its second major source of export growth, with cocoa, nutmeg and many other spices being the country's key visible exports. Grenada provides 20 percent of the world's supply of nutmeg, and is the world's second largest producer after Indonesia.

Recent Hurricanes Ivan (2004) and Emily (2005) severely damaged both the tourism and agricultural sectors. However, the

economy has shown remarkable resilience, rebounding rapidly from the devastating effects of both hurricanes, but at the expense of incurring a greater debt burden stemming from the rebuilding process. The debt-to-GDP ratio is over 100 percent, which poses significant challenges to the current administration's efforts to undertake public investment and increase social spending. Strong performance in construction, manufacturing and a fledgling offshore financial industry are not likely to curtail a projected slowdown in economic growth in 2009, owing to the contemporaneous global economic slowdown and its effects on tourism and remittances. While the country achieved reasonable rates of growth in the latter years of the 1990s, after long periods of stagnation, the economy in 2009 is still relatively undiversified.

4.3. ECONOMIC PERFORMANCE

The IMF reports that Grenada has made formidable progress with what is described as "its home-grown economic programme", in facing the pre sub-prime crisis. The global economic slowdown and financial turmoil are markedly slowing economic activity, chiefly through a weakening of tourism receipts, FDI, and remittances.⁹ Real GDP growth slowed to 0.3 percent in 2008 from 4.5 in 2007, as tourism receipts and FDI weakened. Real GDP is projected to decline by 0.7 percent in 2009 and to recover slightly in 2010. Inflation declined to 2.8 percent by March 2009, after peaking at 9.3

percent in July 2008. Core inflation (excluding food and energy) remained low at 1.5 percent through March 2009. Inflation is projected to fall to 2.1 percent by the end of 2009, as declines in world food and fuel prices feed through. Almost all FDI-financed tourism projects are on hold due to financing difficulties. As a result, the construction sector which accounted for about 10 percent of real GDP in 2007, contracted by more than 14 percent in 2008 and has remained sluggish. Some large employers and many hotels have laid off employees or are rotating staff¹⁰.

There was an overall positive trend in the contribution of Agriculture to GDP, with a sharp but temporary decline from 2004 to 2005, reflecting the impact of Hurricanes Ivan and Emily (Table 4.1). Crops account for the largest contributor to Agriculture GDP, although this sector experienced an overall decline in the share of agriculture from 72 percent of agriculture production in 2000 to 59 percent in 2008. The share of fishing in agriculture more than doubled over the same period.

The Manufacturing and Construction sectors grew markedly in the post-Ivan years (Table 4.2). The Tourism sector, represented by Hotels and Restaurants and Transportation, took a hit in 2004, but bounced back as early as 2005, surpassing pre-Ivan levels. It is noteworthy that construction as the largest single sector in 2005, as the restoration and rebuilding activity geared up to treat with the damage

⁹ IMF Country Report No. 09/200, July 2009.

¹⁰ Ibid

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

caused by Hurricane Ivan and then Hurricane Emily. Preparations for the Cricket World Cup also stimulated some construction activity. Construction is part of

the non-traded sector, employs mainly men, and is heavily import intensive. Also noteworthy is the fact that Government Services have become the single largest since 2006.

TABLE 4.2: GRENADA GROSS DOMESTIC PRODUCT BY ECONOMIC ACTIVITY AT MARKET PRICES IN CURRENT PRICES (EC\$M)

Sector	2000	2001	2002	2003	2004	2005	2006	2007	2008
Agriculture	69.8	72.37	92.63	94.25	81.32	57.83	71.62	72.34	83.14
Crops	50.34	46.08	60.49	58.01	50.72	24.88	40.12	39.62	48.84
Livestock	4.96	5.06	5.13	5.23	4.71	5.82	6.26	7.16	7.48
Forestry	3.04	3.07	3.1	3.13	2.52	2.44	2.5	2.6	2.71
Fishing	11.46	18.16	23.91	27.88	23.37	24.69	22.74	22.96	24.11
Mining & Quarrying	7.61	6.01	5.1	7.17	6.06	6.62	9.32	9.33	8.76
Manufacturing	62.35	61.94	62.3	60.67	53.02	64.34	65.67	68.01	74.97
Electricity & Water	46.36	52.16	60.95	62.56	58.44	62.28	70.71	77.37	81.43
Construction	96.71	79.74	80.88	102.32	109.68	226.43	172.53	158.36	138.64
Wholesale & Retail Trade	96.39	96.29	98.22	107.77	88.37	121.79	114.48	119.06	119.89
Hotels & Restaurants	81.69	78.18	73.41	85.41	75.95	45.47	78.21	93.85	91.9
Transportation	136.44	124.21	122.82	132.69	148.24	184.59	178.03	179.6	181.43
Road Transport	88.24	77.94	77.85	82.8	93.85	126.82	121.74	121.05	119.6
Sea Transport	30.98	29.74	28.67	32.21	34.6	39.69	35.73	35.31	36.01
Air Transport	17.22	16.53	16.3	17.68	19.79	18.08	20.56	23.24	25.82
Communications	78.26	75.47	65.1	62.68	55.81	69.97	70.64	78.68	81.04
Banks & Insurance	89.61	93.6	99.79	115.52	116.65	115.32	117.87	131.53	146.31
Real Estate & Housing	30.28	31.66	32.62	33.83	30.44	29.86	33.66	36.41	40.13
Gov't Services	145.51	151.74	163.05	171.01	193.83	192.89	206.02	218.94	259.08
Other Services	88.11	104.16	102.88	118.53	126.36	144.8	157.5	210.29	233.93
Less: FISIM	70.72	76.47	80.09	91.65	97.07	97.58	103.61	111.55	118.34
GVA in Basic Prices	958.4	951.06	979.66	1,062.76	1,047.10	1,224.61	1,242.65	1,342.22	1,422.31
Growth Rate	8.06	(0.77)	3.01	8.48	(1.47)	16.95	1.47	8.01	5.97
	201.46	189.23	200.91	233.85	220.09	270.82	281.33	298.96	316.9
GDP in Market Prices	1,159.86	1,140.29	1,180.57	1,296.61	1,267.19	1,495.43	1,523.98	1,641.18	1,739.21
Growth Rate	8	(1.69)	3.53	9.83	(2.27)	18.01	1.91	7.69	5.97

Source: National Accounts Statistics 2008, ECCB (Table 5.1)

4.3.1 TOURISM

Tourism visitor arrivals, which were previously on the decline following the events of September 11, 2001, recovered post-Hurricane Ivan and are expected to continue to grow (Table 4.3). While the number of cruise ship calls declined over the period 2000 to 2007, the number of cruise ship passengers grew formidably over the years, and was projected to reach as high as 292,712 passengers in 2008. The two major countries of origin were the USA and the UK. Total visitor expenditure over the reference period also grew overall, reaching EC\$ 290.8 million in 2007 but was expected to decline slightly in 2008.

The ECCB noted that Tourism activity weakened in 2008; value added in the hotels and restaurants sector declined by 3.1 per

cent, in contrast to a 6.4 per cent expansion in 2007¹¹. The downturn in tourism activity was influenced mainly by a reduction in the number of stay-over visitors. The high cost of travel, reduced airlift, and the recession experienced in the economies of some major source markets contributed to the decline in the number of stay-over visitors.

4.3.2 TRADE

There was a steady decline in Grenada's agricultural exports from 2003 to 2007, and this trend is likely to continue in light of global economic conditions (See Table 4.4). Agricultural activity strengthened in 2008. Value added in that sector expanded by 11.9 per cent in 2008, more than doubling the 4.8 per cent rate of growth realised in 2007. The sector's contribution to GDP rose to 6.4 per cent, up from 5.7 per cent in 2007. Growth

TABLE 4.3: GRENADA SELECTED TOURISM STATISTICS

	2000	2001	2002	2003	2004	2005	2006R	2007R	2008P
Total Visitor Arrivals	314,325	275,421	271,571	294,284	375,955	384,371	347,295	411,473	423,847
Stay-Over Arrivals	126,661	121,215	121,074	133,724	127,919	98,548	118,653	129,145	123,770
Of Which									
USA	32,541	32,219	29,961	30,924	27,451	25,181	27,126	27,217	25,868
Canada	4,829	5,442	4,306	5,296	5,111	4,341	6,335	6,038	6,927
UK	32,236	28,488	28,688	32,506	27,564	15,605	25,042	33,893	34,635
Caribbean	24,112	27,540	33,242	36,871	39,209	28,067	30,927	28,958	28,987
Other Countries	32,943	27,526	24,877	28,127	28,584	25,354	29,223	33,039	27,353
Excursionists	7,359	6,825	4,094	4,931	6,145	5,823	4,821	6,540	2,068
Yacht Passengers	n.a.	n.a.	8,975	6,695	5,019	4,353	4,733	4,232	4,730
Cruise Ship Passengers	180,305	147,381	135,061	146,925	229,800	275,085	218,647	270,259	292,712
Number of Cruise Ship Calls	360	288	259	267	249	260	221	258	217
Total Visitor Expenditure (EC\$M)	249.8	225.3	247	279.9	233.4	192.8	253.3	290.8	283.3

Source: Grenada Tourism Association

¹¹ Annual Economic and Financial Report 2008, ECCB.

TABLE 4.4: BALANCE OF TRADE & SELECTED DOMESTIC EXPORTS (EC\$000)

	2003	2004	2005	2006	2007	% Change			
	(1)	(2)	(3)	(4)	(5)	(2)/(1)	(3)/(2)	(4)/(3)	(5)/(4)
Balance of Trade	-	-	-	-	-	1.6	38.2	0.2	8.2
Total Imports	607,952.2	617,760.9	853,526.0	855,117.8	925,434.4				
Total Exports	686,947.2	681,756.9	901,893.7	893,239.8	985,859.1	-0.8	32.3	-1.0	10.4
Re-Exports	78,995.0	63,996.0	48,367.7	38,122.0	60,424.7	-19.0	-24.4	-21.2	58.5
Total Recorded Domestic Exports	32,699.0	20,723.7	16,486.4	19,328.4	38,754.6	-36.6	-20.4	17.2	100.5
Agricultural Exports	46,296.0	43,272.3	31,881.3	18,793.6	21,670.1	-6.5	-26.3	-41.1	15.3
Bananas	46,296.0	43,272.3	31,881.3	18,793.6	21,670.1	-6.5	-26.3	-41.1	15.3
Cocoa	468.3	582.3	0.0	359.9	256.4	24.3	-100.0		-28.8
Nutmegs	3,316.7	5,501.9	248.3	695.4	2,347.3	65.9	-95.5	180.1	237.5
Mace	26,944.7	26,391.2	21,584.0	7,155.6	6,820.7	-2.1	-18.2	-66.8	-4.7
Fresh Fruits and Vegetables	3,153.2	2,293.0	468.2	387.4	670.1	-27.3	-79.6	-17.3	73.0
Fish	374.6	210.6	31.9	224.2	403.3	-43.8	-84.9	602.8	79.9
Other	11,718.9	8,193.9	9,494.6	9,914.4	11,088.4	-30.1	15.9	4.4	11.8
	319.6	99.4	54.3	56.7	83.9	-68.9	-45.4	4.4	48.0

Source: Central Statistical Office

was boosted by increases in output of traditional crops, reflecting the impact of ongoing crop recovery and rehabilitation programmes. Increases in production were recorded for cocoa (54.2 per cent) (ECCB AEFR 2008).

4.4 FISCAL TRENDS

The country's large interest payments (Table 4.5) underscore the high stock of debt. External interest payments accounted for most of the country's interest payments from 2001 onwards. The Government plans to seek a US\$50-80 million concessional

loan from the Export-Import Bank of China to build a luxury hotel in a joint venture. However, with the already high debt level (108.6 percent of GDP at the end of 2008), the loan could jeopardise the key objective of reducing debt and is not accommodated within the programme ceiling on bilateral concessional debt¹². With its high debt to GDP ratio, Grenada finds itself at odds with one of the ECCB's Structural Adjustment Technical Assistance Programme (SATAP) for fiscal convergence targets, which exhorts members to aim at achieving a debt to GDP ratio not greater than 60 percent of GDP. In

¹² Ibid.

response to this target, a Debt Management Unit was established in January 2009 in the Ministry of Finance. The mandate of the Unit is to develop more effective debt management strategies for Grenada.

The outstanding public sector debt was estimated at EC\$1,850.0 M at end of 2008, representing an increase of 4.5 per cent over the total recorded at end of 2007. This growth in public sector debt was driven by increases in borrowing by both the central government and the public corporations. However, as a percentage of GDP, the outstanding public sector debt fell to 107.4 per cent in 2008, from 108.0 per cent at end of 2007.

The total disbursed outstanding debt of the Central Government grew by 2.7 per cent to EC\$1,581.0M, mainly attributable to an increase in domestic debt, particularly the overdraft balance at the commercial banks (ECCB Annual Economic and Financial Report, 2008).

Table 4.5 also provides data on sources of revenue over the period 2000 to 2008. There was a gradual overall increase in Taxes on Income and Profit as a percentage of tax revenue (from 17 percent in 1999 to 22 percent in 2008). This suggests that, to the extent that the Government had in place a progressive tax system, the thrust of its taxation policy would have been redistributive.

Over the years, there was a tendency for Import duties (as a percentage of Tax on International Trade and Transactions) to remain stable at around 22 percent, reaching only as high as 24 percent in 2008. As a member of CARICOM, and the OECS, the Government of Grenada was expected to adopt common external tariff structure and to reduce reliance on import duties in generating tax revenues. Non-tax revenue as a percentage of current revenue showed a sharp decline over the period 1999 to 2008. The Government announced an introduction date for the VAT of February 1, 2010. This is in keeping with the approach of reducing the border charges and taxes on international trade as a source of revenue.

The Government has faced major fiscal constraints over the period. These could have restricted interventions in respect of transfers and subsidies. As can be seen in Table 4.5, over period 1999 to 2008, transfers and subsidies remained relatively flat until 2006, but then were increased substantially between 2006 and 2008. It should be noted, however, that the latter-day increases might have had more to do with the shielding of the population from the automatic impact of the escalation in the price of energy and essential food, that took place late in 2007, when the Governments of CARICOM took the decision to suspend the application of the CET to some products, and to increase subsidies on certain essential items.

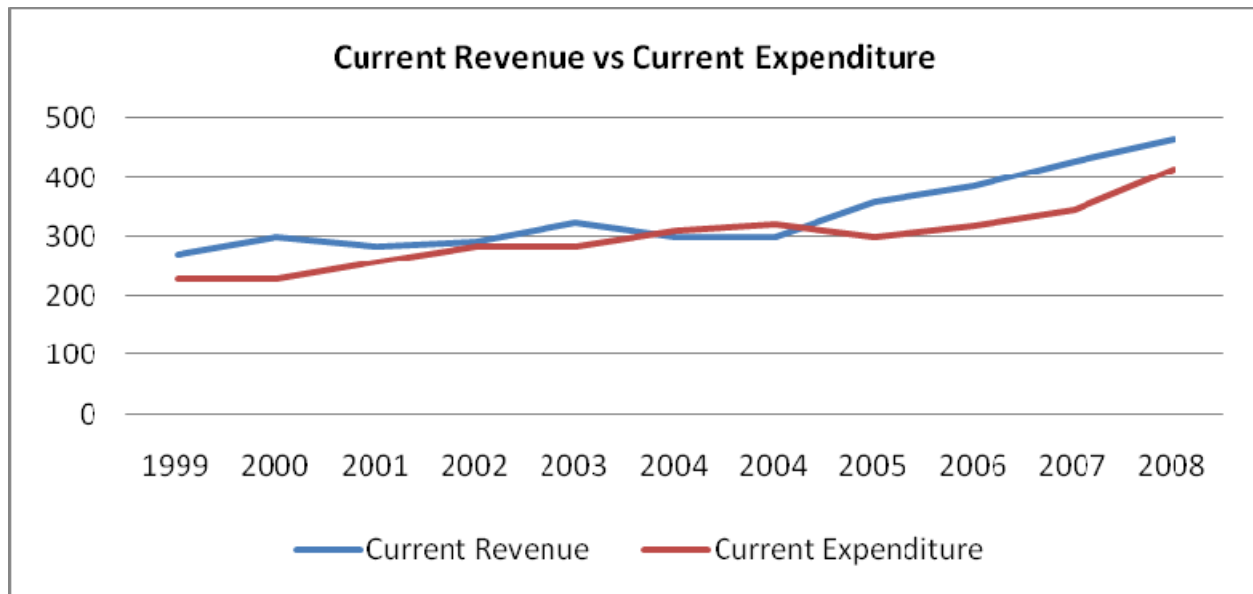


FIGURE 4.1: CURRENT REVENUE VS CURRENT EXPENDITURE

4.5 FINANCIAL SERVICES

Recent fallout from the collapse of Trinidad and Tobago based CL Financial Group has contributed to increased financial sector uncertainty on the island. The group has a number of linkages to the Grenadian economy, including the presence of two insurance subsidiaries which had been offering deposit-like products to individuals and public and private entities, and majority ownership of Republic Bank Limited. There has been some public concern about delays in payments on policies, and moral suasion has been used to dissuade policy holders from seeking early surrender of policies.

The exposure of the insurance subsidiaries to policy and deposit holders in the Eastern Caribbean Currency Union (ECCU) region amounts to about EC\$2 billion (around 15 percent of ECCU GDP). This development is worrisome in the context of other events which have adversely affected financial sector confidence, including the failure of Capital Bank, an unregulated bank, and of SGL Holdings, an investment scheme promising unusually high returns. Grenada appears not to have any direct exposure to the Stanford Financial Group¹³. However, the economy would not have remained unscathed by the problems elsewhere in the regional economy.

¹³ IMF Country Report July 2009

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

TABLE 4.5: GRENADA: CENTRAL GOVERNMENT FISCAL OPERATIONS IN EC\$ MILLIONS 1997-2008

	1999	2000	2001	2002	2003	2004	2004	2005	2006	2007	2008
Current Revenue	271.8	300.3	284.9	292.5	323.6	300.8	300.8	359.7	386	428.4	464.5
Tax Revenue	236.3	262.8	256.6	262.4	298.3	279.5	279.5	343.9	360	402.8	433.8
Taxes on Income and Profit	40	51.9	57.4	43.5	47.5	43	43	57.7	56	74.8	94.6
of which:											
Personal	5.4	6.6	8.5	8.8	10.1	11.3	11.3	13.9	13.7	16.3	23.4
Company	34.1	44.2	46.5	32.5	35.5	30.3	30.3	42.3	31.6	45.8	71.2
Taxes on Property	9.3	9.4	10	18	17	16.4	16.4	15.4	22.6	29	26
Taxes on Domestic Goods and Services	42.8	52	45.4	49.6	59	52	52	59.9	69	71.3	78.7
Of which:											
Value-added Tax	0.3	0.3	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consumption Tax	23.3	26.4	26.3	25.6	28.2	26.3	26.3	27.3	32.7	36.1	40.9
Stamp Duties	2.6	4.4	2.9	3.4	4.1	4.7	4.7	7.5	4.8	5.4	5.5
Licenses	6.5	11.1	5.6	11	14.5	8.5	8.5	13.9	16.6	14.1	17.2
Taxes on International Trade and Transactions	144.3	149.5	143.9	151.3	174.8	168.1	168.1	210.9	212.3	227.7	234.6
of which:											
Import Duty	32.2	32.1	32.2	31.7	42.4	39.8	39.8	50.1	47.3	51	56
Consumption Tax	79.1	87.4	84.7	83.7	93.6	93	93	109.8	104.3	100.1	108.1
Customs Service Charge	23.6	25.2	25.5	25.5	31.7	29.7	29.7	44.5	40.1	40.1	44
Non-Tax Revenue	35.5	37.5	28.2	30.1	25.3	21.3	21.3	15.9	26	25.6	30.7
Current Expenditure	229.2	230.4	258.4	283.3	285.1	312	320.8	301.1	317.5	346	413.6
Personal Emoluments	120.2	114.3	127.9	124.6	130.4	147.6	147.6	150.8	154	158.4	200.8
Goods and Services	34.9	43.9	52.6	47.5	40.5	46.1	46.1	67.9	66.1	79.1	84.7
Interest Payments	24.9	24.2	27.9	51.8	62.5	63.1	71.8	27.8	29	33	34.9
Domestic	16	11.7	13.3	12.7	17.2	13.8	13.8	13.9	8.7	11.2	9.7
External	8.9	12.5	14.6	39.1	45.3	49.3	58	13.9	20.4	21.8	25.2

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

	1999	2000	2001	2002	2003	2004	2004	2005	2006	2007	2008
Transfers and Subsidies	49.2	48.1	50	59.3	51.8	55.2	55.3	54.6	68.4	75.5	93.2
of which: Pensions	11.8	16.9	14.2	14	14.2	17.6	17.6	16.9	18.9	18.7	24.9
Current Account Balance	42.7	69.9	26.5	9.2	38.5	(11.2)	(19.9)	58.6	68.6	82.4	50.9
Capital Revenue	3.7	0.7	0.5	2.7	0.3	1.2	1.2	0.3	0.1	0.1	0.1
Grants	31.1	32.6	45.2	23.5	59.2	90.7	90.7	160.5	104.7	19.9	51.5
of which: Capital Grants	31.1	25.9	33.6	19.5	59.2	18.6	18.6	65.6	86.3	19.6	34.8
Capital Expenditure and Net Lending	106.4	135.2	162.6	244.5	155.4	105	105	163.6	271.3	211.3	213.9
of which: Capital Expenditure	n/a	135.2	162.6	244.5	155.4	81.9	81.9	163.6	271.3	211.3	213.9
Primary Balance after Grants	n/a	(7.9)	(62.6)	(157.2)	5	38.9	38.9	83.6	(68.9)	(75.9)	(76.4)
Overall Balance (before grants)	n/a	(64.6)	(135.6)	(232.5)	(116.7)	(115.0)	(123.7)	(104.7)	(202.6)	(128.8)	(162.9)
Overall Balance (after grants)	(28.9)	(32.0)	(90.4)	(209.0)	(57.5)	(24.2)	(32.9)	55.8	(97.9)	(108.9)	(111.3)
Financing	28.9	32	90.4	209	57.5	24.2	32.9	(55.8)	97.9	108.9	111.3
Domestic	(8.8)	(24.9)	23.2	(43.1)	(13.2)	(151.0)	(102.6)	(156.3)	68.8	101.8	88.2
ECCB (net)	(2.8)	(2.8)	1	(30.8)	31.5	(10.3)	(10.3)	(0.9)	(5.8)	12.6	1.4
Commercial Banks (net)	(24.9)	19	33.9	7.2	24.1	(41.3)	(44.7)	(55.6)	28.1	54.4	2.7
Other	18.9	(41.2)	(11.7)	(19.5)	(68.7)	(99.4)	(47.7)	(99.7)	46.5	34.8	84.2
External	27.8	73.1	49.4	273	68.7	144.2	95.8	82	29.1	7.1	23.1
Net Disbursements/ (Amortisation)	29.6	72.5	48.3	292.8	46.6	144.3	117	82.2	29.4	7.3	23.2
Disbursements	42.9	88.3	67.2	318	73.2	173.7	174.3	115.6	58.1	29.5	51.4
Amortisation	13.3	(15.8)	(18.9)	(25.2)	(26.6)	(29.4)	(57.3)	(33.4)	(28.8)	(22.2)	(28.2)
Change in Govt. Foreign Assets	(1.8)	0.6	1.2	(19.8)	22.1	(0.2)	(21.2)	(0.2)	(0.2)	(0.2)	(0.1)
Arrears	9.9	(16.2)	17.8	21	1.9	31	39.7	18.4	0.0	0.0	0.0
Domestic	8.4	(12.2)	10.8	13	1.8	7.7	16.4	5.3	0.0	0.0	0.0
External	1.5	(3.9)	6.9	(8.0)	0.2	23.3	23.3	13.1	0.0	0.0	0.0

Source: ECCB Annual Economic and Financial Review, various years

4.6 REMITTANCES

The IADB's Multilateral Investment Fund (MIF) estimates that Latin America and the Caribbean will see a decline of about 11 percent in remittances from last year, reflecting the impact of the global economic crisis on migrant workers from this region. However, Grenada's remittance inflows seem not to be affected by this trend, as remittances grew to an estimated US\$64 million in 2008, and in 2007, remittances as a share of GDP was 9.2 percent. This

upward trend in remittance inflows seemed to be in line with a general trend among Caribbean countries (See Table 4.6). Remittances are likely to slow down sharply.

The general trend in the rate of growth of the economy can be seen in Figure 4.2. While the economy showed signs of growth, it could not be argued that the country was experiencing spectacular economic performance. At best, its underlying structure was undergoing very gradual change.

TABLE 4.6: MIGRANT REMITTANCE INFLOWS (US\$ MILLION) SELECTED CARIBBEAN COUNTRIES

Country	2000	2001	2002	2003	2004	2005	2006	2007	2008e	Remittances as a share of GDP, 2007 (%)
Barbados	102	118	109	113	109	140	140	140	168	
Dominica	3	4	4	4	23	25	25	26	30	7.9
Dominican Republic	1,839	1,982	2,195	2,325	2,501	2,719	3,084	3,414	3,487	9.3
Grenada	22	22	23	23	72	52	54	55	64	9.2
Haiti	578	624	676	811	932	985	1,063	1,222	1,300	18.2
Jamaica	892	1,058	1,261	1,399	1,623	1,784	1,946	2,144	2,220	18.8
St. Kitts and Nevis	4	4	3	3	31	34	36	37	37	7.1
St. Lucia	3	2	2	2	29	29	30	31	31	3.2
St. Vincent and the Grenadines	3	3	4	3	26	26	30	31	31	5.5
Trinidad and Tobago	38	41	79	87	87	92	91	109	109	0.5

Source: World Bank staff estimates based on the International Monetary Fund's Balance of Payments Statistics Yearbook 2008

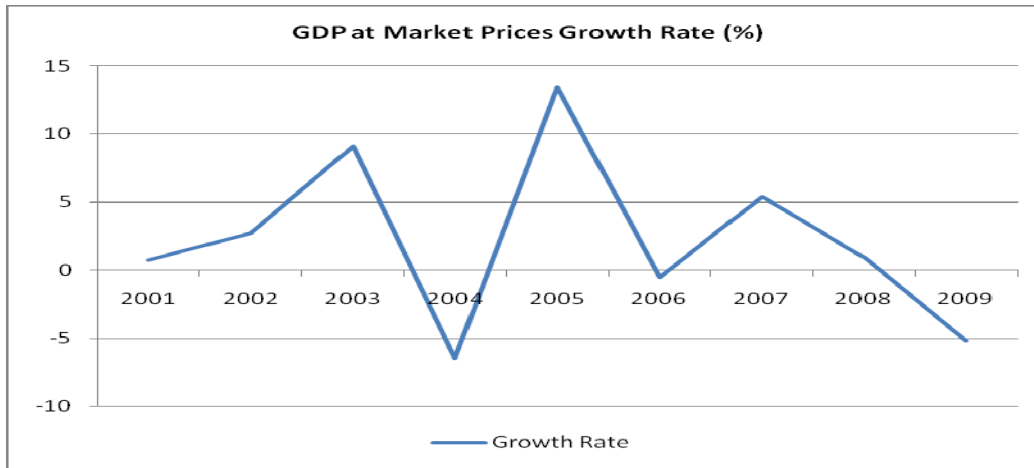


FIGURE 4.2: GDP AT MARKET PRICES
Source: ECCB National Accounts Statistics 2009

The challenge facing the country is captured in Figure 4.3 which plots the growth of two tradable sectors - Agriculture and Hotels and Restaurants - and one important non-tradable, Construction. The rate of growth and the share of the tradable provide some indication of the success of the country in the engagement in the international economy and in its capacity to earn foreign exchange which is vital to

further growth and transformation. For example, Construction can grow as a percentage of GDP, only if there is foreign exchange to support its high import requirements. This could come from FDI, grants, loans or from the winning of foreign exchange from a vibrant export sector. Figure 4.3 does not suggest vibrancy in the tradable sector in the present decade.



FIGURE 4.3: CONTRIBUTION TO GDP (SELECTED SECTORS)
SOURCE: ECCB National Accounts Statistics 2008, 2009

4.7 POVERTY REDUCTION PROGRAMME

The performance of the economy has to be contextualised against the backdrop of concerted measures, planned and implemented by the Government over the period and the shocks to the country and the economy of environmental factors and external economic forces. The 1999 Poverty Assessment Report, proposed a radical human resource strategy to embrace the entire population in self-upgrading. This was to be the pillar on which diversification could be promoted, including agricultural diversification. This poverty reduction strategy was comprised of, but not limited to:

- Full participation of social partners in the discussion of the approach to economic reorganisation;
- Expansion of secondary education places, and upgrading of quality of primary and secondary education;
- Infrastructure expansion in terms of access roads, potable water supply, electricity and low-income housings;
- Promotion of inter-industry linkages, especially between Agriculture and Tourism;
- Promotion of niches within Tourism, with high level of participation of nationals; and
- Improvement of delivery in social development and social services.

The Government's response to the report was reflected in the annual

budget exercise which embraced the objectives of the Millennium Declaration and the Millennium Development Goals. The theme of the budget of 2000 declared the Government's intention to eradicate poverty through "Growth, Equity and People's Participation in the New Millennium."

Subsequent budgets proposed the establishment of a platform for "Longer Term Eradication of Poverty," the building of a knowledge-based economy with equity and the promotion of food security. Poverty reduction underpinned its policies, as reflected in its annual budget.

There was also the 2000-2002 Medium Term Economic Strategy Paper that proposed economic restructuring to create a competitive and knowledge-based economy.

The specific programme of poverty reduction was developed in a participatory process, with wide ranging consultations. The strategy included the following elements:

- Promotion of robust economic growth; and
- Rehabilitation of agriculture.

The generalised and specific poverty reduction policies that were expected to discipline macro-economic programming were pre-empted in their implementation by the shocks that befell the country which impacted with enormous effect, creating economic and

social emergency. These were in relatively quick succession:

- Terrorist attack in the US, September 11, 2001;
- Hurricane Ivan, 2004;
- Hurricane Emily, 2005;
- Escalation on prices of energy and essential foods late 2007 and early 2008; and
- Global recession, 2008.

The devastation created by the two hurricanes created the need for a strategic development plan to address all the requirements for reconstructing a battered economy and a fractured infrastructure.

In its “National Strategic Development Plan,” elaborated after the two hurricanes, the Government identified a number of priority programme areas,

namely in the rebuilding of the economy:

- Economy and Poverty;
- Social Capital;
- Cultural Capital;
- Governance, Democracy, Peace and Security;
- Youth Development;
- Gender Issues;
- Environment and Physical Development;
- Tourism;
- Agriculture;
- Agro-Processing;
- Construction; and
- Economic Infrastructure¹⁴.

Poverty reduction was not sidelined but was to be addressed in the wider ambit of total reconstruction. On the matter of direct transfers and subsidies to the population, Figure 4.4 shows the

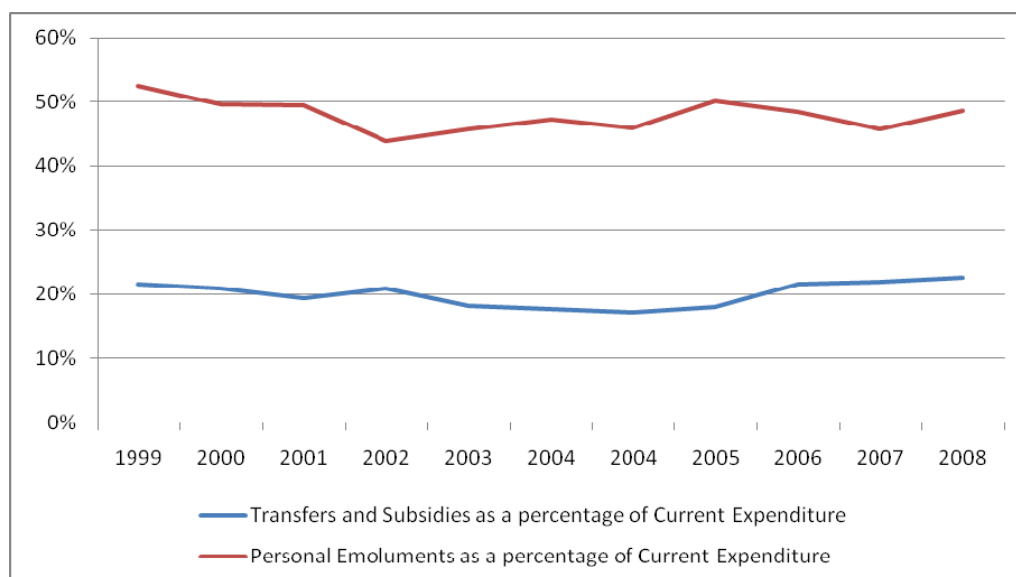


FIGURE 4.4: TRANSFERS AND SUBSIDIES AND PERSONAL EMOLUMENTS IN EXPENDITURE

¹⁴ Agency for Reconstruction and Development, National Strategic Development Plan, Grenada.

provision for this item as a percentage of expenditure by the Government over the period. It can be assumed that most of the direct support to poorer people is captured in this item. The graph suggests that this has hovered around 20 percent of total expenditure, for the period since the last CPA. Clearly, poverty reduction has not been based on any massive increase in the budgetary allocation to transfers and subsidies. There seemed to have been the expectation that poverty reduction would come from the expansion of the economy and the absorption of most of the poor in income generating activity.

The traded goods and services sectors, which are the links to the locomotive of the international economy, remained Tourism, Agriculture and Agro-Processing. Tourism embraced linked industry—entertainment and creative industries, offshore health and higher education, all underpinned by a programme to brand the country.

Agriculture was expected to provide for food security and exports, while it was being diversified into non-traditional crops, including floriculture and was expected to create the platform for Agro-processing. The National Strategic Development Plan could not be faulted for its attempt at being comprehensive. However, the resources for implementation were decidedly a challenge in a country with an incipient fiscal crisis.

In sum, it can be argued that whatever commitment might have been made to poverty reduction and eradication, the Government of Grenada might have found its planned measures fully frustrated and compromised by limited resources in responding in short order to emergencies and crises in the present decade. On the other hand, a pro-poor policy underpinning economic strategy might serve to mitigate impacts of measures designed to adjust to economic and environmental crises.

CHAPTER FIVE: KEY POVERTY AND VULNERABILITY INDICATORS

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

This chapter presents the main estimates of poverty for Grenada based on the SLC/HBS which was conducted in 2007/2008. The poverty line represents a monetary measure of the minimum annual consumption, in dollar terms, that is needed to meet the basic food and non-food requirements of an average adult, at prevailing prices. This is the consumption level that separates the poor from the rest of the population.

It is calculated in two stages: in the first stage an estimate is derived of an *indigence line* or *food poverty line* and in the second stage an adjustment is made to this indigence line to account for basic non-food needs, resulting in the *poverty line* estimate.

5.1.1 THE INDIGENCE LINE

The concept of *indigence* is premised on the notion that everyone must satisfy basic nutritional requirements if one is to survive and enjoy good bodily health. The indigence line provides the estimated level of expenditure for an average adult to meet the minimum food requirement which, according to scientific nutritional studies, is necessary for maintaining a healthy

existence. This is based on the cost of a basket of food typically consumed by residents which, at current prices, attains the minimum acceptable nutrition requirement (2,400 Kcal) at the lowest possible cost. In this way, the indigence line represents a defined minimum which has some scientific basis. The nutritional content is calculated using software developed by the Caribbean Food and Nutrition Institute (CFNI).

The estimated indigence line for Grenada at the time of this study was EC\$2,394 per adult per annum, or EC\$6.56 per adult per day. Individuals who are unable to meet this minimum expenditure are categorised as *critically poor* or *indigent*. This is the basis of estimating absolute poverty in the society.

5.1.2 THE POVERTY LINE

Once the indigence line has been calculated, an adjustment is then made to account for basic non-food needs. Non-food consumption is estimated on the basis of a relative measure, and results in an estimate of relative poverty in the society.

In calculating the poverty line, the reciprocal of the food share of the poorest 40 percent (i.e. the two poorest quintiles) is multiplied by the dollar

value of the indigence line. The result is the relative poverty line (usually referred to simply as the poverty line) which represents an estimate of the minimum cost of basic food and non-food for an average adult male.

The poverty line for Grenada at the time of this study was estimated at EC\$5,842 per annum per adult, or EC\$16.01 per adult per day.

These estimations are made at the level of the household and the poverty status is accorded to all members. Thus, a person is deemed to be poor if he or she lives in a household whose adult equivalent per capita consumption falls below the poverty line¹⁵.

Households that are unable to meet the adult equivalent per capita consumption expenditure set by the indigence line are said to be “indigent” and households that fail to meet the adult equivalent per capita consumption set by the poverty line are said to fall “below the poverty line”, and are deemed to be poor.

¹⁵ Because households differ in composition and size, per capita household consumption when used on its own may be a misleading indicator of the welfare of the individual members of the household. Therefore there is a common practice to normalize the members of households into a concept referred to as the “consumption per equivalent adult male”. Thus an “equivalence scale” is used to measure the consumption needs of other members of the household relative to an adult male, where females and children are usually assigned weights of less than 1.

5.1.3 THE VULNERABILITY LINE

The vulnerability line, which is set at 1.25 times the poverty line (or 25% above it), gives a dollar value which is considered to be close enough to the poverty line that it should give an indication of risk of falling into poverty under adverse conditions. Households consuming at levels below the vulnerability line are deemed to be vulnerable. Persons living in households who do not fall below the poverty line (that is they are not poor) but do fall under the vulnerability line are at risk of falling into poverty should any adverse economic shock or natural disaster occur. For Grenada, the vulnerability line was estimated to be EC\$7,302 per adult per annum or EC\$20.01 per adult per day.

Table 5.1 summarises the poverty, indigence and vulnerability lines for Grenada.

TABLE 5.1: POVERTY, INDIGENCE AND VULNERABILITY LINES FOR GRENADA

Indicator of Vulnerability	Grenada 2008
Indigence Line (Annual in EC\$)	2,394
Poverty Line (Annual in EC\$)	5,842
Vulnerability Line (Annual in EC\$)	7,302

Given that the average adult equivalent household size in Grenada is 2.61, the average family in Grenada needs to spend at least EC\$ 1,271 per month or EC\$ 15,247 per annum on basic food and non-food items at prevailing prices, to escape poverty (Table 5.2). This

should not be interpreted to mean that a person earning a wage income below the poverty line is poor; the approach being applied is based on consumption expenditure at the level of the household.

5.1.4 THE HEADCOUNT INDEX

The most commonly used measure of the incidence of poverty is the headcount index, commonly referred to as the “poverty rate”. It measures the percentage of individuals living in households whose adult equivalent per capita consumption is less than the poverty threshold (poverty line).

In 1998, the poverty rate was 32.1 percent and the indigence level was 12.9

percent. Based on this study, 37.7 percent of individuals resident in Grenada are deemed to be poor and 2.4 percent are deemed to be indigent (Table 5.3). Another 14.6 percent of the population are vulnerable but not poor. This means that altogether over half of the population are consuming at levels below the vulnerability line and might be deemed to be vulnerable.

While the poverty rate appears to have increased since the last study, the percentage of the population who are indigent (extremely poor) has fallen drastically over the same period.

The indigence rate is comparable over time as it is a measure of absolute poverty based on nutrition intake. Thus

TABLE 5.2: MEAN ADULT EQUIVALENT HOUSEHOLD SIZE AND MINIMUM CONSUMPTION ESTIMATES (EC\$) FOR GRENADA 2008

Mean Adult Equivalent Household Size	Poverty Line (per month per adult)	Minimum Required per month for an average Household	Annual Poverty Line per adult	Minimum Annual Required for an average Household
	EC\$	EC\$	EC\$	EC\$
2.61	487	1,271	5,842	15,247

TABLE 5.3: COMPARISON OF 1998 AND 2008 POVERTY RATES

Poverty Indicators (1996 and 2007/08 Compared)	Grenada	
	% Individuals 1998	% Individuals 2008
Indigence Rate	12.9	2.4
Poverty Headcount Index (Poverty Rate)	32.1	37.7
Vulnerability Rate (Vulnerable but not Poor)	n/a	14.6

the fall in this statistic confirms that there has been an improvement in living conditions among the poorest in Grenada.

The Headcount Index (or poverty rate) cannot strictly be compared across time and across countries because poverty lines are relative (not absolute) and because there is need for a further step to calculate a line that has constant purchasing power in comparator regions or years. However, countries often use the headcount index to compare roughly how they are doing relative to their neighbours, and what changes have taken place over time.

Based on the most recent Surveys of Living Conditions in the region, the headcount index of Grenada is somewhat higher than its Caribbean neighbours (Table 5.4).

Though the headcount index gives a measure of the prevalence of poverty that provides us with a percentage of those who are poor which is quite easy to interpret and communicate, it does not provide information on the extent of poverty which has serious implications for policy makers. Consequently, other measures such as the poverty gap ratio as well as the poverty severity index can be used.

5.1.5 THE POVERTY GAP RATIO AND POVERTY SEVERITY INDEX

The distance of the poor from the poverty line is reflected in the poverty gap ratio. This gives an indication of how far the poor lie below the poverty threshold and is quite beneficial to policy makers. It gives an estimate of the minimum cost of eliminating poverty using perfectly targeted transfers to bring those who are poor up to the poverty line.

The poverty severity index is similar in

TABLE 5.4: HEADCOUNT INDEX-SELECTED CARIBBEAN COUNTRIES

Country	SLC Year	Indigence rate (%)	Head Count Index (%)
Anguilla	2002	2.0	23.0
Antigua and Barbuda	2005/06	3.7	18.3
Dominica	2003	10.0	39.0
Grenada	2007/08	2.4	37.7
St. Kitts and Nevis	2007/08	1.0	21.8
St. Lucia	2005	1.6	28.8
St. Vincent and the Grenadines	2007/08	2.9	30.2

Source: CDB

nature to the poverty gap ratio, but it assigns higher weights to the poorest, thus taking into account the consumption pattern within the poor population and the degree of inequality among them.

Results for the headcount index, poverty gap ratio and poverty severity ratio in 2007/08 by district are shown in Table 5.5. The headcount index for a district (Parish in this case) is the percentage of residents within that Parish that are

classified as poor (the consumption level of the household in which they live is less than the poverty threshold). The lower the headcount index, the less likely it is that a person chosen at random from within the Parish will be poor.

The headcounts for the Parishes of St. Mark (54.5%), St. Patrick (56.7%) and St. Andrew (44.9%) were higher than the national average of 37.7 percent. Carriacou had a poverty headcount index of 6.6 percent, significantly lower than the national average and the lowest among all parishes.

Table 5.6 presents for comparison the poverty headcount, poverty gap and poverty severity index for Grenada in 1998. As expected, while the poverty rate for “all Grenada” has increased over the period under consideration, the poverty gap and poverty severity indices have shown significant improvement, having fallen from 15.3 and 9.9, to 10.13 and 4.0 respectively. This is a corollary to the finding that living conditions have improved in Grenada although a significant proportion of persons are still poor or vulnerable. The reduction in the poverty gap indicates that in 2008 persons below

TABLE 5.5: HEADCOUNT, POVERTY GAP AND POVERTY SEVERITY BY PARISH 2008

Parish	Poverty Headcount	Poverty Gap	Poverty Severity
St George	35.10	10.03	4.23
St Georges Town	15.00	3.40	1.59
St John	36.67	8.77	3.05
St Mark	54.46	18.29	9.23
St Patrick	56.67	15.96	6.80
St Andrew	44.86	10.56	3.53
St David	29.49	8.68	3.64
Carriacou	6.57	2.40	0.90
All Grenada	37.70	10.13	4.03

TABLE 5.6: THE POVERTY GAP AND THE FGT₂ INDEX BY PARISH-1998

Parish	Headcount	Poverty Gap (PG)	Poverty Severity Index (FGT ₂)
All Grenada	32.1	15.3	9.9
St. George	34.4	17.8	11.8
St. John	23.9	11.1	7.0
St. Mark	33.5	13.0	6.8
St. Patrick	35.4	16.1	9.7
St. Andrew	32.9	14.3	9.3
St. David	31.3	17.1	12.4
Carriacou	26.8	13.4	7.4

the poverty line were closer to the line (though still below it) compared to 1998. The fall in the poverty severity index indicates that the intensity of poverty decreased as well as inequality among the poor.

5.1.6 THE GINI COEFFICIENT OF INEQUALITY

The level of inequality in an economy or society can be estimated by the Gini Coefficient. The closer the Gini Coefficient is to zero, the less is the degree of inequality in the society, and the closer it is to 1, the higher the inequality.

One approach to analysing the consumption patterns in a country is to compare the share of consumption of the top deciles compared with the bottom deciles. Table 5.7 shows the distribution of consumption expenditure for Grenada in 2008. The data show that the richest 10 percent of

the population (decile 10) accounted for almost one third (29.8 percent) of all consumption expenditure, compared to the poorest 10 percent of the population (decile 1), which accounted for approximately three percent (2.9 percent) of national consumption expenditure.

The Gini Coefficient was 0.37 in 2008, compared to 0.45 in 1998, representing a reduction in inequality since the last study. This finding is not surprising, given that extreme poverty (indigence) was found to have fallen by more than 10 percentage points over the decade, coupled with improvements in the depth and severity of poverty. This situation seems to suggest that while many were able to improve the conditions under which they live over the decade 1998-2008, many others fell below the poverty line - accounting for the increase in poverty alongside decreasing indigence and inequality.

TABLE 5.7: DISTRIBUTION OF CONSUMPTION IN GRENADA

Deciles	Total Country					
	Population	%		% cumulative		Gini
		Consumption	Population	Consumption	Population	
1	10934	2.876	9.96	2.9	10	0.003
2	11039	4.387	10.06	7.3	20	0.010
3	11042	5.208	10.06	12.5	30	0.020
4	10996	5.949	10.02	18.4	40	0.031
5	10908	6.897	9.94	25.3	50	0.043
6	10896	7.872	9.93	33.2	60	0.058
7	11062	9.539	10.08	42.7	70	0.077
8	10886	11.638	9.92	54.4	80	0.096
9	11000	15.879	10.02	70.2	90	0.125
10	11001	29.755	10.02	100.0	100	0.171
Total	109764	100.00	100.00			0.3663

This suggests too, that distributional measures—taxes, on the one hand, and transfers and subsidies on the other – might have had positive consequences in improving equity.

Figure 5.1 shows the Lorenz Curve which is a diagrammatical representation of the distribution of consumption, and is the genesis of the Gini coefficient estimate.

5.2 ECONOMIC SITUATION OF HOUSEHOLDS

Heads of Households were asked to rate their current economic situation and compare it to one year prior. The results are shown in Table 5.8. A large percentage of respondents (40.2 percent) reported that the economic situation of their household was “*much worse now*”; 16 percent of household heads felt that their economic situation had remained “*the same*”, and 16.2 percent felt that

their economic situation was “*better*”. Only 4.2 percent reported that their economic situation was “*much better*”.

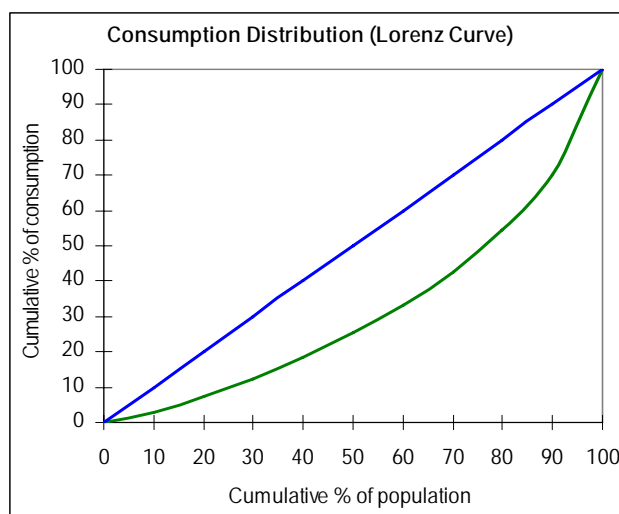


FIGURE 5.1: GRENADA LORENZ CURVE

now”. These responses have to be seen in the context of the rapid escalation in prices for energy and essential food stuff at end of 2007.

Household heads were asked to rate their household economic situation on a scale from 1 to 5, where 1 is the poorest

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

Overall Economic Situation of Household Compared to Year Ago	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Much worse now	44.7	38.5	36.5	38.5	42.8	40.2
A Little worse now	18.6	28.3	30.2	27.6	17.1	24.4
Same	15.3	17.2	15.8	13.6	18.3	16.0
A Little better now	13.3	11.9	11.6	13.7	9.3	12.0
Much better now	5.7	2.8	3.1	3.9	5.4	4.2
Don't Know/Not Stated	2.4	1.3	2.8	2.7	7.1	3.2
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	6,303	6,344	6,285	6,580	6,123	31,636

(or least well off) and 5 is the richest. Many households that were actually in the poorest 20 percent (quintile I) rated their households economic situation as either 2 or 3, an indication of the different perceptions of poverty. Although their households were deemed by the scientific method applied, to be among the poorest, they did not “feel” that they were “very poor” (Table 5.9).

5.3 PERFORMANCE ON THE MILLENIUM DEVELOPMENT GOALS

In September 2000, the international community committed to an agenda for poverty reduction, by signing a United Nations (UN) Declaration, which listed eight “Millennium Development

Goals” (MDGs), identifying the 8 goals, 18 targets and 48 indicators for measuring quality of life improvements. These MDGs have become an internationally accepted framework for measuring development progress. The MDGs focus largely on social, human and environmental development.

The Caribbean has since adapted the targets and indicators consistent with those recommended in the context of the MDGs in order to better reflect regional development objectives. The result is a list of Caribbean-specific Millennium Development Goals (MDGs), with a set of revised targets and an extended list of 89 indicators, which have replaced the original 48, with targets to be achieved by 2015.

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

Subjective Poverty Ranking of Household	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Poor	37.0	29.4	18.9	22.7	12.1	24.1
II	33.2	32.1	34.1	26.1	36.5	32.3
III	23.7	33.0	39.2	48.8	40.8	37.2
IV	2.6	1.6	4.7	0.7	8.0	3.5
Rich	0.0	0.8	0.5	0.0	0.8	0.4
Not Stated	3.6	3.2	2.6	1.7	1.9	2.6
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	6,303	6,344	6,285	6,580	6,123	31,636

TABLE 5.10: ORIGINAL UNITED NATIONS MILLENNIUM DEVELOPMENT GOALS AND TARGETS

Goal	Target
Goal 1. Eradicate extreme poverty and hunger	<ul style="list-style-type: none"> • Halve, between 1990 and 2015, the proportion of people who suffer from hunger
Goal 2. Achieve universal primary education	<ul style="list-style-type: none"> • Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.
Goal 3. Promote gender equality and empower women	<ul style="list-style-type: none"> • Eliminate gender disparity in primary and secondary education, preferably by 2005, and to all levels of education no later than 2015.
Goal 4. Reduce child mortality	<ul style="list-style-type: none"> • Reduce by two thirds, between 1990 and 2015, the under-five mortality rate
Goal 5. Improve maternal health	<ul style="list-style-type: none"> • Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio
Goal 6. Combat HIV/AIDS, malaria and other diseases	<ul style="list-style-type: none"> • Have halted by 2015 and begun to reverse the spread of HIV/AIDS. • Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases.
Goal 7. Ensure environmental sustainability	<ul style="list-style-type: none"> • Integrate the principles of sustainable development into country policies and programmes and reverse the losses of environmental resources. • Halve by 2015 the proportion of people without sustainable access to safe drinking water. • By 2020 to have achieved a significant improvement in the lives of at least 100 million slum dwellers.
Goal 8. Develop a Global Partnership for Development	<ul style="list-style-type: none"> • Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. • Address the special needs of the least developed countries • Address the special needs of landlocked countries and small island developing States. • Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term. • In cooperation with developing countries, develop and implement strategies for decent and productive work for youth • In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries • In cooperation with the private sector, make available the benefits of new technologies, especially information and communications

The performance of Grenada on the Caribbean specific MDGs is shown in Table 5.11. Some of the indicators have been derived from the 2008 SLC/HBS, while others have been obtained from relevant reports and other secondary sources. In respect of Goal 1, the eradication of extreme poverty, the country has made major strides in

reducing indigence which has declined since the 1990s. However, measured poverty might not have declined. Low birth weight did affect about 9 percent of children. Most of the population has access to basic services – electricity and running water, but pit-latrines are still in use by more than one-third of the population.

In respect of Goal 2, primary level education is universal, and secondary level education is tending in the same direction, and net enrolment rates for girls were slightly higher than for boys. The literacy rate for persons 15-24 was 96.7 percent.

The country compares well with others in respect of Goal 3. The gender parity ratios in primary and secondary schools were just under unity. Women accounted for 42.3 percent of those in wage employment, but only 26.7 percent of the representatives in Parliament.

Child mortality was 19 per 1000 live births. Immunisation of children one year of age was almost 100 percent (Goal 4). 100 percent of births were attended by skilled health personnel. However, there was a problem of adolescent fertility, with 40.3 percent of females reporting 15-19 as the age of first birth (Goal 5).

On Goal 6, contraceptive use was 54 percent among women, which would reduce the spread of HIV/AIDS. The incidence of malaria was rare. The death rate for tuberculosis was 0.9 per 1000 of population. However, 16.2 percent suffered chronic life style diseases.

In the matter of the environment, Hurricane Ivan had degraded the coral reefs. Moreover, it is estimated that all the reefs are threatened by human activity. The hurricane wrought major damage also on the infrastructure and on homes with over 18,000 persons were left homeless. Agriculture was also seriously affected. A large percentage of the population owned their own homes either with or without a mortgage.

The country has benefitted from overseas development assistance which was estimated at 5.6 percent of Gross National Income in 2006. However, debt service was 5.7 percent of net income. Unemployment was high at over 20 percent for males 15-19 and males 20-24 years of age.

On some other indicators, progress is being made. There is growing penetration of telephony through cellular phones and the number of personal computers per 100 population is growing. The country has made progress on most of the MDGs, although there are areas where it might have fallen short.

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Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 5.11: PERFORMANCE OF GRENADA ON THE CARIBBEAN-SPECIFIC MDGS

GOAL 1. ERADICATE EXTREME POVERTY AND HUNGER		
Target 1	Indicators	Status
Halve, between 1990 and 2015, the proportion of people who fall below the poverty line	1. Proportion of households living below the poverty line;	25.2 percent of households and 37.7 percent of individuals are living below the poverty line (2008 SLC).
	2. Poverty gap ratio	The poverty gap ratio is 10.1 and the poverty severity ratio is 4.0 (2008 SLC).
	3. Share of poorest quintile in national consumption	The lowest quintile accounted for 7.3 percent of national consumption and the fifth quintile accounted for 45.7 percent (2008 SLC).
	4. Proportion of employed living in households that are below the poverty line, by sex (of household head)	65.1 percent of individuals who were below the poverty line were employed (2008 SLC).
Target 2	Indicators	Status
Halve, between 1990 and 2015, the proportion of people who suffer from hunger	5. Prevalence of underweight children by sex	In 2000, 1.4 percent of males and 1.5 percent of females under the age of five years were underweight (<2,500g). (1); Over the period 2000 to 2007, 9 percent of infants had low birth weight. (2)
	6. Proportion of population below minimum level of dietary energy consumption by sex	2.4 percent of individuals were consuming at levels below the indigence line or minimum dietary energy consumption. 51.9 percent of these individuals were male and 48.1 were females (2008 SLC).
Target 3	Indicators	Status
Halve, between 1990 and 2015, the proportion of persons without access to basic services	7. Proportion of population with access to electricity by sex of head of households	90 percent of households used electricity as the main type of lighting (2008 SLC).
	8. Proportion of households using pit latrines by sex of household head	36.3 percent of households used pit latrines (2008 SLC).
Target 4	Indicators	Status
Halve, between 1990 and 2015, the proportion of persons living in inadequate housing	9. Proportion of population in inadequate housing by sex of head of household	1.5 percent of those in the lowest quintile reported that the material of the outer walls of their dwelling was "makeshift" (2008 SLC).

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

GOAL 2. ACHIEVE UNIVERSAL PRIMARY AND SECONDARY EDUCATION		
Target 5	Indicators	Status
Ensure that, by 2015, children everywhere (boys and girls alike) will be able to complete a full course of primary and secondary schooling, up to Grade 12	10. Net enrolment ratio in primary education by sex	The net enrolment ratio in primary education was 77 percent for males and 75 percent for females in 2007 (3)
	11. School attendance among primary school children by sex	The net primary school attendance ratio was 98 (UNICEF, 2001).
	12. Proportion of pupils starting Grade 1 who reach Grade 5 by sex	82.6 percent of pupils started grade 1 and reached the last grade of primary school (2002).
	13. Net enrolment ratio in secondary education by sex	The net secondary school enrolment ratio was 78 for males and 80 for females (2000-2007) (4)
	14. Proportion of pupils who reach Grade 12 (fifth form) in secondary school by sex	n/a
	15. Proportion of students who matriculate at Grade 12 with passes in at least two subjects English (or official language of country) and Mathematics by sex	n/a
	16. Literacy rate of 15-24 year-olds by sex	The literacy rate of persons 15-24 years was 96.7 percent (2008 SLC)
	17. Number of primary and secondary schools addressing gender stereotyping in the curriculum	n/a
	18. Percentage of schools with age appropriate curricula	All primary and secondary schools have age appropriate curricula (Ministry of Education).
	19. Percentage of trained teachers in primary and secondary schools	In 2007, 69 percent of primary school teachers in primary schools were trained (UNESCO).
20. Average number of children in class by grade by school	In 2004, the average number of children per class in pre-schools was 20, and it was 35 in primary and secondary schools (5)	

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

GOAL 3. PROMOTE GENDER EQUALITY AND EMPOWER WOMEN		
Target 6	Indicators	Status
Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015	21. Ratio of girls to boys in primary, secondary and tertiary education	The Gender Parity Index (which shows females' level of access to education compared to the access of males) at the primary level was 0.96 and 0.99 at the secondary level at the secondary level (6)
	22. Ratio of literate women to men of 15-24 years	In 1991, the literacy rate of males 93.7 and for females it was 95.1 (7)
	23. Proportion of students who take Maths and Science examinations at Grade 12 by sex	n/a
Target 7	Indicators	Status
Eliminate gender disparity in income and occupational opportunities at all levels and in all sectors, no later than 2015	24. Share of women in wage employment in the non-agricultural sector	Women accounted for 42.3 percent of those in wage employment in the non-agriculture sector in 1998 (8)
	25. Average national income of men and women by sector of employment	
	26. Employed persons by occupational status by sex	The occupational status of the majority of employed persons was Services/Sales occupations (22.8%) followed by Craft occupations (20%) and Elementary Occupations (13.2%) (2008 SLC).
	27. 27. Proportion of seats held by women in national parliament	In 2008, 26.7 percent of seats were held by women in national parliament, while in 1999 the proportion was 20 percent (9)
	28. Proportion of women holding office in local government	
Target 8	Indicators	Status
Reduce by 60% by 2015, all forms of gender based violence	29. Incidence of reported physical abuse by sex of the abused	n/a
	30. Existence of integrated national action plans to eliminate gender based violence by 2010	Grenada signed the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) in 1980 (10)
	31. Type of crime by age and sex of offender and age and sex of victim	Stealing/ theft was the nature of the crime reported by the largest percentage of persons who were victims of crime (2008 SLC).
	32. Age and sex of persons who report experiencing physical violence in the past year at the hands of an intimate partner	n/a
	33. Percentage of sexual assault cases completed through the court process in a 12-month period of the date of charge	n/a

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Grenada, Carriacou and Petit Martinique 2007/08*

GOAL 4. REDUCE CHILD MORTALITY		
Target 9	Indicators	Status
Reduce by two thirds, between 1990 and 2015, the under-five mortality rate	34. Under-five mortality rate by sex	The under-5 mortality rate was 19 children per 1,000 live births in 2007 (11)
	35. Infant mortality rate by sex	In 2007, the infant mortality rate was 15 children per 1,000 live births (12)
	36. Proportion of children 1-5 years of age who have received complete immunization coverage (BCG, three doses of DPT and oral polio, measles)	98 percent of 1 year old children were immunised against measles in 2006 (13)
	37. Number of children injured through, violence by sex and age	n/a
	38. Number of children killed through violence, by sex and age of victim and perpetrator	n/a
GOAL 5. IMPROVE MATERNAL HEALTH		
Target 10	Indicators	Status
Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	39. Maternal mortality ratio per 1,000 population	The maternal mortality ratio was 0 from 2000-2007 (14)
	40. Proportion of births attended by skilled health personnel	100 percent of all births in 2005 were attended to by skilled health personnel (15)
Target 11	Indicators	Status
Universal access to reproductive and sexual health services through the primary healthcare system by 2015	41. Proportion of contraceptive demand satisfied	n/a
	42. Adolescent fertility rate	In 2000, the adolescent birth rate per 1,000 women was 52.9 (16); 40.3 percent of females reported that the age at their first birth was between the ages of 15-19 (2008 SLC).

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

GOAL 6. COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES		
Target 12	Indicators	Status
Have halted by 2015 and begun to reverse the spread of HIV/AIDS	43. HIV prevalence among pregnant women aged 15-24 years	n/a
	44. Condom use, rate of contraceptive prevalence <ul style="list-style-type: none"> a) Condom use at last high risk sex by sex b) Percentage of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS by sex c) Contraceptive prevalence rate 	Contraceptive prevalence over the period 2000-2007 was 54 % for women (17) Condom use to overall contraceptive use among currently married women 15-49 years old was 40.3 percent in 1990 (18) This was 54.3 for any method and 21.9 for condoms among married women 15-49 years old (1990) (19)
	45. Condom use as a proportion of overall contraceptive use by persons, ages 15-24, in consensual unions by union type	n/a
	46. Ratio of school attendance of orphans to school attendance to non-orphans (10-14)	n/a
	47. Proportion of children orphaned by HIV/AIDS by age group	n/a
Target 13	Indicators	n/a
Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases	48. Prevalence and death rates associated with malaria	The malaria related mortality rate was 0.0 percent in 2000 (20)
	49. Proportion of population in malaria risks areas using effective malaria preventive and treatment measures	n/a
	50. Prevalence and death rates associated with tuberculosis	The tuberculosis prevalence rate and death rates in 2006 was 7.9 per 1,000 population and 0.9 per 1,000 population respectively (21)
	51. Proportion of tuberculosis cases detected and cured under DOTS	The tuberculosis incidence rate was 5 per 1,000 population in 2006 (22)
	52. Existence of programmes that take into account the gender dimensions of power in the transmission and treatment of HIV/AIDS	n/a
	53. Prevalence of chronic diseases by sex and age	16.2 percent suffered from chronic lifestyle diseases (2008 SLC).
	54. Provision of support services for primary caregivers	

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

GOAL 7. ENSURE ENVIRONMENTAL SUSTAINABILITY		
Target 14	Indicators	Status
Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources	55. Proportion of land area covered by forest	12.2 percent of land area is covered by forests (2005) (23); 7 square km of terrestrial area and 1 percent of marine areas are protected (2007) (24); 758 kg of oil equivalent per capita in 2001 (25); Carbon dioxide emissions were 2.0693 metric tons of CO ₂ per capita (2004) (26); In 2003, 48 percent of the population was using solid fuels (27)
	56. Ratio of area protected to maintain biological diversity to surface area	
	57. Energy use (kg oil equivalent) per GDP (PPP)	
	58. Carbon dioxide emissions per capita	
	59. Proportion of population using solid fuels (with access to secure tenure)	
Target 15	Indicators	
Halve, by 2015, the proportion of people without sustainable access to safe drinking water and improved sanitation	60. Proportion of population with sustainable access to an improved water source	97 percent of the urban population had an improved drinking water source in 2006. In 2001, 94 percent of the entire population had an improved water source with 97 percent in urban areas and 93 percent in rural areas having such access (28)
	61. Proportion of urban population with access to an improved sanitation	96 percent of the urban population was using an improved sanitation facility. The percentage was 97 for the rural population (2006) (29)
Target 16	Indicators	
Have achieved by 2020, significant improvement in the lives of at least 70% of persons living in poor communities	62. Proportion of households with access to secure tenure	83.2 percent of households owned their homes with/ without a mortgage (2008 SLC).
Target 17	Indicators	
Construct and Implement a vulnerability index for the Caribbean within the next five years, which is sensitive to economic, social and environmental threats	63. Percentage of coral reefs destroyed by human activity	All the 160 sq km of reefs around the waters of Grenada are threatened by human activity. (30)
	64. Percentage of coral reefs destroyed by natural disasters	Hurricane Ivan in 2004 did cause some degradation to coral reefs. (31)
	65. Incidence of natural disasters	Grenada experienced hurricane Ivan in September 2004 and hurricane Emily in July 2005.
	66. Economic losses resulting from natural disasters	Total damage of Hurricane Ivan in 2004 was estimated at EC\$ 2.4 billion (32)
	67. Social dislocation resulting from natural disasters	Hurricane Ivan left several persons homeless as 18,000 persons were without homes after its passage. (33); Most of the damage of hurricane Emily affected the housing and agricultural sectors. (34)
	68. Existence of a sustainable framework for the collection, processing and analysis of data relevant to the construction of a Vulnerability Index	n/a

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

GOAL 8 : DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT		
Target 18	Indicators	Status
Develop further an open, ruled-based predictable, non-discriminating trading and financial systems	69. Net ODA as a percentage of OECD/DAC donors' gross national product (targets of 0.7% in total and 0.15% for LDCs)	In 2006, ODA as percentage of Gross National Income was 5.64 percent. (35)
	Proportion of ODA to basic social services (basic education, primary health care, nutrition, safe water and sanitation)	n/a
Target 19 Address the special needs of the Least Developed Countries, LDCs (includes tariffs and quota free access for LDCs' exports; enhanced programme of debt relief for HIPCs and cancellation of official bilateral debt; and more generous programmes of debt relief for countries committed to poverty reduction)	70. Proportion of ODA that is untied	n/a
	71. Proportion of ODA for environment in Small Island Developing States	n/a
	72. Proportion of ODA for transportation in land locked countries	n/a
	73. Proportion of exports (by value and excluding arms) admitted free of duties and quotas	n/a
	74. Services as a proportion of total exports	n/a
Target 20 Address the special needs of landlocked countries and SIDS	75. Average tariffs and quotas on agricultural products and textiles ad clothing from developing countries	n/a
	76. Domestic and export agriculture subsidies in OECD countries	n/a
	77. Sanitary and phytosanitary rules implemented by developed countries which exceed the standards specified by international organisations	n/a
Target 21 Deal comprehensively with the debt problems of developing countries, through national and international measures in order to make debt sustainable in the long term	78. Cost of implementing sanitary/ phytosanitary measures as a percentage of the total value of exports for which these measures are required	n/a
	79. Proportion of ODA provided to help build trade capacity	n/a
Target 22 In cooperation with developing countries, develop and implement strategies for decent and productive work for youth, women and especially vulnerable groups	80. Proportion of official bilateral HIPC debt cancelled	n/a
Target 23 In cooperation with pharmaceutical companies,		

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

<p>provide access to affordable internationally approved essential drugs in developing countries</p> <p>Target 24</p> <p>In cooperation with the private sector, make available the benefits of new technologies, especially information and communications</p>	81. Debt service as a percentage of export of goods and services	Debt service as a percentage of exports of goods and services and net income was 5.7 percent in 2005. (36)
	82. Proportion of ODA provided as debt relief	n/a
	83. Unemployment rate by age group and sex	15-19 year old males have an unemployment rate of 20.1%, while 15-19 year old females have a rate of 17.7%; 20-24 year old males have an unemployment rate of 27.5%, while females in the same age group have an unemployment rate of 21.1%.
	84. Proportion of population with access to affordable essential, approved drugs on a sustainable basis	n/a
	85. Telephone lines per 100 people	In 2006, there were 26.74 telephone lines per 100 population and there were 27, 702 telephone lines. Also in 2006, there were 46, 193 cellular subscribers. (37)
	86. Personal computers per 100 people	In 2004, there were 15.65 personal computers per 100 population. (38)
	87. Ratio of personal computers to students in primary and secondary school	n/a
	88. Use of internet by government to provide information to the population	n/a

CHAPTER SIX: THE FACE OF POVERTY IN GRENADA

This chapter answers a number of burning questions about poverty in Grenada, namely:

- Who are the poor?
- Where do they live?
- How do they live?
- What are the physical conditions under which they live?
- How do they cope with the situations that they face?

6.1 GEOGRAPHIC DISTRIBUTION OF POVERTY

Most of the Country's poor live in St. George (27.2%) and St. Andrew (31.9%); this is not surprising as these two Parishes together account for 56 percent of the total resident population of Grenada.

The poor are however over-represented in the case of St. Andrew which accounts for 26.8 percent of the population, but 31.9 percent of the poor. The Parishes of St. Patrick and St. Mark also warrant attention for the same reason; these Parishes account for 10.3 percent and 3.9 percent of the resident population respectively, but together account for 21.1 percent and of the country's poor (Table 6.1).

TABLE 6.1: DISTRIBUTION OF POOR AND NON POOR BY PARISH

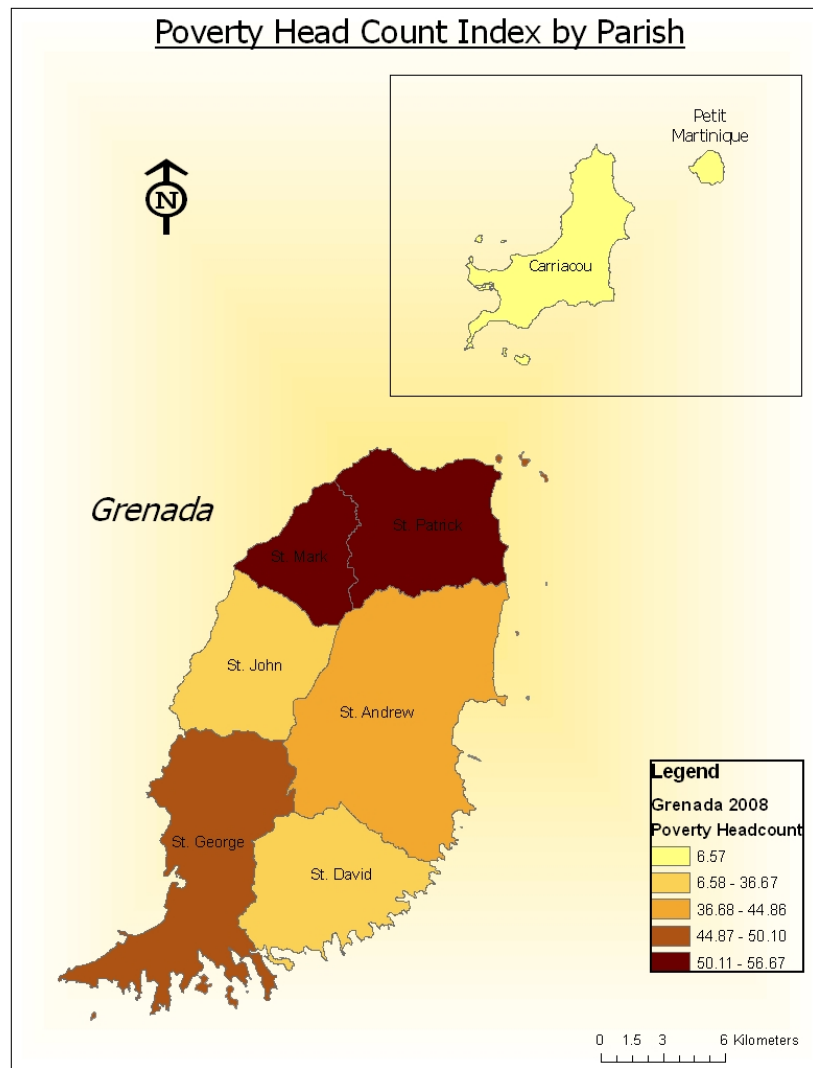
Parish	Socio-Economic Status		
	Poor	Non Poor	Total Population
	%		
St George	27.2	30.5	29.2
St George's Town	1.5	5.2	3.8
St John	8.4	8.8	8.6
St Mark	5.7	2.9	3.9
St Patrick	15.4	7.1	10.3
St Andrew	31.9	23.7	26.8
St David	8.8	12.7	11.2
Carriacou	1.1	9.1	6.1
Total	100.0	100.0	100.0

A look at the data on the percentage poor within Parishes shows this point more clearly. These data confirm that 56.7 percent of residents in the Parish of St. Patrick and 54.5 percent of St. Mark are deemed to be poor (Table 6.2). St Andrew also had a poverty rate that was higher than the national average; 44.9 percent of residents in this Parish were consuming at levels below the poverty line. The Maps which follow provide summary information on the incidence, severity and depth of poverty pictorially.

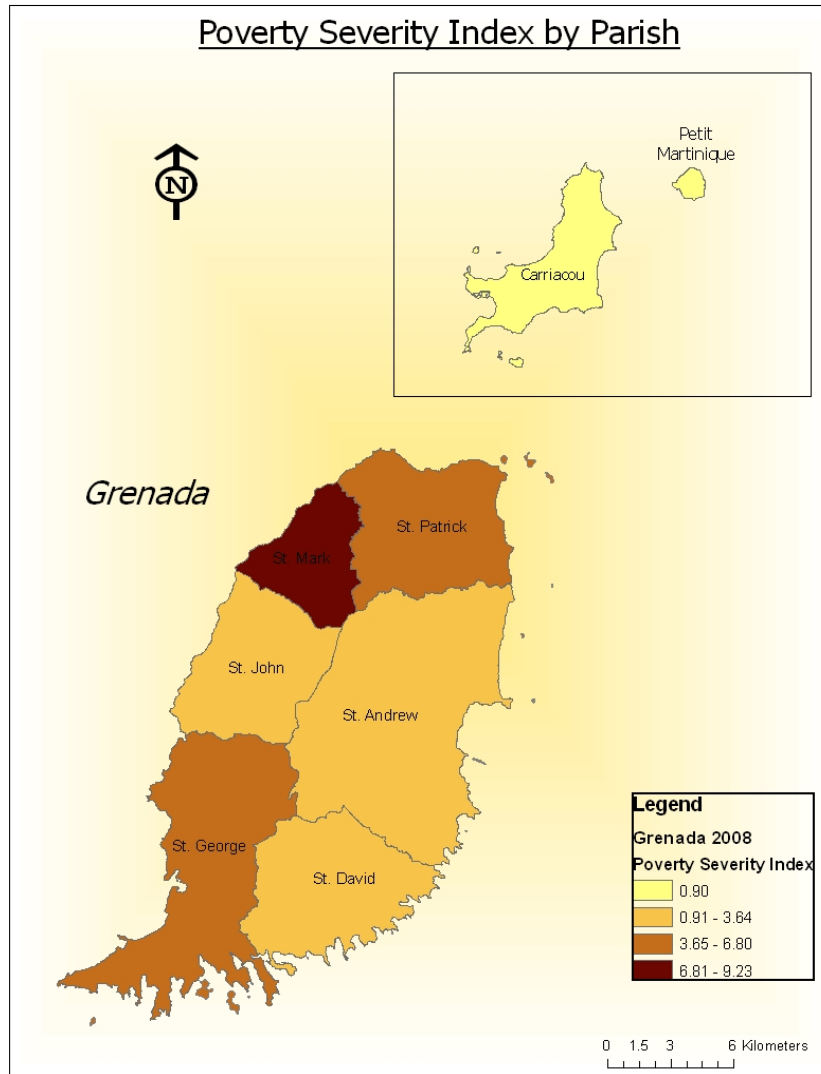
*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 6.2: PERCENTAGE OF RESIDENTS POOR BY PARISH

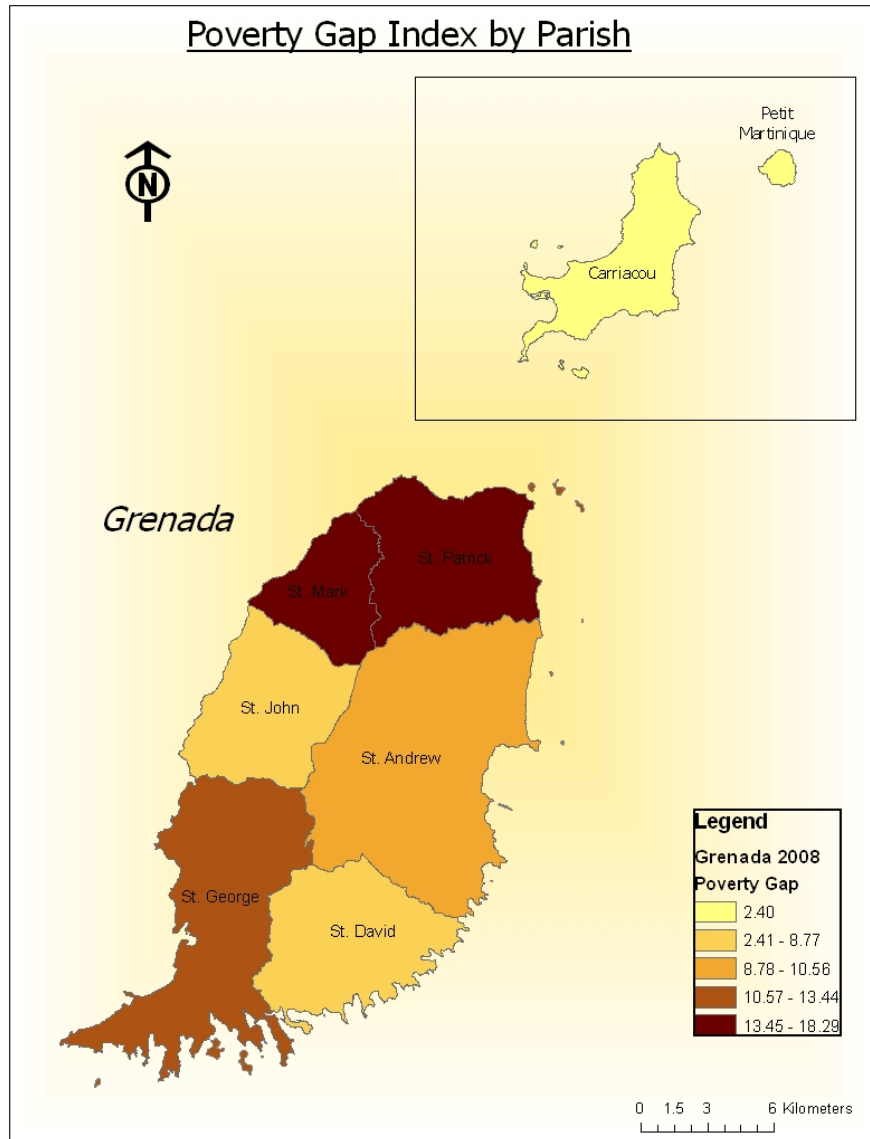
Parish	Poor Population		Non Poor Population		Total Population	
	Count	%	Count	%	Count	%
St. George	11,263	35.1	20,826	64.9	32,089	100.0
St. George's Town	630	15	3,570	85	4,200	100.0
St. John	3,478	36.7	6,008	63.3	9,486	100.0
St. Mark	2,347	54.5	1,963	45.5	4,310	100.0
St. Patrick	6,392	56.7	4,888	43.3	11,280	100.0
St. Andrew	13,195	44.9	16,218	55.1	29,413	100.0
St. David	3,637	29.5	8,697	70.5	12,334	100.0
Carriacou	437	6.6	6,213	93.4	6,650	100.0
All Grenada	41,379	37.7	68,383	62.3	109,762	100.0



MAP 6.1 – POVERTY HEADCOUNT INDEX BY PARISH



MAP 6.2: POVERTY SEVERITY INDEX BY PARISH



MAP 6.3: POVERTY GAP INDEX BY PARISH



MAP 6.4: PERCENTAGE VULNERABLE PERSONS IN 2008 BY PARISH

6.2. DEMOGRAPHIC DISTRIBUTION OF POVERTY

Children (persons aged 0-14) and youths (persons aged 15-24) together account for 66.4 percent of the poor. These two groups are disproportionately represented among the poor: children account for 29.2 percent of the population, but 39.4 percent of the poor; while youths account for 21.4 percent of the population, but 27.0 percent of the country's poor. This reflects the underlying fact that poorer people are likely to have more children than the better-off.

In contrast, the well being of the elderly (persons aged 65 years and above) is in much better standing. While 11.2 percent of the population belongs to this group, they account for only 4.0 percent of the poor (Table 6.3). This should not be interpreted to mean that there are few elderly with well being issues. Indeed, there may well be high levels of inequality among them, between those who are returning retirees on the one hand, and others who are reliant on public assistance, or on relatives for financial support.

The data suggest that more males are poor relative to females: 39.5 percent of all males were deemed to be poor, compared to 36.2 percent of all females (Table 6.4). This result was statistically significant at the 0.01 level.

TABLE 6.3: DISTRIBUTION OF POOR BY AGE GROUP

Five Year Age Group	% in Poor Population	% in Total Population
0-4	14.5	10.0
5-9	12.6	9.7
10-14	12.3	9.5
15-19	14.6	11.7
20-24	12.4	9.7
25-29	6.6	6.6
30-34	3.4	4.1
35-39	3.5	4.9
40-44	4.6	5.0
45-49	4.2	5.2
50-54	3.1	4.7
55-59	2.8	3.9
60-64	1.3	3.6
65 +	4.0	11.3
Total	100.0	100.0

TABLE 6.4: DISTRIBUTION OF MALES AND FEMALES BY POVERTY STATUS

	Socio-Economic Status		
	Poor	Non Poor	Total Population
Sex	%		
Male	39.5	60.5	100
Female	36.2	63.8	100
Total	37.7	62.3	100

6.3 EMPLOYMENT STATUS OF THE POOR

Of those that are categorized as poor (consuming at levels below the poverty line), 65.1 percent are employed and 34.9 percent are unemployed (Table 6.5). Additionally, the unemployment rate for the poor was 10 percentage points higher than the national unemployment rate of 24.9 percent.

TABLE 6.5: DISTRIBUTION OF POOR AND NON POOR BY EMPLOYMENT STATUS

Employment Status	Socio-Economic Status		
	Poor	Non Poor	Total Population
	%		
Employed	65.1	80.8	75.1
Unemployed	34.9	19.2	24.9
Total	100.0	100.0	100.0

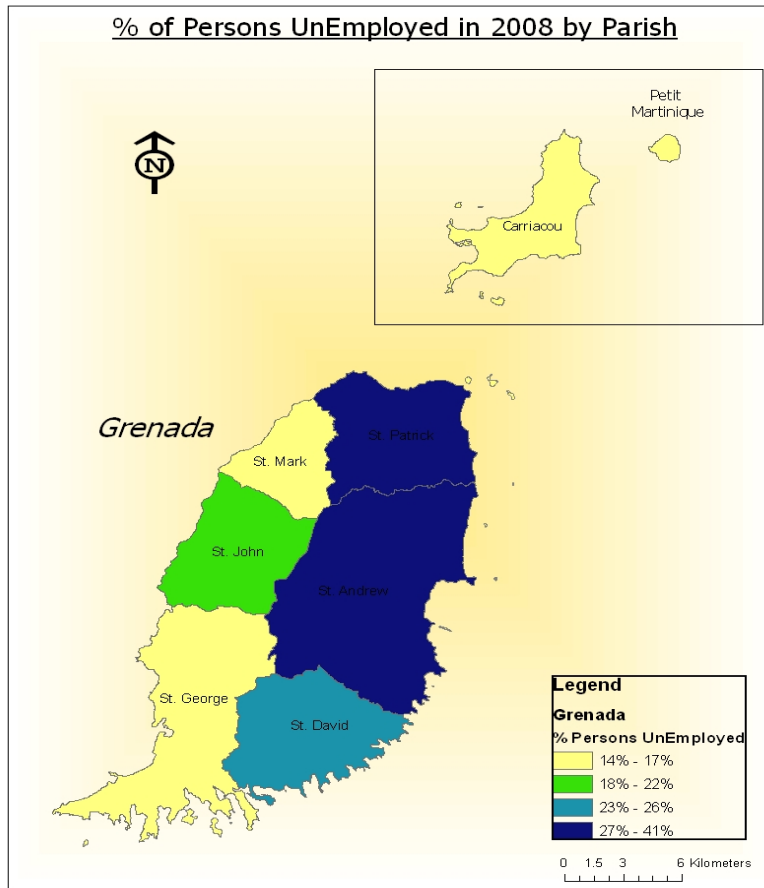
Of those who are employed, 31.5 percent are deemed to be poor; a phenomenon known as the working poor (Table 6.6). Although these persons maintain regular employment they remain in relative poverty due to low levels of pay and/or expenses on dependants. This statistic should not be interpreted to mean that such persons are earning incomes that are less than the poverty line of EC\$487 per month

(recall that persons are deemed to be poor if the household in which they live is unable to meet the required consumption level for the number and composition of that particular household); rather it is the case that the income being earned is insufficient to keep the household out of poverty.

TABLE 6.6: LABOUR FORCE BY EMPLOYMENT STATUS AND SOCIOECONOMIC STATUS

Employment Status	Poor	Non Poor	Total	
	%	%	N.	%
Employed	31.5	68.5	35,722	100.0
Unemployed	50.8	49.2	11,859	100.0
Total Labour Force	36.3	63.7	47,581	100.0

The poor are over-represented in construction and agriculture/fishing sectors of the economy (Table 6.7). While construction tends to provide employment for large numbers and is often used by governments to stimulate economic activity, the type of jobs tends to be of a low paying unskilled or low skilled nature. In the case of agriculture and fishing communities, consumption is often tied to natural disasters and other uncontrollable events, thus increasing the risk of persons in these sectors to fall into poverty.



MAP 6.5: PERCENTAGE OF PERSONS UNEMPLOYED IN 2008 BY PARISH

TABLE 6.7: DISTRIBUTION OF POOR AND NON POOR BY INDUSTRY

Industry	Socio-Economic Status		
	Poor	Non Poor	Total
	%		
Agriculture & Fishing	11.3	7.7	8.8
Manufacturing	1.7	3.8	3.1
Construction	25.6	18.5	20.7
Wholesale & Retail	4.9	6.3	5.9
Hotel and Restaurant	2.6	3.3	3.0
Transportation	3.0	3.7	3.5
Services	35.0	37.2	36.5
Admin./Social Security	0.8	1.1	1.0
Education/Social Work	5.7	9.6	8.4
Other	9.5	8.9	9.1
Not Stated	0.0	0.0	0.0
Total	100.0	100.0	100.0

6.4 PHYSICAL LIVING CONDITIONS OF THE POOR

6.4.1 MEAN HOUSEHOLD SIZE

Poorer households were more likely to have larger mean household size and larger, adult equivalent household size (Table 6.8). The average number of individuals living in a household in the poorest quintile was 5, compared to the national average of 3 persons per household across all consumption groups. Households in the poorest quintile had a mean adult equivalent size of 4.01 compared to the national mean of 2.61 across all consumption

groups. There were also more persons per bedroom in the lower quintiles than in the higher quintiles.

6.4.2 DWELLING CONDITIONS

Among the poor, 58.2 percent of households had homes built of wood or timber compared to the national average of 32.6 percent. In contrast 61.6 percent of all households used either concrete or some combination of wood and concrete as the main material for its outer walls. Of significant concern is the fact that 1.2 percent of poor households had “makeshift” accommodations.

TABLE 6.8: MEAN ADULT EQUIVALENT HOUSEHOLD SIZE

	Household Quintiles					
	Poorest	II	III	IV	V	Total
	Mean					
Persons Per Bedroom	2.47	1.79	1.39	1.09	0.78	1.51
Adult Equivalent Household Size	4.01	3.29	2.57	1.90	1.28	2.61
Mean Size of Household	5	4	3	3	2	3

TABLE 6.9: DISTRIBUTION OF POOR AND NON POOR BY MAIN MATERIAL OF OUTER WALLS

Material of Outer Walls	Socio Economic Status		
	Poor	Non Poor	All Households
	%		
Wood/Timber	58.2	24.0	32.6
Concrete/Concrete Blocks	16.0	46.7	38.9
Wood & Concrete	16.4	24.8	22.7
Stone	0.0	0.1	0.1
Plywood	5.6	3.7	4.2
Makeshift	1.2	0.0	0.3
Other/Don't Know	2.6	0.8	1.3
Total	100.0	100.0	100.0

There has been substantial rural urban migration in the last ten years, with the sluggish growth or relative decline in Agriculture. There is evidence of the growth of tenements in the districts in close proximity to St. Georges. Behind the statistics may well be the emergence of urban ghettos in Grenada.

In addition, there are houses that were destroyed by Hurricane Ivan in 2004, and some households have not had the wherewithal to reconstruct: cheap materials may be in use for temporary shelter. According to one resident in a poorer community in the course of the PPA, "Ivan mash up the whole house and everything in it." In such circumstances, and more so in situations of poverty, rebuilding and restoration can be long process and might start with lower quality materials until circumstances improve.

Most households in Grenada own the homes they love in, but the poor were significantly less likely to own their homes (with or without a mortgage); 76.3 percent of poor households own their home compared to 85.5 percent of non-poor households. Poor households were more likely to occupy rented accommodations (15.7 %) or to live in rent-free accommodations (7.9%) than non-poor households. A very small percentage of households admitted to squatting (less than one percent) and about six percent indicated that they live "rent free."

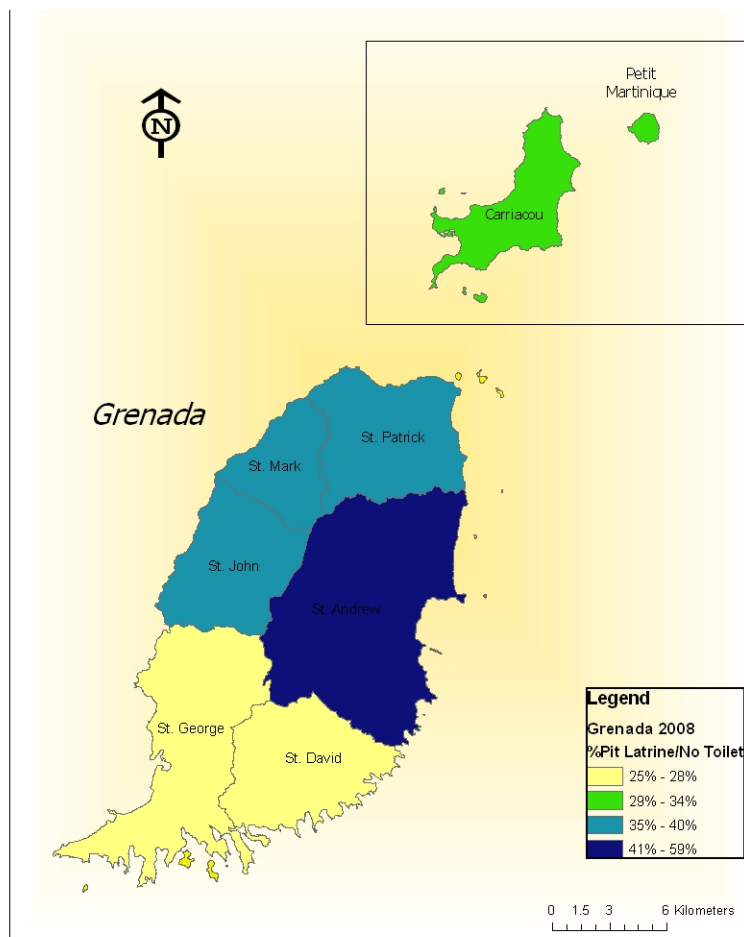
The majority of poor households (66.6%) used pit latrines. Only one third of poor households had water closets linked a septic tank/soak-away or sewer, compared to 71.6 percent of the non-poor.

TABLE 6.10: DISTRIBUTION OF POOR AND NON POOR BY TENURE OF DWELLING

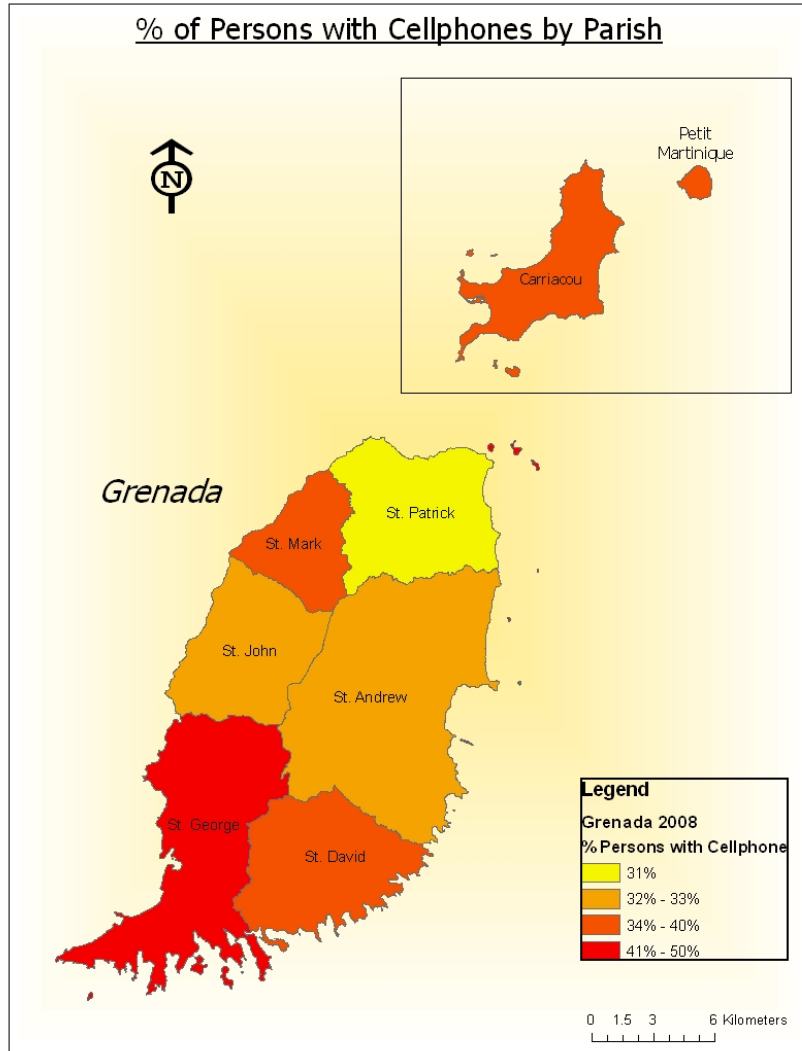
Tenure of Dwelling	Socio Economic Status		
	Poor	Non Poor	Total
	%		
Owned with/without a Mortgage	76.3	85.5	83.2
Rented-Furnished/Unfurnished/Private/Gov't	15.7	8.1	9.9
Rent Free	7.9	4.9	5.7
Squatted	0.0	0.3	0.3
Other	0.0	1.2	0.9
Total	100.0	100.0	100.0

TABLE 6.11: DISTRIBUTION OF POOR AND NON POOR BY TYPE OF TOILET FACILITIES

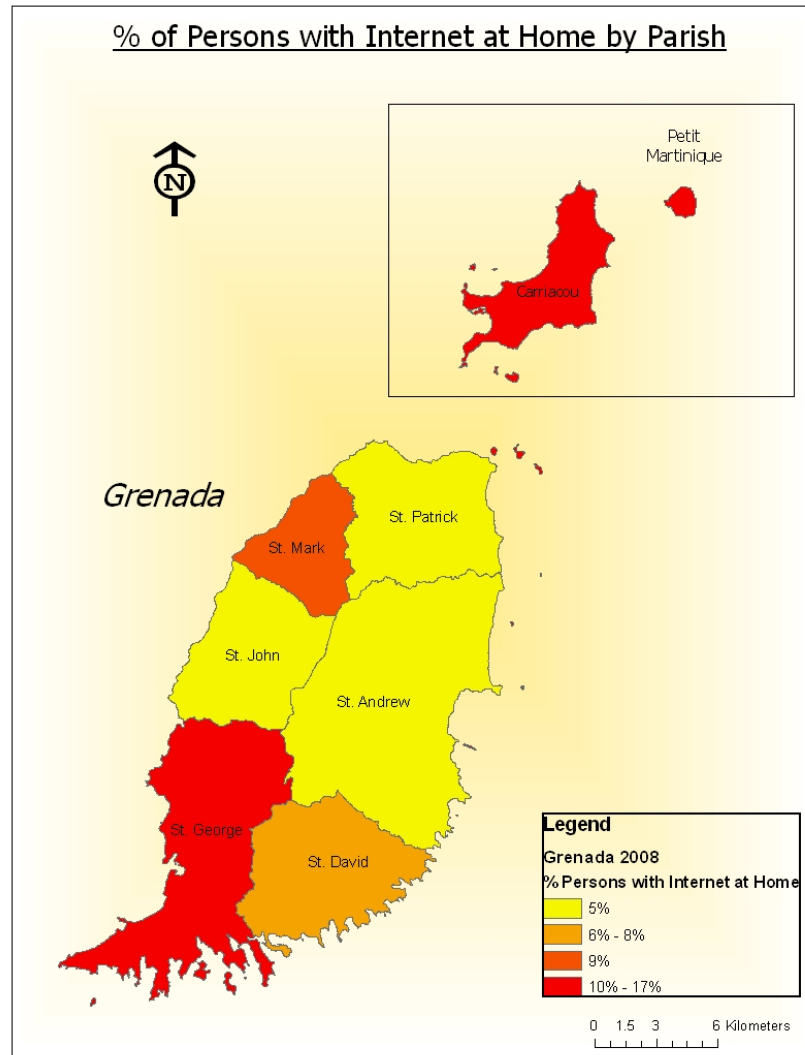
Type of Toilet Facility	Socio Economic Status		
	Poor	Non Poor	Total
	%		
W.C. Linked to sewer	1.6	10.4	8.2
W.C. Linked to Septic tank/Soak-away	29.0	61.2	53.1
Pit-latrine/Ventilated Pit Latrine	66.6	26.2	36.3
Other/None	2.8	2.3	2.4
Total	100.0	100.0	100.0



MAP 6.6: PERCENTAGE OF HOUSEHOLDS WITH PIT LATRINES OR NO TOILET FACILITIES BY PARISH



MAP 6.7: PERCENTAGE OF PERSONS WITH CELLPHONES BY PARISH



MAP 6.8: PERCENTAGE OF PERSONS WITH INTERNET AT HOME BY PARISH

CHAPTER SEVEN: LABOUR MARKET ISSUES

7.1 INTRODUCTION

The labour market is the source for the acquisition of income of most households in a modern economy. The peasant economy that started to emerge as plantation agriculture receded, provided subsistence income, but the needs of peasants extended much beyond basic food. Their entree into banana production for export and the relative success in this regard establish their modern market credentials. When small scale agriculture could no longer provide the wherewithal for households in a society that is aware, in real time, of the material standards of other countries, small holders would seek wage employment in the domestic formal economy, or in labour markets abroad. The boom in the neighbouring economy of Trinidad and Tobago would have attracted substantial numbers: indeed, there has long been a trek of workers from Grenada to Trinidad. The informal sector activity has also always been an option in the face of lack of absorption in the formal economy. Given that some households have relatives abroad, remittances can be a factor determining labour market commitment.

It could be argued that the presence of powerful trade unions and likewise the existence of minimum wages and other

regulatory arrangements could raise wage rates above market clearings wage rates in the formal sector. On the other hand, with informal sector activity always being a possibility and increasingly, participation in the underground economy, the supply of labour to the formal sector is mediated by myriad factors. There is also the fact of gender segmentation in the labour market. Construction activity which grew with loans and grants provided for reconstruction would have created employment mainly for men in the period 2005, before such expenditures tapering off as economic contraction spread from abroad into the local economy.

Many of the residents in the PPA alluded to the tightness of the labour market. This elicited response mechanisms. Some respondents chose illegal activity.

"well may be a little gambling."

"Having sex for money."

"Sell drugs, fastest way to make money."

7.2 SLC LABOUR MARKET DATA

The Survey estimated the labour force to be 47,581 persons with 35,722 persons employed and 11,859 unemployed. The unemployment rates in the two lowest quintiles were higher than the national average: of 24.9 percent. While

unemployment rates fell with socio-economic status from 37.8 percent in the poorest quintile to 15.1 percent in the highest, unemployment remains a major problem faced by residents of Grenada. The mean number of hours worked during the reference period for those in the lowest quintile was 37 hours and for those in the highest quintile it was 40 hours.

Box 1 provides some key labour force definitions that are used in Table 7.1 which shows labour force indicators for Grenada.

Participants in the PPA expressed a sense of hopelessness among poorer

people created by deep structural unemployment.

The data in Table 7.2 show that *indigent* and the *poor but not indigent* individuals enter the labour force at earlier ages than those in higher consumption groups. Indigent youths (aged 15-24) were more likely (52.3%) to be participants in the labour force compared to their counterparts in any other per capita consumption group, an indication that the opportunity cost of participating in the educational system may be too high.

BOX 1: LABOUR FORCE DEFINITIONS

The Employed: All residents of Grenada who, during the rolling reference week of the SLC/HBS, worked for at least one hour. In addition, the employed included persons on vacation and other types of leave (sick, maternity etcetera) with a formal attachment to their jobs during the aforementioned reference week.

The Unemployed: All residents, who during the rolling reference week of the SLC/HBS, were without work, wanted to work, were seeking work and were available for work during the three-week period beginning at the start of the reference week.

Participants in the Labour Force: All residents who were 15 years and over at the time of the survey, who were either employed or unemployed.

Source – Surveys on Economically Active Population, Employment, Unemployment and Underemployment: an ILO Manual on Concepts and Methods, 1990.

TABLE 7.1: GRENADA SUMMARY LABOUR FORCE INDICATORS

Employment Status	Per Capita Consumption Quintiles					
	Poorest	II	III	IV	V	Total
Size of Labour Force	8,711	9,602	9,229	9,871	10,168	47,581
Labour Force Participation Rate (%)	67.7	67.6	59.3	59.6	55.0	61.2
No. Employed	5,419	6,645	7,078	7,947	8,634	35,722
No. Unemployed	3,292	2,957	2,152	1,924	1,534	11,859
Unemployment Rate (%)	37.8	30.8	23.3	19.5	15.1	24.9
Male Unemployment Rate (%)	25.3	20.2	20.6	14.2	10.2	17.9
Female Unemployment Rate (%)	49.6	40.5	26.2	25.1	19.5	31.8
Mean No. Hours Worked in Reference Week	37	40	39	39	40	39
Long term unemployment % (Unemployed Labour force participants that have not worked for the past 12 months or more.)	33.9	32.9	35.4	43.1	49.4	37.4

TABLE 7.2: DISTRIBUTION OF LABOUR FORCE PARTICIPANTS BY AGE GROUPS AND SOCIOECONOMIC STATUS

Five Year Age Group	Socio-Economic Status				All Groups
	Indigent	Poor but Not Indigent	Not poor but Vulnerable	Not Poor and Not Vulnerable	
15-19	24.5	11.5	8.8	5.5	8.4
20-24	27.8	28.1	18.1	14.6	20.0
25-29	5.4	14.4	15.4	13.5	13.9
30-34	3.5	7.5	9.3	8.6	8.2
35-39	6.4	7.9	15.4	10.6	10.3
40-44	16.0	9.3	7.8	9.3	9.2
45-49	8.0	9.7	7.2	11.9	10.4
50-54	3.9	5.8	6.7	12.3	9.1
55-59	0.0	3.7	6.9	6.7	5.5
60-64	0.0	1.4	3.4	3.5	2.7
65 +	4.5	0.7	1.0	3.5	2.2
Total (%)	100.0	100.0	100.0	100.0	100.0
Total (N)	1,029	16,239	6,846	23,470	47,854

The unemployment rate among women was much higher than that for men - 31.8 percent, compared to a male unemployment rate of 17.9 percent (Table 7.3).

A closer look at unemployment by sex and age confirms that the Youth (persons aged 15-24) accounted for 42.0 percent of all unemployed persons in Grenada (Table 7.4). Young males in particular were more likely than any other group to be unemployed: young

men accounted for 47.6 percent of all male unemployment, while young women accounted for 38.8 percent of all unemployed women.

However, as seen in Table 7.1 above, unemployment among women, as with men fell, with socio-economic status. The segmentation of the labour market means too that differential growth rates by sector would result in differential unemployment rates for men and for women.

TABLE 7.3: EMPLOYMENT STATUS BY SEX

Employment Status	Male		Female		Total	
	Count	%	Count	%	Count	%
Employed	19,295	82.1	16,427	68.2	35,722	75.1
Unemployed	4,198	17.9	7,661	31.8	11,859	24.9
Total	24,493	100.0	24,088	100.0	47, 581	100.0

TABLE 7.4: UNEMPLOYED BY AGE GROUP AND SEX

Five Year Age Group	Sex		All Unemployed Persons
	Male	Female	
15-19	20.1	17.7	18.6
20-24	27.5	21.1	23.4
25-29	6.9	15.0	12.1
30-34	10.6	6.6	8.0
35-39	4.0	13.5	10.1
40-44	6.3	7.1	6.8
45-49	5.0	7.0	6.3
50-54	11.3	6.3	8.0
55-59	3.1	2.2	2.5
60-64	4.8	2.5	3.3
65 +	0.5	0.9	0.8
Total (%)	100.0	100.0	100.0
Total (N)	4,198	7,661	11,859

Further, youths within the 15-19 age group were 25 percentage points more likely to be unemployed than youths aged 20-24, with those in the poorest quintile having the higher rates of unemployment than their counterparts in higher consumption quintiles (Table 7.5). The younger age group was more likely to lack preparation for labour market entry.

The services sector accounted for 34.3 percent of employed persons and was the single largest industry employer. Construction accounted for 19.0 percent of all employed persons, but employment within this sector decreased as socio-economic status improved. Within the poorest quintile, services, agriculture/fishing and hotel/restaurants were over-represented vis-à-vis the distribution among all employed persons.

TABLE 7.5: YOUTH UNEMPLOYMENT RATE BY QUINTILES (%)

Five Year age Group	Percentage Unemployed within Consumption Quintile					
	Poorest	II	III	IV	V	All Grenada
15-19 years	61.8	57.3	46.2	50.7	51.9	54.9
20-24 years	37.0	28.0	29.5	23.4	20.3	29.2

TABLE 7.6: EMPLOYED PERSONS BY INDUSTRY AND QUINTILES (PERCENT)

Industry	Consumption Quintiles					
	Poorest	II	III	IV	V	All Employed Persons
	%					
Agriculture & Fishing	11.9	10.1	6.8	9.8	4.1	8.2
Manufacturing	0.7	2.2	3.5	5	2.1	2.8
Construction	23.5	23.9	20.2	17.3	12.9	19.0
Wholesale & Retail	2.4	6.1	4.7	4.0	9.1	5.5
Hotel and Restaurant	3.2	1.5	2.8	1.9	4.3	2.8
Transportation	3.5	1.4	1.6	4.5	4.2	3.1
Services	30.0	33.4	40.8	29.1	37.2	34.3
Admin./Social Security	0.7	0.6	1.1	2.1	0	0.9
Education/Social Work	4.3	6	5.9	11.5	9.6	7.8
Other	10.2	7.7	5.2	9.1	7.7	7.9
Not Stated	9.7	7.1	7.5	5.7	8.8	7.7
Total (%)	100	100	100	100	100	100
Total (N)	5,419	6,645	7,078	7,947	8,634	35,722

The perception of legal options to wage employment was reflected in statements made by participants in the PPA. Agriculture did not look attractive after the Hurricanes.

"People not working the land again"

"Although I have land, I do not have enough money to buy chemicals and to take care of the plants and this frustrates me."

Table 7.7 shows the type of worker by quintiles. The private sector is the single largest employer as 57.0 percent of workers reported that they were a "private paid employee". The government sector accounted for 22.2 percent of workers while 11.9 percent of workers were self employed (with and without employees).

Self-employment in other fields was also constrained in some cases by the availability of credit. One participant on the PPA remarked:

"I am in sewing and craft class but can't move on because I have no money to buy a machine and materials to make things to sell."

In the general circumstances of the labour market operations in 2007/2008, it was not surprising that the Labour Commissioner's Office was not seen as interstitial in the placement of workers.

Most employed persons worked a 35-40 hour week, irrespective of socio-economic group, but persons in poorer quintiles were more likely to have worked less than a full 35-40 hour work week, compared to persons in higher consumption quintiles (Table 7.8)

TABLE 7.7: TYPE OF WORKER BY QUNITILES

Type of Worker	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Paid Employee - Government	22.0	24.0	20.8	21.3	22.9	22.2
Paid Employee - Statutory	0.0	0.7	1.2	3.2	4.8	2.2
Paid Employee - private	63.7	64.2	60.7	51.8	49.1	57.0
Self employed without employees	0.8	7.3	9.9	11.1	13.6	9.2
Self employed with employees	1.0	0.0	1.7	4.1	5.5	2.7
Other	4.7	0.0	0.5	3.0	1.6	1.9
Not Stated	7.8	3.8	5.3	5.6	2.4	4.8
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	5,419	6,645	7,078	7,912	8,592	35,645

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 7.8 DISTRIBUTIONS OF PERSONS EMPLOYED BY NUMBER OF HOURS WORKED IN REFERENCE WEEK BY QUINTILES

Hours Worked	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
1-8	0.4	1.3	2.5	3.3	1.5	1.9
9-16	5.3	2.0	3.7	0.5	0.9	2.2
17-24	7.8	2.9	4.6	2.8	3.4	4.1
25-34	9.3	8.7	4.3	4.8	7.3	6.7
35-40	52.9	59.9	53.4	70.1	58.6	59.5
41-50	8.0	10.1	14.3	8.8	13.0	11.0
51-60	4.0	5.0	4.9	1.4	3.8	3.7
61-70	2.0	3.5	0.0	0.0	1.1	1.2
71-80	0.8	1.0	0.8	1.2	1.6	1.1
Not Stated	9.5	5.6	11.6	7.3	8.8	8.5
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	5,419	6,645	7,078	7,912	8,592	35,645

CHAPTER EIGHT: EDUCATION

8.1 INTRODUCTION

In most of the policy statements made by the Government in the present decade and since the last poverty assessment, there has been avowed commitment to the expansion of educational opportunity. There has been official recognition of the importance of preparing for the knowledge economy of the 21st century.

The country has not yet achieved universal secondary enrolment and, at the level of the Ministry of Education, as identified in the IA, efforts are being made to create the opportunity for adults to participate in a range of educational programmes, through evening programmes offered across the country, using the physical infrastructure of schools that are now well distributed geographically. This Chapter seeks to measure where the country had reached at the time of the SLC/HBS, in the achievement of its goal in human resource development.

8.1.1 LITERACY

One important test is the level of literacy even though the achievement of universal literacy is not by itself an index of competitiveness. Table 8.1 shows that most persons reported being literate regardless of their socio-economic status. Not unexpectedly, there was a greater probability of

illiteracy being reported among the elderly, especially among those in the lower consumption quintiles.

However, both at the level of the IA and in the PPA, there were references to problems of illiteracy in the society. The Grenada Union of Teachers identified difficulties being faced by students in secondary school. This is attributed in part to a weak educational foundation at the early childhood and primary levels. Similarly, New Life Organisation (NEWLO) has found it critical to provide literacy classes to its clients who enter after completion of a number of years of primary and even some secondary education.

Meanwhile, there is the perception among the population as demonstrated in the PPA that there has been an expansion of educational opportunity.

"There are more education opportunities now than before."

PPA participants also noted that there appeared to be significant underachievement in spite of the expansion of opportunity, as indicated by participants in the PPA.

"Children can't complete their secondary school."

"Children don't go to school regularly so they get low grades."

TABLE 8.1: LITERACY LEVEL - PERSONS 15+ BY AGE AND QUINTILES (PERCENT)

(Basic Literacy) Can Read and Write- As a Percentage of Relevant Age Group	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
15-19	94.1	99.2	94.9	100.0	100.0	96.7
20-24	97.3	97.2	98.9	100.0	100.0	98.4
25-29	100.0	100.0	100.0	100.0	100.0	100.0
30-34	92.6	93.6	100.0	100.0	100.0	97.8
35-39	100.0	94.7	100.0	100.0	100.0	99.2
40-44	100.0	96.1	95.4	100.0	100.0	98.3
45-49	94.3	96.6	100.0	97.8	100.0	97.9
50-54	100.0	100.0	100.0	100.0	100.0	100.0
55-59	90.3	100.0	100.0	100.0	95.5	97.5
60-64	100.0	100.0	100.0	94.8	92.2	95.7
65 +	74.0	87.7	86.7	94.1	94.1	91.2
Total	56.0	62.4	69.0	74.2	81.8	68.7

8.2 SCHOOL ENROLMENT

School enrolment by age group is provided in Table 8.2. In the 5-9 and 10-14 age groups, school enrolment was almost universal with 93.8 percent and 97.2 percent of these groups enrolled respectively. Enrolment in the 15-19, 20-24 and 25-29 age groups, the age groups that are likely to be engaging in tertiary level education, increased with increasing socio-economic status. This supports the earlier finding that among the poorest the opportunity cost of education is too high so there is tendency to enter the labour force earlier in lieu of staying in school.

8.2.1 ABSENTEEISM FROM SCHOOL

Table 8.3 shows the number of days persons aged 5 to 15 years attended school in the reference week (the week before the survey). The majority of persons (89.2%) attended school on all five days and absenteeism (proportion of students missing at least one day of

school in the reference week) decreased as socioeconomic condition improved from 16.5 percent in the lowest quintile to 5.6 percent in the highest quintile. Indeed, 6.1 percent of children in the poorest quintile reported not having attended school at all (zero days attendance in reference week).

In the PPA, it was suggested that transport constituted a challenge, and in one of the in-depth interviews a mother feels compromised in having her daughter negotiate the postponement of payment of bus fares, since she is aware that she may be creating conditions in which her daughter might resort to transactional sex. Meanwhile in the poverty conditions faced by some households, it is not rare for respondents to admit:

"Can't send the children to school every day."

"I have a problem sending my children to school because of the bus fare."

TABLE 8.2: SCHOOL ENROLMENT AS PERCENTAGE OF RELEVANT AGE GROUP BY QUINTILES (PERCENT)

Persons Attending School as Percentage of Relevant Age Group	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
0-4 years	23.1	31.9	25.7	28.8	40.1	28.0
5-9 years	92.0	96.1	98.0	91.5	90.8	93.8
10-14 years	95.1	100.0	100.0	95.7	91.7	97.2
15-19 years	55.5	65.3	59.9	80.0	67.0	62.9
20-24 years	6.8	4.9	3.0	11.9	11.3	7.3
25-29 years	0.0	4.1	5.5	3.4	16.6	5.9
30-34 years	7.4	3.6	0.0	0.0	0.0	1.6
35 years and over	0.0	0.0	4.3	12.4	3.5	4.6

TABLE 8.3: PERSONS 5-15 YEARS - NUMBER OF DAYS ATTENDED SCHOOL IN REFERENCE WEEK BY QUINTILES (PERCENT)

No. Days Actually Went To School/Classes	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
0	6.1	1.2	1.8	2.0	2.1	2.9
1	1.5	0.0	0.0	0.0	0.0	0.4
2	0.0	1.1	2.3	0.0	0.0	0.7
3	3.7	1.0	1.8	4.7	0.0	2.4
4	5.3	3.0	6.2	3.4	3.5	4.4
5	83.5	93.7	87.8	89.9	94.4	89.2
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	6,224	5,734	4,564	3,736	2,563	22,820

As shown in Table 8.4, many children 5-15 years of age did not attend school in the reference week because of (school holidays/school closure (39.5%). This was possibly due to the timing of the survey. However, the single most frequently cited reason for lack of attendance was illness (17.3%). Illness was also more likely to have been cited by individuals in the poorest quintile as a reason for missing school (28.8%), compared to those in higher consumption quintiles. The relationship

between health and education is a frequently cited and discussed issue. The fact that poor children were more likely than non-poor children to miss school for reasons of illness points to a need for improvements in access to primary health care by the poorest communities.

Financial problems were the second highest named reason for lack of attendance among those in the poorest quintile (14.1%); the frequency of this

reason also decreased as socio economic condition improved. This represents both a cause and a manifestation of poverty: on the one hand children are kept at home because parents cannot afford to send them to school; on the other hand children miss an important opportunity to escape poverty by obtaining an education which will afford them better chances of employment.

8.2.2 SCHOOL FEEDING PROGRAMME

There is a State funded School Feeding Programme in Grenada, which services a large proportion of preschool/

kindergarten children (68.1%) and primary school children (81.6%), and to a lesser extent, secondary school students (35.4%) (See Table 8.5).

Access to the school feeding programme appears to have been higher for those in the poorest quintile; 47.9 percent of students in the poorest quintile reported receiving a meal or snack from the Programme compared to 39.8 percent of those in the highest quintile (Table 8.6). On average about half of students accessing the Programme pay for the school feeding service.

**TABLE 8.4: PERSONS 5-15 YEARS – REASON FOR NOT ATTENDING SCHOOL
IN LAST WEEK BY QUINTILES (PERCENT)**

Reason Did Not Attend School During Last Five School Days	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Illness	28.8	12.9	6.9	17.2	0.0	17.3
Financial Problems	14.1	11.7	8.9	3.4	0.0	9.3
Transportation Problems	2.9	0.0	0.0	0.0	0.0	1.1
Working	2.9	0.0	0.0	0.0	12.4	2.5
Not worth going	0.0	0.0	6.9	0.0	0.0	1.1
School closed/holidays	41.1	44.8	51.1	21.1	40.0	39.5
Truant/Delinquent (no reason)	1.6	3.5	0.0	7.7	0.0	2.6
Menstrual Problems	0.0	0.0	0.0	7.7	0.0	1.4
Other	8.7	27.0	26.1	42.9	47.7	25.2
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1238	573	514	598	371	3295

TABLE 8.5: SCHOOL FEEDING PROGRAMME BY EDUCATION LEVEL

Is there a School Feeding Programme at your school?	Pre School/ Kindergarten		Primary		Secondary	
	Count	%	Count	%	Count	%
Yes	3,606	68.1	9,968	81.6	4,321	35.4
No	1,687	31.9	2,241	18.4	7,892	64.6
Total	5,293	100.0	12,209	100.0	12,213	100.0

TABLE 8.6: SCHOOL FEEDING PROGRAMME BY QUINTILES (PERCENT)

School Feeding Programme	% within Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
School has a School Feeding Programme	64.3	59.0	66.5	51.9	48.2	59.4
Receives Meal Or Snack From This Service	47.9	41.5	34.0	46.4	39.8	42.2
Pays For School Feeding Service	51.6	56.2	51.5	48.5	42.1	51.3

8.2.3 TEXTBOOKS

About half of all students reported having all the required books for exclusive use (54.2%). However, students in the poorest quintile were less likely than their counterparts in higher consumption quintiles to have had all textbooks for exclusive use (Table 8.7). Those in the poorest quintile were more likely to have reported having “only some books” (50.6%) and “none” (15.6%) than students in any other consumption grouping.

While the data from the SLC implies a lack of funding for textbooks, since most persons, irrespective of consumption quintile, reported that books were “not available at schools free of cost”, (Table 8.8), officials of the Ministry of Education confirmed the existence of a Book Rental System for students at Secondary School. Other questions in the SLC, which sought to draw

information on the presence of arrangements for assistance with text books, found that persons were aware of book loans but did not often make use of the facility. Also, in the PPA, there was reference to support provided by the Ministry of Education on the basis of needs assessment.

“Parents have been given school vouchers to assist with sending children to school.”

On the other hand there were parents in the course of the PPA that mentioned the difficulty in securing books for their children. Certain essential texts were available for rent and parents had to find the rest.

Parents in the two poorest quintiles were more likely to make use of the book loan facility at the schools, but on average this service did not appear to be heavily subscribed (Table 8.9).

TABLE 8.7: PERSONS HAVING ALL REQUIRED TEXTBOOKS BY QUINTILES (PERCENT)

Has All Textbooks Required For School	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes, Has Books for Exclusive Use	30.6	55.0	60.5	68.3	72.2	54.2
Yes, but shares with other family members	3.2	4.1	2.6	1.8	0.0	2.7
Has Only Some Books	50.6	28.9	27.6	21.7	16.6	31.5
Has None	15.6	12.0	9.3	8.2	11.2	11.6
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 8.8: PERSONS RECEIVING BOOKS FROM SCHOOL FREE OF COST BY QUINTILES (PERCENT)

Books Provided By School At No Cost	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes	3.4	5.4	5.3	5.8	4.5	4.8
No	96.6	94.6	94.7	94.2	95.5	95.2
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	5,699	4,555	3,740	3,984	2,181	20,159

TABLE 8.9: PARENTS MAKING USE OF BOOK LOAN FACILITY BY QUINTILES (PERCENT)

Made Use Of Loan Book Facility	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes	10.5	12.1	10.5	3.2	4.4	8.9
No	89.5	87.9	89.5	96.8	95.6	91.1
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	8,158	8,027	6,681	5,594	3,770	32,230

8.2.4 TRANSPORT

The majority of pre-school students (69.5%) took between 10 and 24 minutes to get to school, with most (24.4%) taking between 15 and 19 minutes (Table 8.10). Only 10.7 percent of students took 30 minutes or more to get to school, suggesting that schools were generally not far away from communities. With regard to primary

school students, most students took between 10 and 14 minutes to get to school, while most secondary school students took between 30 and 34 minutes to get to school. Only 5.0 percent of students in the highest quintile took between 30 to 34 minutes to get to school; most students (27.7%) took 40 minutes and over to get to school.

TABLE 8.10: DISTANCE FROM SCHOOL (IN MINUTES) BY EDUCATION LEVEL AND QUINTILES

Minutes	Poorest	II	III	IV	V	Total
<i>Preschool</i>						
0-4	2.0	4.6	5.1	3.9	7.2	4.1
5-9	5.7	17.9	0.0	16.3	5.3	9.1
10-14	37.0	22.4	20.7	12.5	12.0	23.6
15-19	16.5	14.6	58.3	18.5	20.3	24.3
20-24	31.9	21.5	0.0	15.5	33.9	21.6
25-29	4.5	9.1	10.9	0.0	9.8	6.7
30-34	2.3	7.0	0.0	3.9	6.8	3.8
35-39	0.0	2.7	5.1	5.6	0.0	2.4
40 and over	0.0	0.0	0.0	23.9	4.7	4.5
Total	100.0	100.0	100.0	100.0	100.0	100.0
<i>Primary</i>						
0-4	2.4	2.5	0.0	1.6	8.2	2.4
5-9	4.6	19.3	10.6	14.1	9.5	11.7
10-14	35.2	11.4	31.6	24.9	25.1	25.5
15-19	21.2	33.2	25.2	12.6	16.3	23.2
20-24	8.7	11.1	7.0	11.7	28.4	11.5
25-29	13.0	6.3	6.0	3.1	6.0	7.6
30-34	13.7	15.1	8.2	19.9	3.9	13.2
35-39	0.0	1.0	2.9	4.5	0.0	1.5
40 and over	1.1	0.0	8.5	7.6	2.0	3.4
Total	100.0	100.0	100.0	100.0	100.0	100.0
<i>Secondary</i>						
0-4	3.7	8.8	0.0	6.4	0.0	4.1
5-9	4.7	2.7	3.8	3.0	1.7	3.5
10-14	5.8	10.4	17.3	9.4	13.5	1.1
15-19	15.0	17.1	12.3	14.1	18.0	14.9
20-24	16.2	12.7	7.7	12.1	23.9	13.3
25-29	9.9	6.8	8.0	7.2	5.5	7.8
30-34	23.4	30.1	21.3	19.4	5.9	21.8
35-39	5.3	1.2	10.3	0.0	3.7	4.4
40 and over	16.0	10.3	19.3	27.9	27.7	19.1
Total	100.0	100.0	100.0	100.0	100.0	100.0

The mode of transport used by pre-school, primary and secondary school students is shown in Table 8.11. The majority of all students whether pre-school, primary or secondary took the bus/mini bus to school. However, preference for this mode of transport declined with improved socio-economic status for secondary (though marginally so), from 70.9 percent in the lowest quintile to 63.4 percent in the highest quintile. Walking was the dominant mode of transport for students at the pre-school and primary levels, since these tend to be widely dispersed within communities and are closer to households than are secondary schools. The use of private transport was predominantly among persons in the highest quintile.

8.2.5 EDUCATIONAL ATTAINMENT

The majority of heads of household reached completed primary level schooling as the highest grade attained, irrespective of household quintile: 65.2 percent of all household heads. Household heads reporting that the highest grade that they had attained was at the secondary level increased with improved socio-economic status; 18.6 percent of household heads in the lowest quintile attained secondary level education compared to 22.5 percent of household heads in the highest quintile. As much as 10.0 and 10.1 percent in the fourth and fifth quintiles reported that the highest grade they attained was the tertiary level, but a significant portion of household heads in these quintiles had only attained primary level schooling.

TABLE 8.11: MODE OF TRAVEL TO SCHOOL BY CONSUMPTION QUINTILES AND LEVEL

Level	Way Normally Gets To School	% within Consumption Quintiles					Total
		Poorest	II	III	IV	V	
Pre School/ Kindergarten	Walking	59.4	47.9	54.1	24.7	23.6	45.4
	Bus/Mini Bus	40.6	52.1	45.9	61.8	60.4	50.3
	Private Transport	0.0	0.0	0.0	13.5	16.1	4.4
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Primary	Walking	71.9	51.5	40.3	21.8	16.1	47.1
	Taxi	0.0	0.0	0.0	0.0	11.3	1.1
	Bus/Mini Bus	25.7	46.0	58.1	65.5	47.2	45.5
	Private Transport	2.4	2.5	1.7	12.7	25.4	6.2
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Secondary	Walking	29.1	25.9	15.1	22.2	11.7	21.8
	Bus/Mini Bus	70.9	71.2	81.6	76.3	63.4	73.8
	Private Transport	0.0	2.9	0.0	1.5	24.9	3.5
	Other	0.0	0.0	3.3	0.0	0.0	0.8
	Total	100.0	100.0	100.0	100.0	100.0	100.0

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

Highest Grade Attained	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
None	0.0	0.0	0.0	1.0	0.0	0.2
Pre School/Kindergarten	0.0	1.4	0.0	0.0	0.0	0.2
Primary	63.9	70.5	75.9	61.9	60.0	65.2
Secondary	18.6	18.8	15.2	18.3	22.5	19.3
Tertiary	0.0	0.4	2.0	10.0	10.1	6.0
Vocational	1.6	0.4	3.2	0.0	0.3	0.9
Don't Know	10.9	6.1	2.3	8.8	5.5	6.5
Not Stated	4.9	2.3	1.3	0.0	1.6	1.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

8.2.6 LONGITUDINAL CHANGE

Of some interest is the extent to which there has been major change in the educational profile of the population since the last CPA. The Government has succeeded in increasing enrolment at the secondary level. Enrolment at the Community College has been expanded and an increasing number of students has secured assistance or have been provided with loans, allowing them to pursue tertiary education abroad. The St. George's University has opened opportunity for Grenadians as well, through its widening of programmes on offer.

There are data from the SLC of 1999 that while not exactly comparable, provide some insights on the issue. Table 8.13 give the highest level of certificate by quintile. In terms of a notional comparison with Table 8.12 above, there is nothing to suggest that the most recent data represent a radical change with the situation in 1999.

In sum, there is evidence of expansion in the provision of educational opportunity in the society.

"Plenty children passing common entrance."

The population perceives the link between education and securing stable employment.

"I didn't finish school so it hard for me to get a good job."

"More skill training centres to learn a skill and improve chances of getting a job."

It is also evident from the PPA and the IA, that the mere provision of educational and training opportunity is inadequate among some groups in eliciting a commitment to educational advancement and to self-upgrading. There will be need for major commitment on the part of the population, to take advantage of educational opportunity for evidence of a quality labour force to emerge.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 8.13: HIGHEST EXAMINATION PASSED BY QUINTILES IN CPA 1999

Highest Examination	Consumption Quintiles (%)					Total
	Poorest	II	III	IV	Richest	
None	65.9	71.2	68.3	61.8	56.1	63.9
School Leaving	2.5	3.7	3.8	4.7	7.3	4.6
CXC Basic	5.2	3.1	4.9	5.2	2.7	4.1
GCE O/CXC 1-2	8.2	4.8	7.4	10.3	9.6	8.3
GCE O/CXC 3-4	0.8	0.6	0.3	1.2	0.8	0.7
GCE O/CXC 5+	0.5	0.6	1.6	1.4	3.7	1.7
GCE A 1-2	0.8	0.3	0.8	1.2	0.8	0.7
GCE A 3+	-	-	-	0.7	1.0	0.4
Diploma	1.4	1.4	2.2	2.3	5.4	2.8
Degree	0.5	-	1.1	0.2	3.3	1.2
Other	0.8	2.0	1.6	3.5	2.9	2.3
Not Stated	13.2	12.4	7.9	7.5	6.7	9.3
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	364	354	366	427	519	2030

CHAPTER NINE: HEALTH AND POVERTY

9.1 INTRODUCTION

Grenada, like other countries of the Region, experienced a shift in its epidemiological profile from what obtained at the end of the Second World War. The contagious diseases that were prevalent towards the middle of the 20th century have been largely eliminated. New challenges have emerged with the increasing prevalence of diabetes, hypertension cancer, and obesity.

On the other hand, like the rest of the region, Grenada shares the dubious distinction of having one of the highest rates of prevalence of HIV/AIDS, in the world, second only to Sub-Saharan Africa. The mores that surround sexual activity which were revealed in various comments of participants in the PPA suggest high levels of vulnerability among the population. There was regular reference to high levels of transactional sex among the population, both in the PPA and in the IA, a factor that is very propitious to the spread of HIV/AIDS and STDs generally. First sexual encounter occurs early in Grenada. The establishment of the National AIDS Directorate within the Prime Minister's Office, suggests a high level of official responsibility to intervention.

Among the other health issues evident in the society are; the level of service in the primary and secondary system, and the availability of personnel. There has been an expansion of service formally, with the provision of facilities within the reach of all of the population. However, there are institutional practices that mar the provision of health service. Doctors give short shrift to their duties in the public health system, for which they are paid, and devote their attention to their private practice. Cuban doctors have come to the rescue.

Behavioural problems in the society create a challenge to the health system. The most serious of these include abuse of girls, transactional unprotected sex, drug abuse, maiming. This chapter outlines some of the links between poverty and health status in the society.

9.2 HEALTH DATA

9.2.1 HEALTH STATUS

Table 9.1 shows the distribution of ill persons by socio-economic status. The percentage of those who reported being ill increased with increasing socio-economic status: 15.6 percent of persons reporting illness came from the lowest quintile, while 33.2 came from the highest quintile. This may be on account

of persons in higher quintiles being more educated along the lines of symptoms and/or having more screening tests than those in lower quintiles. In addition they usually have better access to health care facilities. Females were also more likely to report being ill than males: 28.6 percent of all females reported being ill compared to 18.9 percent of all males (Table 9.1).

9.2.2 CHRONIC/LIFESTYLE DISEASES

16.2 percent of persons are reported to have been suffering from a chronic lifestyle disease, with those reporting such increasing with improved socio-economic status. As much as 25.9 percent of those who noted that they had a chronic lifestyle disease came from the highest quintile with only 6.4 percent of respondents with chronic disease coming from the lowest quintile. The percentage of males (12.2%)

reported to have been suffering from a chronic lifestyle disease was also lower than for their female (19.6%), which may be explained by the fact that women are more likely to seek information about their health status, such as through regular checkups, than do males and the means to obtain information regarding one's health status increases as socio-economic status improves. But poverty may force women as well to postpone having check-ups. In the case of Phiona, postponement has resulted from the challenge in managing all her bills.

"She didn't know she have it (diabetes). They been treating her for pressure."

The importance of the link between socioeconomic status and health needs to be underlined since it has important implications for the well being of the poor. It is their preoccupation with making two ends meets, lack of access

TABLE 9.1: TOTAL ILL PERSONS BY SEX AND QUINTILES (PERCENT)

Sex	Health Status	Consumption Quintiles (%)					Total Population
		Poorest	II	III	IV	V	
		%					
Male	Ill	12.5	15.9	12.9	27.1	27.5	18.9
	Not Ill	87.5	84.1	87.1	72.9	72.5	81.1
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Female	Ill	18.5	24.8	31.2	29.6	37.5	28.6
	Not Ill	81.5	75.2	68.8	70.4	62.5	71.4
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Total Wellness Status	Ill	15.6	20.5	22.8	28.5	33.2	24.1
	Not Ill	84.4	79.5	77.2	71.5	66.8	75.9
	Total	100.0	100.0	100.0	100.0	100.0	100.0

to good health care, and lower levels of awareness, that underlie this differential. With chronic illnesses that are silent, poorer people will suffer greater levels of morbidity and mortality than the non-poor. The case study of Ms. Wendy in the PPA is illustrative of this vulnerability.

A closer look at the distribution of persons suffering chronic diseases by sex and quintiles (Table 9.3) shows that

among males and females, the prevalence of chronic diseases increases with increasing socio-economic status. Of all males with a chronic disease, 6.6 percent belonged to the poorest quintile, while 31.7 percent belonged to the fifth quintile. Among women with chronic diseases 8.5 percent belonged to the poorest quintile while 32.3 percent belonged to the highest quintile.

**TABLE 9.2: PERSONS SUFFERING FROM CHRONIC LIFESTYLE DISEASES
BY SEX AND QUINTILES (PERCENT)**

Sex	Suffer From Diseases	Consumption Quintiles					
		Poorest	II	III	IV	V	All quintiles
		%					
Male	Yes	3.8	9.5	8.6	19.3	21.1	12.2
	No	96.2	90.5	91.4	80.7	78.9	87.8
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
	Total (N)	10,678	10,629	9,974	10,075	9,321	50,678
Female	Yes	8.7	15.0	20.9	22.5	29.5	19.6
	No	91.3	85.0	79.1	77.5	70.5	80.4
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
	Total (N)	11,294	11,409	11,831	11,873	12,680	59,086
Total	Yes	6.4	12.4	15.3	21.0	25.9	16.2
	No	93.6	87.6	84.7	79.0	74.1	83.8
	Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
	Total (N)	21,972	22,038	21,804	21,948	22,001	109,764

**TABLE 9.3: DISTRIBUTION OF CHRONIC DISEASE SUFFERERS BY SEX
ACROSS CONSUMPTION QUINTILES**

Suffer From Diseases		Consumption Quintiles					All Quintiles
		Poorest	II	III	IV	V	
Male	Count	410	1,011	857	1,944	1,962	6,184
	% of males suffering from Chronic Diseases	6.6%	16.3%	13.9%	31.4%	31.7%	100.0%
Female	Count	986	1,716	2,470	2,667	3,743	11,582
	% of females suffering from Chronic Diseases	8.5%	14.8%	21.3%	23.0%	32.3%	100.0%

The two dominant life style diseases are hypertension and diabetes, with some persons succumbing to both of these. This can be seen in Tables 9.4 and 9.5. There are programmes in place to provide assistance to persons afflicted with these conditions and persons over the age of 60 are exempted from the costs of medication which in any event is provided at subsidised prices.

However, even such low charges can be a challenge to the poor as revealed in the PPA, with some participants indicating the need to reduce frequency or amount of medication to manage costs, especially when there is need to rely on the private system since the public health system may not have supplies in stock.

"Right now I am suffering from diabetes and hypertension and last month I did not have money to buy the medication so I had to do without."

"I am sick all the time because I cannot buy medicine."

"Sometimes I cannot even pay for medication."

The Community Health Department has sought to mount wellness programmes and to elicit behaviour change. However, there was not much in place to 'market' wellness, and while advertisement of fitness of a Prime Minister is useful, changes in diet and the adoption of a routine of regular exercise have to be supported by campaigns that recognise the socio-psychological factors at work in the society. In addition, because of poverty, people sometimes were forced to make tough decisions which could compromise their health status. Participants in the PPA admitted this:

"Three out of four times I am not able to buy medication because I am out of a job."

"No money to pay transportation to go to the doctor."

"Can't eat proper food."

TABLE 9.4: TYPE OF CHRONIC ILLNESSES BY QUINTILES

Type of Chronic Illness	Consumption Quintiles					
	Poorest	II	III	IV	V	All Quintiles
	%					
Diabetes	31.0	20.3	28.5	27.5	38.7	30.5
High Blood Pressure	40.3	49.7	66.3	60.9	69.8	61.4
Heart Condition	4.5	7.5	4.1	6.1	7.8	6.4
Cancer	0.0	4.3	1.4	0.8	1.9	1.7
HIV/AIDS	0.0	0.0	0.0	0.0	0.0	0.0
Asthma	29.9	28.1	11.4	14.4	7.7	15.0
Other	7.4	19.7	10.2	14.8	7.5	11.8
Not Stated	0.0	1.3	3.4	1.2	0.6	1.3
Total (N)	1,397	2,726	3,327	4,611	5,705	17,766

TABLE 9.5: TYPE OF CHRONIC ILLNESSES BY SOCIO-ECONOMIC STATUS

Type of Chronic Illness	Socio-Economic Status		
	Poor	Non Poor	Total
	%		
Diabetes	26.2	31.5	30.5
High Blood Pressure	44.7	65.6	61.4
Heart Condition	7.5	6.1	6.4
Cancer	3.3	1.4	1.7
HIV/AIDS	0.0	0.0	0.0
Asthma	28.2	11.7	15
Other	13.4	11.4	11.8
Not Stated	1.0	1.4	1.3
Total (%)	100	100	100
Total (N)	3,579	14,186	17,766

9.2.3 SOURCE FOR MEDICAL CARE

Males were less likely than their female counterparts to have visited a health practitioner on account of illness; 36.4 percent of males admitted to visiting a health practitioner, compared to 43.1 percent of females admitted to such. Overall 40.7 percent of those who reported being ill visited a health practitioner while 49.9 percent did not.

Table 9.6 provides the reasons given by those persons who chose not to visit a

health practitioner on account of illness. Most persons (85.7%) noted that there was “no need” to see a health practitioner, while a much smaller proportion (3.0%) said it was “too expensive”.

The health centre was the first place visited for medical attention by 36.9 percent of respondents, but the proportion choosing the health centre as the first place of visit decreased as socio-economic status improved (Table 9.8). A private doctor/dentist was the second

highest reported place first visited but the frequency of this response increased with socio economic status; 10.2 percent of those in the poorest quintile went to a private doctor/dentist, compared to 29.4 percent of person in the highest quintile.

Reasons for the place first visited are provided in Table 9.9. Closeness to home (14.1%), faster service and attention (10.4%), better attendance/service (8.7%) usual place of visit (10.2%), financial difficulties to go to a private doctor (6.2%) and free service in the health centre (7.7%) were some of the reasons cited for selecting the “place first visited” for medical attention.

TABLE 9.6: PERSONS VISITING HEALTH PRACTITIONER ON ACCOUNT OF ILLNESS BY SEX AND QUINTILES (PERCENT)

% that Visited Health Practitioner for care	Consumption Quintiles					
	Poorest	II	III	IV	V	All Quintiles
	%					
Male	26.5	25.8	42.5	46.4	34.7	36.4
Female	24.7	43.3	60.9	45.3	35.8	43.1
Both Sexes	25.4	36.7	56.2	45.7	35.4	40.7

TABLE 9.7: REASON FOR NOT VISITING HEALTH PRACTITIONER BY QUINTILES

Why Did Not Visit Health Practitioner	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
No Need	84.8	91.4	89.5	90.0	78.0	85.7
Too expensive	2.9	1.5	2.0	3.7	3.9	3.0
Too far	0.0	0.0	0.0	0.0	0.0	0.0
Untreatable	3.5	0.8	0.0	0.7	2.2	1.5
Other	1.1	6.3	8.5	5.6	13.1	7.8
Not Stated	7.7	0.0	0.0	0.0	2.7	1.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 9.8: FIRST PLACE VISITED FOR MEDICAL ATTENTION BY QUINTILES (PERCENT)

Place First Visit Made (Both Sexes)	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Public Hospital	12.9	17.0	12.9	11.6	15.6	13.8
Private Hospital	4.1	2.1	2.5	5.0	1.4	3.0
Health Centre	64.6	30.1	49.4	29.6	26.5	36.9
Private Doctor/Dentist Abroad	0.0	16.3	6.8	20.7	18.7	14.3
Private Doctor/Dentist	10.2	34.5	25.9	26.1	29.4	26.9
Hospital Abroad	0.0	0.0	0.0	0.0	3.2	0.8
Pharmacy/Chemist	0.0	0.0	0.0	3.2	1.6	1.2
Not Stated	8.2	0.0	2.4	3.8	3.7	3.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 9.9: REASON FOR VISITING FIRST PLACE VISITED FOR MEDICAL ATTENTION BY QUINTILES (COUNT)

Reason	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
A doctor was not available at the health centre	0.0	0.0	1.3	2.2	0.0	0.9
Availability of treatment	5.3	6.1	2.3	6.3	7.0	5.3
Better attendance/ service	10.2	4.3	8.6	7.6	12.5	8.7
closeness to home	13.4	10.9	21.1	17.0	5.6	14.1
Family Doctor	8.2	0.0	9.6	11.3	8.5	8.2
Faster service and attention	0.0	21.5	11.8	8.3	7.6	10.4
Financial difficulties to go to private doctor	16.9	11.5	5.1	3.5	3.3	6.2
Free service in the health centre	15.2	8.6	7.7	3.2	9.5	7.7
Nearest available doctor	5.3	0.0	2.3	5.4	3.9	3.4
Usual place of visit	6.2	6.6	12.4	4.9	17.4	10.2
Not Stated	19.3	30.6	17.9	30.3	24.8	24.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

Most persons (98.3%) reported that either a doctor, or nurse/health care worker provided medical attention to them at their place first visited for seeking medical attention. However attendance by a nurse/ health worker decreased as socioeconomic condition improved, while attendance by a doctor increased with improved socio-economic status (Table 9.10).

9.2.4 WAITING TIME FOR CARE AND LEVEL OF SATISFACTION

The largest percentage of respondents (35%) waited between 11 minutes and 30 minutes before receiving medical

attention. Those who had to wait between 1 hour and 4 hours (16.5%) declined with improved socio-economic status (Table 9.11). Most persons (89.5%) were satisfied (either satisfied or very satisfied) with the treatment they received (Table 9.12).

By and large, respondents seem to be satisfied with the level of service that they secured at the health facilities that they utilised. This is seen in Table 9.12. Also, the level of dissatisfaction seemed to fall with socio-economic status.

TABLE 9.10: PERSON PROVIDING MEDICAL TREATMENT AT PLACE VISITED BY QUINTILES (PERCENT)

Person Who Attended Individual At First Visit	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Nurse, health care worker	32.2	13.6	18.2	17.9	13.6	17.4
Pharmacist	0.0	0.0	0.0	3.2	0.8	1.0
Doctor	67.8	86.4	79.4	78.9	85.6	80.9
Not Stated	0.0	0.0	2.4	0.0	0.0	0.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 9.11: LENGTH OF TIME SPENT WAITING BEFORE RECEIVING MEDICAL TREATMENT AT PLACE VISITED BY QUINTILES (PERCENT)

Time Spent Waiting	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
None	0.0	0.0	0.0	1.6	0.0	0.4
1-10 Min	23.4	18.0	25.1	25.5	14.9	21.5
11-30 Min	32.2	35.6	28.7	37.7	39.6	35.0
30 Min to 1 Hour	15.4	16.4	22.3	7.8	14.0	15.0
1-2 Hours	15.5	9.3	14.0	6.4	11.6	10.8
2-4 Hours	13.4	12.5	1.3	5.8	3.6	5.7
Not Stated	0.0	8.1	8.7	15.2	16.4	11.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 9.12: LEVEL OF SATISFACTION WITH TREATMENT RECEIVED BY QUINTILES (PERCENT)

Level of Satisfaction With Treatment	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Very satisfied	15.5	30.6	37.1	51.6	43.4	39.7
Satisfied	69.5	50.4	54.8	40.2	47.9	49.8
Dissatisfied	5.3	5.5	6.3	6.9	8.6	6.8
Very dissatisfied	9.7	13.5	1.8	1.3	0.0	3.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

On the matter of tertiary care and support for tertiary care, assistance may be available but this seems to be guided by availability of funds. On the other hand, bilateral arrangements, especially with the Government of Cuba, have helped in organising care for selected cases.

9.2.5 HEALTH INSURANCE

Few persons are covered by private health insurance (7.4%), but coverage increased with socio-economic status, with as much as 19.4 percent of persons in the highest quintile having health insurance compared to 0.9 percent of persons in the lowest quintile.

TABLE 9.13: INSURANCE COVERAGE STATUS BY SEX AND QUINTILES (PERCENT)

Sex	Covered By Health Insurance Etc	Consumption Quintiles					
		Poorest	II	III	IV	V	Total
		%					
Male	Yes	0.6	3.7	5.6	9.4	21.6	7.8
	No	96.9	95.1	92.9	89.5	77.5	90.7
	Not Stated	2.5	1.2	1.5	1.2	0.9	1.5
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Female	Yes	1.1	2.8	4.4	7.7	17.8	7.0
	No	97.7	96.1	94.2	90.2	81.2	91.6
	Not Stated	1.2	1.1	1.4	2.1	1.0	1.4
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Both Sexes	Yes	0.9	3.2	5.0	8.5	19.4	7.4
	No	97.3	95.6	93.6	89.8	79.6	91.2
	Not Stated	1.9	1.1	1.4	1.7	0.9	1.4
	Total	100.0	100.0	100.0	100.0	100.0	100.0

The representative of one of the agencies in the IA, however, suggested that the failure to provide quality service in the public health system can be addressed with introduction of national health insurance. On the one hand, clients would seek medical attention in terms of their needs and there was likely to be pressure brought to bear on the system such that service providers cannot as easily shirk their responsibilities.

9.2.6 FERTILITY

The union status of females 15 years and over is shown in Table 9.14. 35.1 percent of females were either legally married (23.2%) or in a common law union (11.9%). The percentage of women who reported that they were legally married increased with an improvement in socio-economic status, while the

percentage of women who reported that they were in a common law union decreased from 15.8 in the lowest quintile to 6.8 percent in the highest quintile. This trend was also similar for women who were in visiting unions.

During the conduct of the survey, 2.3 percent of females 15 years and over reported that they were pregnant with those in the lowest quintile being more likely to be pregnant than their counterparts in the highest quintile (Table 9.13).

9.2.7 TEENAGE PREGNANCY

An alarming 40.3 percent of females between the ages 15 -49 are reported to have had their first child between the ages of 15-19 (see table 9.16); 25.0 percent of females who reported such came from the highest quintile and 57.8

percent from the lowest quintile. Of some concern is the 4 percent of females are also reported to have had their first child while they were under the age of 15. PAM had a total of 28 girls enrolled

in the programme in 2008. These were primarily adolescent, that is girls who were below the age of consent. The harrowing experience of Johanna facing the problem of incest among her daughters is detailed in the PPA.

TABLE 9.14: UNION STATUS FEMALES 15+ BY QUINTILES (PERCENT)

Present Union Status	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Legally married	8.8	13.8	22.0	28.9	36.2	23.2
Common Law union	15.8	14.9	11.7	12.3	6.6	11.9
Visiting partner	20.1	11.8	14.9	14.4	8.7	13.6
Married but not in union	0.0	0.3	0.5	1.3	1.1	0.7
Legally separated and not in a union	1.1	1.4	0.6	0.5	0.4	0.8
Widowed and not in union	0.7	3.2	3.1	5.0	6.7	4.0
Divorced and not in union	0.0	1.0	0.6	1.3	1.9	1.0
Not in a union	43.4	48.0	41.5	30.1	35.6	39.2
Don't know/Not stated	10.1	5.5	5.1	6.1	2.7	5.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 9.15: FEMALES 15+ YEARS CURRENTLY PREGNANT BY QUINTILES (PERCENT)

Currently Pregnant	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Yes	3.4	2.1	2.8	2.2	1.3	2.3
No	88.8	91.6	87.0	89.5	86.0	88.4
Not Stated	7.8	6.3	10.2	8.3	12.7	9.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 9.16: AGE AT FIRST BIRTH BY QUINTILES (PERCENT)

Age at First Birth	Consumption Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Under 15	4.6	0.9	7.7	6.2	0.0	4.0
15-19	57.8	45.6	34.3	31.2	25.0	40.3
20-24	13.2	26.8	29.5	25.4	33.2	24.8
25-29	2.4	8.1	5.6	13.1	11.1	7.7
30+	1.1	1.2	3.6	6.6	15.6	4.9
Not Stated	21.0	17.4	19.3	17.4	15.2	18.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

CHAPTER TEN: PHYSICAL LIVING CONDITIONS

10.1 INTRODUCTION

The physical living conditions under which households live in a society are influenced by public expenditure of the Government on such areas as roads, potable water supply, public housing, electricity and telecommunications. The distinction is often made in respect of public poverty in recognition of the fact that the Government, its statutory agencies or monopolies that it allows to be established to provide essential services, may not provide for universal reach to all citizens, with the poorer household being the ones not likely to have access. Housing for low income residents is seen as a critical component in the infrastructure because in addition to providing needs for large sections of the population, it contributes to employment creation, thereby improving income at the individual or household level.

Given the devastation that has been caused by hurricanes in the last five years, there is recognition that all infrastructure has to be built with strict observance of the building code. While Hurricane Ivan was only a category 3 hurricane, it caused severe havoc in Grenada because of the deficiency in

construction. In effect, low income housing is likely to be high cost. Moreover with the retrofitting of all infrastructure, to treat with environmental threats, satisfying the basic infrastructure needs of the population can be challenging in conditions of fiscal constraint. This chapter examines selective physical living conditions with special regard to their impact on poorer people in Grenada.

10.2 HOUSING CONDITIONS

10.2.1 OUTER WALLS

Table 10.1 shows the main material of outer walls of dwellings. Most dwellings had outer walls made of either of concrete/concrete blocks: (35.8%) or wood/timber (32.6%), but the choice of wood/timber decreased with improving socioeconomic status while that of concrete increased with socioeconomic status. The poor were more likely to use wood/timber than any other type of material; 63.2 percent of those in the poorest quintile live in homes made of wood/timber. As much as 7.7 percent of the poorest households had outer walls made of plywood or makeshift materials.

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

Material of Outer Walls	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Wood/Timber	63.2	40.1	29.9	19.4	10.5	32.6
Concrete/Concrete Blocks/Bricks	13.1	28.0	37.8	52.4	63.4	38.9
Wood & Concrete	13.1	26.1	27.1	22.9	24.0	22.7
Plywood	6.2	5.3	3.1	4.4	1.7	4.2
Makeshift	1.5	0.0	0.0	0.0	0.0	0.3
Other/Don't Know	2.8	0.5	2.0	1.0	0.3	1.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

10.2.2 ROOFING

Galvanized metal sheets were used almost universally as the main roofing material used, 97.7 percent of households reported that their roof was made of galvanized metal sheets (Table 10.2).

10.2.3 TENURE

Most homes were owned either with or without a mortgage, regardless of household consumption quintile. Overall; 67.9 percent of all households reported owning their home without a mortgage, but households in the poorest quintile were less likely than households in the higher quintiles to own their homes with a mortgage; poorer households were more likely to own their homes without a mortgage. Rented dwellings (furnished, unfurnished and private) were reported by 9.7 percent of all households, with households in poorest quintile more

likely than households in any other quintile to be living in rented accommodations¹⁶. While only a miniscule number admitted to squatting, there is substantial evidence in some communities of spontaneous settlements: the homes built may be owned by residents, and without a mortgage, but conditions are far from ideal. Photograph 10.1 shows an emerging spontaneous settlement district along the west coast of Grenada.

¹⁶ Data on land tenure were not available due to the high level of non response to that question.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

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

Material of Roof	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Sheet Metal (galvanize)	99.4	97.3	98.5	96.8	96.4	97.7
Shingle Asphalt/ Shingle Wood	0.0	0.7	0.0	1.8	2.4	1.0
Concrete	0.0	2.0	1.5	1.4	0.8	1.1
Other/not stated	0.6	0.0	0.0	0.0	0.5	0.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 10.3: TENURE OF DWELLING BY QUINTILES (PERCENT)

Tenure of Dwelling	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Owned With Mortgage	5.9	10.2	21.8	17.5	21.2	15.3
Owned Without Mortgage	70.3	73.1	64.7	64.9	66.5	67.9
Rented-Furnished	2.4	1.1	0.3	3.9	1.1	1.8
Rented-Unfurnished	11.4	5.2	4.6	6.0	1.1	5.7
Rented Gov't	0.0	0.0	0.6	0.0	0.0	0.1
Rented Private	2.0	5.2	1.8	1.3	0.8	2.2
Leased	0.0	0.0	0.0	0.0	0.6	0.1
Rent Free	8.0	5.2	4.4	4.3	6.6	5.7
Squatted	0.0	0.0	0.0	0.7	0.6	0.3
Other	0.0	0.0	1.7	1.3	1.6	0.9
Total	100.0	100.0	100.0	100.0	100.0	100.0



PHOTOGRAPH 10.1: SETTLEMENT DISTRICT ALONG THE WEST COAST OF GRENADA



PHOTOGRAPH 10.2: HOUSING REMAINS A CHALLENGE

10.2.4 TOILET FACILITY

The majority of households used water closets linked to a septic tank/soak-away or a sewer system (61.3%), (Table 10.4) and the use of water closets linked to either a sewer or a septic tank/soak-away increased with socio-economic status. Pit latrines were used by 36.3 percent of all households; as much as 72.3 percent of the poorest households used this type of toilet facility. Of concern were the 1.2 percent of households that reported having “no” toilet facilities. In 1998, 66.1 percent of

the poor used pit latrines. Figure 10.2 points to the continuing housing challenge the country faces.

Table 10.5 provides information for households, on the sharing of facilities with other households. Although most households (93%) shared no facilities with another household, some (6.8%) did admit to sharing a toilet/bathroom, water, kitchen or a combination there of with other households; sharing was more prevalent among poorer households.

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

Type of Toilet Facility	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
W.C. Linked to sewer	2.1	2.3	8.1	7.3	21.6	8.2
W.C. Linked to Septic tank/ Soak-away	23.1	49.4	58.7	66.4	67.8	53.1
Pit-latrine/Ventilated Pit latrine	72.3	46.2	27.7	25.2	10.3	36.3
Other	1.3	0.6	3.3	0.3	0.3	1.2
None	1.3	1.6	2.1	0.8	0.0	1.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

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

Facilities Shared	Household Quintiles					Total
	Poorest	II	III	IV	V	
	%					
Kitchen (1)	0.0	0.0	0.0	0.8	0.8	0.3
Toilet/Bathroom (2)	5.6	5.8	4.4	2.4	0.0	3.6
Water(3)	2.6	1.3	2.4	2.4	1.5	2.1
Any combination of 1, 2 or 3	1.9	0.8	0.3	0.3	0.7	0.8
None	89.9	92.1	92.1	94.1	97.0	93.0
Other	0.0	0.0	0.8	0.0	0.0	0.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

10.2.5 WATER SOURCE AND FREQUENCY OF SUPPLY

The majority of households had public water piped into their dwellings (66.2% of all households), but households in the poorest quintile were 29.6 percentage points less likely than households in the fifth quintile to have public water piped to their dwelling (Table 10.6). Among households in the poorest quintile, other popular sources of water were water piped to the yard (16.8%) and public standpipes (22.2%).

Most households reported having water in their taps seven (7) days per week, irrespective of household consumption quintile: 58.5 percent of all households (Table 10.7). This seems consistent with the claim by NAWASA in the IA, that some 97 percent of the population is covered with a regular potable water supply.

10.2.6 FUELS FOR COOKING AND LIGHTING

Most households (96.5%) used gas/LPG/cooking gas for cooking, irrespective of household consumption quintile (Table 10.8). Some poorer households still used wood (4.2%), coal (1.1%) or kerosene (1.5%). However, with the rise in energy prices in the late 2007 and early 2008, some participants in the PPA suggested a return to fire wood and charcoals, in the face of their budget constraint.

Overall 85.1 percent of households reported using electricity from a public source as their main fuel for light (Table 10.9). Kerosene and gas was used by 7.2 percent of households, most of which were from the two poorest quintiles. Kerosene was predominantly used by those in the lowest socio-economic grouping. With such a high penetration of electricity, most households could be reached by the communications media.

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

Main Water Source	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Public, piped into dwelling	48.0	64.9	76.3	64.4	77.6	66.2
Public, piped into yard	16.8	17.4	7.7	8.6	3.3	10.8
Public standpipe	22.2	5.9	3.4	2.1	2.4	7.2
Public well/tank or truck	0.0	0.8	0.0	0.7	0.0	0.3
Private, piped into dwelling	3.7	3.4	7.6	8.8	9.8	6.7
Private catchment not piped	1.3	2.1	2.3	6.2	0.0	2.4
Private catchment piped	0.0	2.8	0.8	8.1	6.9	3.7
Other	8.0	2.8	1.9	1.0	0.0	2.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

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

Average Days Per Week	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
None	0.6	1.1	1.1	0.5	0.6	0.8
One	0.5	0.7	0.0	1.4	1.5	0.8
Two	0.0	1.6	0.7	0.0	0.8	0.6
Three	0.0	2.1	0.0	3.0	0.8	1.2
Four	1.7	0.0	3.6	0.5	0.6	1.3
Five	1.6	4.9	5.0	5.9	4.4	4.4
Six	5.9	4.4	3.5	5.5	5.3	4.9
Seven	52.9	67.1	65.3	51.3	56.4	58.5
Not stated	36.8	18.1	20.8	31.8	29.8	27.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

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

Main Cooking Fuel	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Coal	1.1	0.0	1.0	1.0	0.0	0.6
Wood	4.2	0.6	1.9	0.0	0.5	1.4
Gas/LPG/Cooking Gas	93.2	98.9	97.1	94.2	99.1	96.5
Kerosene	1.5	0.6	0.0	0.0	0.0	0.4
Electricity	0.0	0.0	0.0	2.5	0.3	0.6
Other/no Cooking	0.0	0.0	0.0	2.4	0.0	0.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 10.9: TYPE OF LIGHTING USED BY QUINTILES (PERCENT)

Type of Lighting	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Gas	0.3	1.0	2.3	1.5	2.0	1.4
Kerosene	16.2	6.9	2.5	2.7	0.6	5.8
Electricity – Public	74.8	82.0	86.5	88.9	93.4	85.1
Electricity - Private Generator	4.3	5.9	5.3	4.8	4.1	4.9
Other	3.7	3.9	3.4	1.7	0.0	2.5
None	0.6	0.3	0.0	0.5	0.0	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

There was a peak in home construction in 2005 following hurricane Ivan, especially among those in the poorest quintile. As much as 20.1 percent of households from the lowest household consumption quintile reported that their home was built in 2005, compared to 6.6 percent of households from the highest quintile. This may be on account of the fact that those in the higher socio-economic groupings may have had homes which could have withstood the ferocity of Hurricane Ivan. However, it might be that the homes that were allegedly built would have been in various stages of construction.

The data for 2008 suggest that the advances in housing have not been great, but this might be partly due to the

impact of the hurricanes which would have reversed some of the gains that might have been made in the first years of the decade. Another factor is the growth of tenements in communities just outside St. George's, as a result of rural urban migration, as for example, in a community like Mont Tout to the south of St. George's. This was alluded to in the IA, and in the PPA, participants indicated the challenges that faced them in treating with housing problems. The country has benefited more recently from assistance from bilateral assistance from China and from Venezuela. The requirements in terms of upgrading some of the peri-urban districts may be much beyond the resources currently available from these sources.

TABLE 10.10: YEAR DWELLING BUILT BY QUINTILES (PERCENT)

Year Dwelling Built	Household Quintiles					
	Poorest	II	III	IV	V	Total
	%					
Before 1970	6.6	9.9	13.8	19.9	13.5	12.8
1970 - 1979	4.9	7.9	6.1	6.3	16.8	8.3
1980 - 1989	9.4	6.0	16.0	11.3	16.7	11.8
1990 - 1995	6.5	6.5	9.7	10.3	11.3	8.9
1996 - 2000	7.2	6.3	12.4	8.0	8.9	8.6
2001	2.4	1.3	2.0	1.4	1.3	1.7
2002	1.4	1.4	1.5	0.7	0.0	1.0
2003	4.4	3.2	1.9	3.1	1.7	2.9
2004	5.3	7.7	1.1	4.8	0.5	3.9
2005	20.1	15.8	10.7	7.7	6.6	12.2
2006	2.9	3.7	5.2	3.4	3.5	3.7
2007	1.4	2.6	1.1	0.5	2.6	1.6
Don't Know/Not Stated	27.5	27.5	18.4	22.5	16.5	22.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

10.2.7 SUMMARY INDICATORS OF LIVING CONDITIONS

Table 10.11 provides summary indicators of living conditions by Parish. The Parishes of St. Mark and St. Patrick have the largest percentage of residents being poor. St. Parish of St. Patrick had 56.7 percent of its residents being deemed poor, while the parish of St. Mark had 54.5 percent of its residents being deemed poor. Though these two parishes had the highest level of poverty, it was the parish of St. Andrew (45.9%) that had the largest percentage of its households living in dwellings with outer materials made of wood or timber. 38.1 percent and 28.6 percent of households in the parish of St. Marks

and St. Patrick respectively had dwellings with outer walls made of wood or timber.

A large percentage of households in St. Marks and St. Patrick did in fact own their homes. This is evidenced by the fact that 74.6 percent of households in St. Marks and 61.9 percent of households in St. Patricks reported that they owned their dwelling either with or without a mortgage. Pit latrines were used by 23.8 percent and 36.5 percent of households in the parish of St. Marks and St. Patricks respectively. As much as 58.1 percent of households in the Parish of St. Andrew reported using pit latrines as their toilet facility.

A public water source was the main source of water for all households with the exception of the parish of St. Johns where as much as 26 percent of households relied on private and 'other' sources of water.

In Carriacou, the main source of water supply from private sources piped into the dwelling or private catchments not piped as well as private catchments piped was near universal with 91.4 of households reporting such. There was the use of cisterns is well institutionalised in Carriacou, and is a requirement in receiving building permits.

Carriacou also had the largest percentage of homes built before the year 1970. The town of St. Georges

(18.6%) was the parish with the second largest percentage of homes built before 1970 followed by the parishes of St. Andrews (15.1%) and St. Davids (14.3%).

In sum, there have been improvements in the physical living conditions, and the rebuilding process following the hurricanes provided the opportunity for some of the physical infrastructure to be brought up to standard. In that regard, households in some communities have access to better roads and other facilities. Some of the state supplied amenities had been improved - water, electricity and telecommunications. However, at the level of the household, there was evidence from the SLC that housing conditions still left much to be desired.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 10.11: SUMMARY INDICATORS OF LIVING CONDITIONS

Indicator		Parish								
		St George's	St Georges Town	St Johns	St Marks	St Patricks	St Andrews	St Davids	Carriacou	Total
		<i>% of Parish Population</i>								
Material of Outer Walls	Wood/Timber	34.7	11.9	32	38.1	28.6	45.9	20	19	32.6
Tenure of Dwelling	Owned With Mortgage	19.1	23.7	8	12.7	11.1	12.7	21	13.8	15.3
	Owned Without Mortgage	65.3	57.6	74	61.9	50.8	77.1	68.6	72.4	67.9
Type of Toilet	Pit-latrine	26.6	13.6	38	23.8	36.5	58.1	27.6	34.5	36.2
	Ventilated Pit-latrine	0.5	0	0	0	0	0	0	0	0.1
Main Water Source	Private, piped into dwelling	2.5	1.7	18	1.6	3.2	2	0	36.2	6.7
	Private catchment not piped	0.5	0	4	0	1.6	1.5	0	15.5	2.4
	Private catchment piped	0	0	0	0	0	0.5	1	39.7	3.7
	Other	3.5	3.4	4	0	0	4.4	0	1.7	2.7
Year Dwelling Built	Before 1970	10.1	18.6	6	11.1	6.3	15.1	14.3	27.6	12.8

CHAPTER ELEVEN: SELECTED CROSS-CUTTING FACTORS AND LIVING CONDITIONS

11.1 INTRODUCTION

Living conditions observed in a household are the result of a number of factors that cut across a wide swathe of social, economic and socio-psychological factors. The SLC/HBS, IA, and PPA have revealed the reality of poverty through their respective lens. In this chapter, we examine a selective number of cross-cutting issues, namely

- Gender,
- The Environment, and
- Crime and Violence

11.1.1 GENDER ROLES

Gender roles are defined by society. As elsewhere in the Caribbean, men are expected to provide for their children, while women are expected to perform the nurturing role. The difficult economic circumstances in the country appear to have compromised the income earning capabilities of men, as seen from their perspective:

"Well as a man everybody expect you to be working and to provide for your family; if you can't do that is like you not a man."

"As a man it harder: everybody expect you to be there. Your family looking up to you."

"The other day me child mother send my little daughter by me for money to buy a school shoe. I had to send her back empty-handed. She mother come cussing. What ah go do? Ah doh have."

"The kids coming and asking for things you can't give them."

The man feels depreciated in the eyes of his child let alone other significant others, such as his peers.

Poor women may succumb to transactional sex in situations of poverty. Phiona in Carriacou is not averse to a relationship with Leroy since it guarantees income in the short-run. Both she and Leroy have an understanding of the short-term nature of their relationship (Refer to PPA, Volume 2).

"As ah come here we make friend and I decide to give a little help..." but only for the time being. I don't stay here too long."

11.1.2 GENDER RELATIONS

The high level of dependency of women in a society characterised by labour market segmentation and with slow growth might exacerbate conditions for poorer women, given the cultural definitions of roles and responsibilities of men and women. The PPA documented a number of cases of abuse, in which women were regularly subjected to grave physical violence and girls to sexual abuse.

"When he hit me with the piece of wood, with the breakfoot. I stayed with it two weeks before I know it did break."

Although encouraged to take the matter to the Police, the victim desists.

"I threaten him. I tell him I know where to go and file a case against him. And after that he start come in and give me little money. But not that he keep it up. He don't keep it up."

The need to secure and maintain income forces the woman to subject herself to abusive situations.

"I am the man, I do the major bull work, that's how the power come."

Because the house is his he feel he have to say what he want and I must not say anything."

"I have to ask him if to go out because he take care of us."

"If I going one way he will tell me don't go there."

"When he talk I listen."

11.1.3 MATING AND FERTILITY PATTERNS

The three components of the study point to the high levels of teenage pregnancy. The establishment and the sustainability of PAM as an institution with an ongoing demand, implies that there is almost an inevitability of adolescent pregnancies anticipated in the society. The PPA has documented cases of the cycle repeating itself, in which women who had children in their teens find themselves in situations in their more mature lives, in which conditions are propitiated for their daughters to follow them into early pregnancies and to children by multiple partners.

11.1.4 GENDER AND THE LABOUR MARKET

The Labour Commissioner's Office recognises that gender differentials persist in the labour market and that women do not receive equal pay for equal work. While recent legislation has removed gender biases, it is recognised that they have not been eliminated. The differential participation in sectors and occupations leads to differential life chances and at least to differential outcomes from labour market participation between women and men.

The labour market confers power in interpersonal relations in the household and disciplines gender relations.

"My partner working and I depend on him so he cut style on me."

"I feel bad because I have to depend on my partner."

Girls set a higher premium on education and training than boys, in part, because this allows for their graduating away from dependence on elementary occupations in the labour market and thus to less reliance on men folk. On the other hand, girls in poorer households may resort to transactional sex to secure the wherewithal to attend school, which exposes them to the risk of early pregnancy. In the event that they escape such an eventuality they may complete school and graduate to occupations less subject to gender segmentation.

That some women may allow their daughters to live with boyfriends to

secure support while still at school can be linked back to the segmentation of the labour markets and to the way it apportions employment between women and men. The former have to compete at the lower end for a small number of openings that pay low wages and are characterised by high levels of competition.

11.1.5 GENDER AND INSTITUTIONS

Differentials on the basis of gender are mediated by institutions in the society. There are those that contribute to or exacerbate these differentials in favour of men and there are others that are engaged in remediation of the damage or seek to prevent harm to women. The long held view of men being the head of household by reason of their being male has perpetuated an expectation about maleness and a reliance of women on men.

The society has put in place institutional mechanisms to combat disadvantages faced by women. The Programme for Adolescent Mothers (PAM) assists adolescent mothers to continue their education and to pursue paths that are protective of themselves and their babies, and has performed creditably at the task.

The Police are expected to investigate in situations of abuse of children, which in the case of adolescent pregnancy constitutes rape of a minor. The Social Services Department is expected to investigate in upholding the laws

relating to Child Protection, and to establish the circumstances surrounding the case. There was little evidence that the Police have pursued prosecutions of any fathers of children by adolescent girls. In addition, there is still some ambivalence over the rights of girls to return to the formal school system in some quarters.

The Office of Labour Commissioner is responsible for monitoring gender discrimination in the work-place. However, it is a moot point whether the Office has been able to prevent the subterfuge that some employers may pursue to avoid abiding by the rules.

On the other hand, in addition to PAM, which provides focus on adolescent mothers, and institutions like T.A. Marryshow Community College (TAMCC) that are sensitive to the needs of student mothers as they attempt to manage their studies and prospective motherhood, there are NGOs like GRENCODA that give support to girls in difficult circumstances.

The society has been less adept in providing support to male youth as is evident in the high level of dysfunctionality that has emerged in recent years. In the conduct of the IA, key observers among agencies noted with alarm that the society has had little response to the descent of male youth into mindless violence, that is evinced in a competitive maiming of members of rival gangs.

The Department of Youth has mounted a programme recently targeted at the youth and geared to put 'badness out of style'. The effectiveness of this programme in combating the growth of organised gangs is still to be assessed. However, the resources allocated to it may be limited relative to the challenge that this phenomenon now poses.

11.2 ENVIRONMENT

The country is blessed with an idyllic environment and with natural amenities that are distinctive. These resources are also brittle and can be devastated if there is an absence of understanding of their fragility. There is an acceptance in a number of quarters of the critical importance of environmental sustainability in the development of the country. The management of the environment is one of the critical cross-cutting issues for the country.

11.2.1 AMENITY RESOURCES AND TOURISM

Grenada offers a range of tourism products within its limited land mass. Sun, sea and sand put it among the better endowed destinations in that traditional Caribbean characterisation. There are also its mountains, its lake formed by a volcano, and the flora of a lush vegetation, as well as the remarkable feature of underwater volcanoes.

The management of these resources for sustainability requires an understanding

and appreciation among the population that has to be premised on a societal model of cooperation and inclusion. There is evidence that this exists in some quarters. The Fisheries Department has sought to inculcate a view among fishers that they need to be stewards in the management of the fisheries of the country.

In Carriacou, there is a growing recognition that sand mining of beaches puts the entire society at risk. NADMA has exposed farmers and others to techniques in contouring of drains and to the protection of the forests, all under the ambit of public education.

The Ministry of Tourism and the Board of Tourism have encouraged Community-based Tourism and a number of communities have taken initiatives in this regard. The Fish-fry of Gouyave is one such example of popular entertainment that caters to the local audience but also to visitors.

The promotion of Community Based Tourism is convergent with an approach that stresses collective ownership and participation. Small hotels and guest houses with backward linkages to agriculture and to fisheries are also supportive of sustainability.

However, Grenada is faced with the challenge of promoting greater airlift to the island given the importance of high occupancy and greater numbers of longer-stay visitors to increase foreign exchange earnings. This has led to the

view that larger hotels and major tourism projects should be encouraged to expand airlift and to make it economic for more and larger carriers to bring visitors to the country. There is concern expressed in the PPA about the alienation of land to large projects and to non-nationals and to the side-lining of locals. The underlying divergence in two competing approaches might not yet have been resolved.

11.2.2 SOLID WASTE MANAGEMENT

The Grenada Solid Waste Management Authority (GSWMA) has been in existence since 1996, and has sought to modernise the management of waste in keeping with the objective set by member states of OECS. There is a network that extends across the country on the three islands, with waste collection being done in twice weekly in rural areas and daily collection in most urban locations. There is also in place a programme for the collection of white waste, which is done monthly.

The GSWMA does not cater for the collection of commercial waste: businesses are required to take their waste to the landfill at Perseverance. Fees for waste disposal are collected by the Grenada Electricity Company (GRENLEC), as an Environmental Levy.

There is also a litter law, but enforcement seems to be a problem. Moreover, while there is a Public Relations Department within the Authority, responsible for public

awareness, there is still illegal dumping of waste in rivers and water courses. There are risk factors, given that streams are still a source of water for some uses in certain communities. Moreover, the fragile reef structure around Grenada is at risk from illegal dumping, which has implications not only for health but also for the fish stocks in the coastal waters.

11.2.3 COASTAL EROSION

The road along the west coast of Grenada is the main arterial connection to the north of the island. The mountainous nature of the topography creates a challenge in the expansion of the road system. Given the increasing probability of sea rise, coastal erosion imposes major infrastructure costs on the Government. The prospects are that the country will need to undertake major expenditures in the years ahead in coastal protection. Recent hurricanes have demonstrated how short-lived some of this expensive infrastructure can be. In effect, a small country with limited resources will find itself having to pre-empt a large percentage of its budget for coastal protection. Photograph 11.1 shows a sea-wall that needs to be continued along the coast.



PHOTOGRAPH 11.1: SEA-WALL ALONG THE COAST

11.3 CRIME AND VIOLENCE

The data generated in the SLC suggested only very low levels of crime. Only 1.2 percent of all respondents said they had been a victim of a crime in the past year (Table 11.1). Persons in St George's Town, St Patrick and Carriacou were more likely to have reported having been a victim of crime than persons living in other Parishes (these Parishes together accounted for 69.2 percent of all victims of crime). However, the PPA identified crime and violence as a major problem in the society. Moreover, in the IA,

respondents without being solicited about the matter, indicated deep concerns about crime in the society.

Lurid headlines have called attention of the population to the matter. Guns are in increasing prominence in the violent crimes, although maiming with sharp instruments has also been witnessed in respect of inter-gang violence. There is quickly evolving in this small country urban ghetto areas which are becoming no-go areas for rivals. There is a mix of factors that are linked here and have

cross-cutting implications for the society.

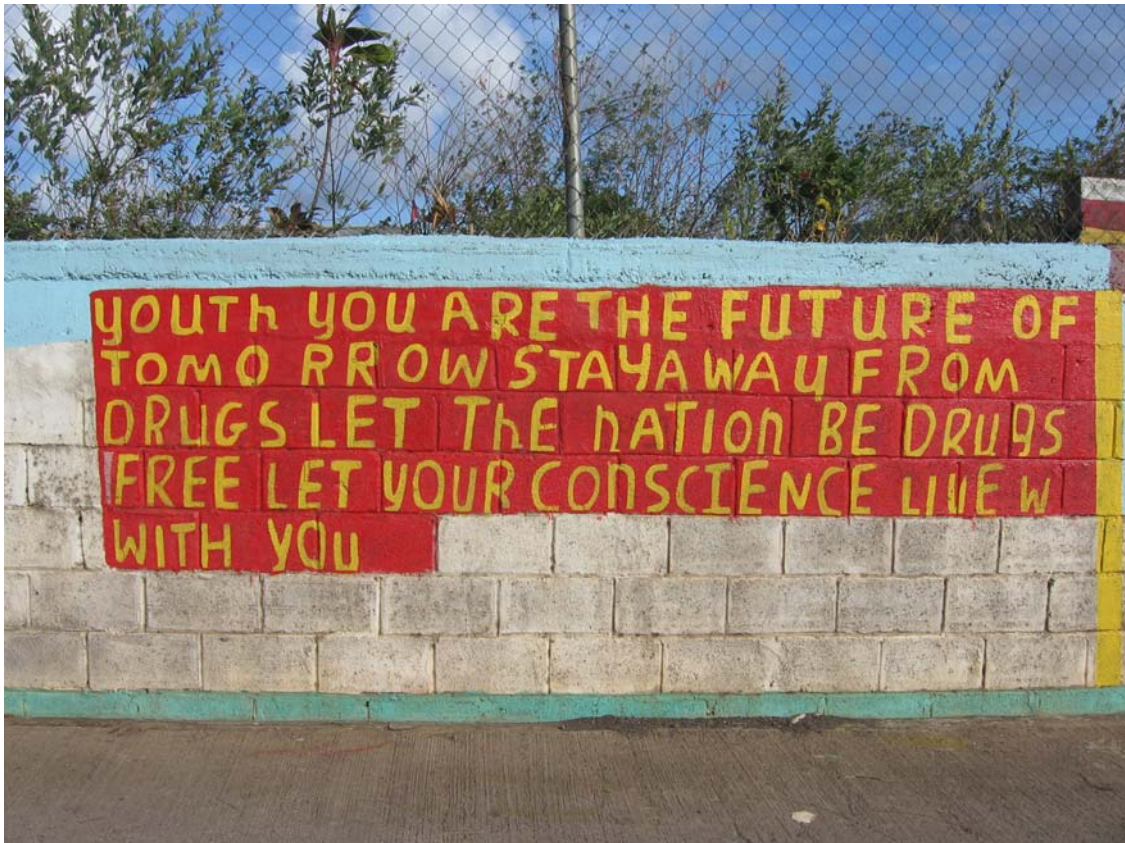
The low rate of recorded crime in the SLC is not a source for comfort in the face of observations made in the IA and in the PPA. There is reportedly drug abuse even among children. An underground economy that links St. Vincent and Grenada in the first instance supports trade in marijuana.

There is also a wider narco-trafficking industry in which the international data have established a strong Caribbean

presence as a transshipment point to the North Atlantic economies. Young men faced with unemployment and having little option for self-employment, would readily perceive that selling drugs is the fastest way of making money. The country is thus a market and a transshipment point for in this underground economy. In Photograph 11.2, the Youth in an urban community are admonished to desist from drugs.

TABLE 11.1: VICTIMS OF CRIME IN LAST 12 MONTHS

Parish	Victim Of Crime In Last 12 Months						Total	
	Yes		No		Not Stated			
	Count	%	Count	%	Count	%	Count	%
St. George	92	0.3	31721	98.9	276	0.9	32089	100.0
St. George's Town	168	4.0	3991	95.0	42	1.0	4201	100.0
St. John	0	0.0	9423	99.3	63	0.7	9486	100.0
St. Mark	0	0.0	4289	99.5	20	0.5	4309	100.0
St. Patrick	322	2.9	10797	95.7	161	1.4	11280	100.0
St. Andrew	107	0.4	28987	98.5	320	1.1	29414	100.0
St. David	127	1.0	11828	95.9	380	3.1	12335	100.0
Carriacou	243	3.7	6359	95.6	49	0.7	6651	100.0
Total	1059	1.0	107395	97.8	1311	1.2	109765	100.0



PHOTOGRAPH 11.2: THE YOUTH IN AN URBAN COMMUNITY ARE CAUTIONED ABOUT DRUGS

There is also the matter of the purveying through the mass media of the life styles of ghetto USA. Thus, there are groups that are named after gangs in the United States, or follow the mannerisms of these organisations. The clothing and the colours are emblematic of achievement in the subculture that departs from the mainstream values of Grenadian society, but satisfies a sense of belonging among restive youth. There are alarmingly, girl gangs emerging as well.

The violence that attends the turf wars over market share in drug running is not likely to leave unaffected the image of Grenada as the location for a quiet

holiday on a beautiful island. The country is highly reliant on a volatile tourism industry. It can ill-afford to allow the spiralling of crime and violence that has been witnessed in neighbouring Trinidad and Tobago.

The society has to invest resources in investigating and monitoring this subculture that threatens the development of the country. As more of its youth succumb to the allure of this subculture, the foundations for building a knowledge economy are being undermined.

There are initiatives that serve to mitigate these negative influences. More

recently, there have been targeted interventions on the part of the Ministry of Youth, in collaboration with other Ministries and complemented by NGOs. Programmes in sports, focused on the youth, might serve positively. Athletic relay events involving communities and schools are well subscribed. Football for girls is popular, and marching bands for youth attract a following. Photographs 11.3 and 11.4 show respectively, the

Pioneers in Gouyave, and a girls' football club at practice in St. George's.

In sum, the mitigation of poverty and the development of a sustainable economy require that policy-makers address a range of cross-cutting issues, which may seem outside of the framework of poverty assessment and analysis.



PHOTOGRAPH 11.3: THE PIONEERS IN GOUYAVE



PHOTOGRAPH 11.4: A GIRLS' FOOTBALL CLUB AT PRACTICE IN ST. GEORGE'S

CHAPTER TWELVE: SUMMATIVE OVERVIEW OF LIVING CONDITIONS

The CPA of 1999 identified high levels of poverty in Grenada. The present study, while based on a technically more advanced methodology than the previous study undertaken a decade ago, is similar enough to support some comparison over the time period. The data seem to suggest that the country has not made major strides in overcoming relative poverty, but has made significant steps in reducing extreme poverty (absolute poverty) and inequality.

The Government did embark on a poverty reduction strategy and put poverty reduction at the centre of its policy framework. The fact that poverty levels are still high, or even higher, raises the question of attribution. Is it that its policies were flawed and failed to address the problem or is that the environmental disaster, coupled with international crises, explains the failure to reduce poverty? Economic and social cause and effect are not easily unravelled.

The finding that a large number of persons are living in poverty in Grenada can be attributed in part to the two devastating hurricanes, Ivan in 2004 and Emily in 2005, which destroyed key infrastructure and devastated the agriculture and tourism sectors of the economy; these natural disasters would

have reversed some of the advances made. The most recent increase in world fuel and food prices, and global economic recession, would also have added to the situation being faced by residents during the conduct of the study.

12.1 POVERTY REDUCTION SINCE 1999 – ADVANCE OR RETROGRESSION?

The CPA of 1999 identified a number of factors responsible for the poverty established then. Among them were:

- The untransformed nature of the Grenadian economy, lacking flexibility to respond to changes in the international economy;
- The absence of a human capital stock and social infrastructure to serve as the foundation for building a more diversified and flexible economic base;

These fundamental weaknesses were exacerbated by a host of other factors, including:

- difficulties in the macro policy framework and in the capacity of key agencies of state to create and support a dynamic for transformation - Agriculture, Education, Labour, and Trade and Export Promotion;

- limited safety net to protect the poor and those at risk;
- limitations in the physical infrastructure;
- gaps in the institutional infrastructure;
- poor community organisation and the inability of the people in their communities to exploit their internal resources for transformation; and
- limited coordination and cooperation among Government agencies, NGOs, and CBOs.

The report of 1999 recommended addressing the above problems on the foundation of:

"a radical human resource strategy that embraces the entire nation and excites it to acquire knowledge and skills."

The report suggested that Grenada's salvation from poverty in the new global dispensation depends critically on the knowledge and skills Grenadians possess. While there have been initiatives, it is taking time to register on the labour force. Photograph 12.1 is an example of a rural development initiative in Clozier, which has multiple objectives and is being utilised especially by the youth of the community.



PHOTOGRAPH 12.1: A RURAL DEVELOPMENT INITIATIVE IN CLOZIER

12.1.1 POVERTY THEN AND NOW

The estimated poverty rate in 1998/99 was 32.1 percent as compared to 37.7 percent in 2008, though based on a different methodology. However, indigence, which is perhaps the better statistic for comparative purposes as it is absolute rather than relative, fell substantially. Even if the poverty lines are not entirely comparable, there are a number of indicators that allow for some assessment of the degree to which conditions might have changed.

Table 12.1 suggests that a continuing tendency for the poor to be concentrated among the very young: 51.3 percent were under 20 years of age in 1998 compared to 54.0 percent in 2008. This is explained by the fact that poor households tend to have a larger number of dependents (especially children) than non-poor households.

The data suggest, as can be seen in Table 12.2, that the men were more likely to be poor than women: this difference was statistically significant in 2008. This was unexpected and runs against the norm for other studies: women tend to be poorer than men.

The following comparisons are based more directly on indicators of living conditions. Table 12.3 shows that in 2008 the main material of outer walls was still most likely to be wood/timber among the lower quintiles, compared to 1998. Plywood accounted for as much as 4.2 percent of households in 2008 but was barely evident in the data for 1998, again with the lower quintiles more likely to use such material than the better-off.

TABLE 12.1: AGE DISTRIBUTION OF THE POOR, 1998, AND 2008

Age Group	1998		2008	
	% of Poor	% of Population	% of Poor	% of Population
0-4 Years	11.6	9.0	14.5	10.0
5-9 Years	13.7	10.9	12.6	9.7
10-14 Years	15.6	12.4	12.3	9.5
15-19 Years	10.4	10.2	14.6	11.7
20-24 Years	5.5	6.6	12.4	9.7
25-29 Years	5.5	5.9	6.6	6.6
30-34 Years	4.8	5.7	3.4	4.1
35-39 Years	6.7	6.4	3.5	4.9
40-44 Years	3.0	4.1	4.6	5.0
45-49 Years	3.5	3.5	4.2	5.2
50-54 Years	2.4	2.9	3.1	4.7
55-59 Years	2.1	2.8	2.8	3.9
60-64 Years	1.7	3.3	1.3	3.6
65 and Over	5.6	8.0	4.0	11.3
Not Stated	8.1	8.4	0.0	0.0
Total (All Ages)	100	100	100	100.0

TABLE 12.2: POOR POPULATION BY SEX 1998 AND 2008 COMPARED

% Poor within Gender	1998 (%)	2008 (%)
Male	32.7	39.5
Female	31.5	36.2
Both Sexes	32.1	37.7

TABLE 12.3: MATERIALS OF OUTER WALLS

Material of Outer Walls	Household Quintiles						Year
	Poorest	II	III	IV	V	Total	
	%						
Wood/Timber	63.2	40.1	29.9	19.4	10.5	32.6	2008
	59.6	57.8	45.3	41.8	29.9	46.88	1998
Concrete/Concrete Blocks/Bricks	13.1	28.0	37.8	52.4	63.4	38.9	2008
	24.0	24.0	28.4	39.1	50.4	33.18	1998
Wood & Concrete	13.1	26.1	27.1	22.9	24	22.7	2008
	34.6	16.4	25.3	18.2	18.3	22.56	1998
Plywood	6.2	5.3	3.1	4.4	1.7	4.2	2008
	0	0.4	0.9	0.9	0.9	0.62	1998
Makeshift	1.5	0.0	0.0	0.0	0.0	0.3	2008
	-	-	-	-	-	-	1998
Other/Don't Know	2.8	0.5	2.0	1.0	0.3	1.4	2008
	0.4	0.4	0.0	0.0	0.0	0.16	1998
Not Stated	0.0	0.0	0.0	0.0	0.0	0.0	2008
	0.0	0.4	0.0	0.0	0.0	0.08	1998

The greater use of wood and timber among the lower socio-economic groups might have been related to the fact that more of their homes would have suffered damage or destruction in the hurricanes. Wood, timber and plywood might be a means of providing temporary protection until rebuilding can be undertaken.

of households reliant on pit latrines – 36.3 percent in 2008 compared to 54.0 percent in 1998. However the lower socio-economic categories were more heavily reliant on pit latrines in 2008.

Table 12.4 shows the nature of toilet facilities in use by quintiles. There was a substantial reduction in the percentage

TABLE 12.4: TOILET FACILITIES

Type of Toilet Facility	Household Quintiles						Year
	Poorest	II	III	IV	V	Total	
	%						
W.C. Linked to sewer	2.1	2.3	8.1	7.3	21.6	8.2	2008
	1.3	0.4	4.0	3.1	4.5	2.66	1998
Pit-latrine/Ventilated Pit latrine	72.3	46.2	27.7	25.2	10.3	36.3	2008
	66.7	69.3	53.8	44.9	35.3	54.0	1998
Other	1.3	0.6	3.3	0.3	0.3	1.2	2008
	..	..	..	..	..	..	1998
None	1.3	1.6	2.1	0.8	0.0	1.2	2008
	0.4	0.4	0.0	0.4	0.4	0.32	1998

Table 12.5 shows the change in access to potable water supply. There was a general improvement from 1998 to 2008.

The source of lighting as can be seen in Table 12.6, suggests some improvement in conditions, with 90 percent using electricity in 2008 compared to 1998.

Generally, then there was some positive change on a few of the indicators, although they were not

overwhelming where there was an improvement. As shown earlier, on the vital issue of human resource development, while there have been major investment through the expansion of early childhood education, increased enrolment at the secondary level, increases in the numbers pursuing tertiary education, in enrolment at TAMCC, and an increase in the availability of adult education programmes, the increase has been too recent for an intervention, even if radical, to impact on the economy and society.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 12.5: ACCESS TO POTABLE WATER

Main Water Source	Household Quintiles						Year
	Poorest	II	III	IV	V	Total	
	%						
Public, piped into dwelling	48.0	64.9	76.3	64.4	77.6	66.2	2008
	52.0	56.3	52	66.7	59.4	57.28	1998
Public, piped into yard	16.8	17.4	7.7	8.6	3.3	10.8	2008
	7.6	6.3	6.2	3.6	4.5	5.6	1998
Public standpipe	22.2	5.9	3.4	2.1	2.4	7.2	2008
	17.5	16.1	14.2	5.8	10.7	12.9	1998
Private	5.0	8.3	10.7	23.1	16.7	9.1	2008
	12.6	11.2	16	13.8	12.5	13.22	1998
Other	8.0	3.6	2.9	1.7	0.0	3.24	2008
	6.7	8.5	4.9	4.9	4.9	5.98	1998

TABLE 12.6: SOURCE OF LIGHTING

Type of Lighting	Household Quintiles (%)						Year
	Poorest	II	III	IV	V	Total	
Electricity	79.1	87.9	91.8	93.7	97.5	90.0	2008
	75.9	81.8	89.8	86.7	91.0	85.04	1998
Other	20.8	12.1	8.2	6.4	2.6	10.2	2008
	24.1	18.2	10.2	13.3	9	14.96	1998

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

TABLE 12.7: POVERTY AND LIVING CONDITIONS - TRIANGULATION OF THE FINDINGS OF THE ASSESSMENT

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Measured Poverty	<ul style="list-style-type: none"> • Poverty rate estimated at 37.7% and the annualised Poverty Line is estimated at EC\$ 5,842. • Vulnerability rate estimated at 14.6% (Annualised Vulnerability Line estimated at EC\$7,302. • Indigence rate estimated at 2.4%. • Annualised Indigence line estimated at EC\$ 2,394. • The odds of being poor for households in St Mark are the highest followed by St Patrick, while Carriacou and the Town of St Georges prove to be the least likely to be poor by a considerable margin. • Carriacou accounted for 1.1 percent of the poor. • Children (persons aged 0-14) and youths (persons aged 15-24) together account for 66.4 percent of the poor • 39.5 percent of all males were deemed to be poor, compared to 36.2 percent of all females • The Gini Coefficient of inequality is 0.37 		<ul style="list-style-type: none"> • A number of Institutions have programmes in place to address poverty in Grenada, including NGOs and CBOs: • Some institutions in the public sector not well geared to treat with the crisis: Community Development now being reorganised to suit its mandate; Youth Department now getting off the ground with new programmes. • Ministry responsible for transfers has targets set in terms of number of clients to be reached. GRENCODA serves people in North West of Grenada.

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Perceptions of Poverty	<ul style="list-style-type: none"> • 64.6% of residents felt that conditions had worsened when compared to the previous year. • 37% of household heads in the poorest quintile rated themselves as being poor. 	<ul style="list-style-type: none"> • A small number of the men who participated in the discussions did not consider themselves poor because they managed their money well and were able to meet their basic needs. However most male participants considered themselves to be poor and they identified things that contributed to their poverty. Among these are unemployment, low wages, the high cost of living, and their inability to provide for themselves and their children and their families. • Most women defined poverty as not being able to meet basic needs, lacking basic necessities and unable to sustain themselves. Many saw it as a struggle to make ends meet and to provide for their families. Many said that they were poor because they are unemployed, the cost of living is high and they don't have money to meet their basic needs and those of their families. • Young people feel the impact of poverty very keenly. It lowers their self-esteem, makes them feel discriminated against, and prevents them from furthering their education. 	

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Employment/Unemployment	<ul style="list-style-type: none"> • Overall 24.9% percent of labour force participants were unemployed. • The unemployment rate in the poorest quintile was 37.8% and for quintile II the unemployment rate was 30.8% • Of those who are employed, 31.5 percent are deemed to be poor (the working poor) • The male unemployment rate is 17.9% and female unemployment rate is 31.8% • the Youth (persons aged 15-24) accounted for 42.0 percent of all unemployed persons • In the lowest quintile, 20.6 percent were engaged in elementary occupations. • The labour force was not subject to underemployment (defined as working less than 35 hours per week) as the mean number of hours worked was above 35 hours across quintiles. The mean number of hours worked by those in the lowest quintile was 37 and for those in the highest quintile it was 40. • Each additional unemployed person in the household increases the odds of the household being poor by 69%. 	<ul style="list-style-type: none"> • Residents are aware that inability to obtain jobs is often because of low levels of education, lack of qualifications and work experience. <i>"I didn't finish school so it hard for me to get a good job."</i>; <i>"More skill training centres to learn a skill and improve chances of getting a job."</i> • Analysis of the data provides concrete evidence that the labour market is segmented along gender lines because the many of males who are employed in construction and fishing are doing jobs that are usually regarded as "men's work", which pays higher wages than jobs which are regarded as "women's work" and pay less. 	<ul style="list-style-type: none"> • The Labour Commissioner's Office is responsible for maintaining peaceable Industrial Relations, Employment and Occupational Issues, Health and Safety in the work place, Labour Legislation and Labour Market Information System. • The number of newly registered employees fell from 3, 625 to 2, 646 over the period 2003 and 2004, most likely on account of Hurricane Ivan. However by 2005, newly registered employees increased to 3,728. • Though there is no Industrial Court, the Department is involved in conciliation and mediation, and has the right to intervene in labour disputes.

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Education	<ul style="list-style-type: none"> • School enrolment was almost universal with 93.8 percent of 5-9 year olds and 97.2 percent of 10-14 year olds enrolled in schools respectively • Absenteeism (proportion of students missing at least one day of school in the reference week) decreased as socioeconomic condition improved from 16.5 percent in the lowest quintile to 5.6 percent in the highest quintile • The odds of being poor falls by 43% when the household head has a secondary level education. Primary education (when compared with no education) does not contribute as significantly as secondary • 	<ul style="list-style-type: none"> • Of the 35 heads of households with whom in-depth interviews were conducted 77% only had up to primary level education. • While some adult education and literacy programmes are available, interest and participation are low; while a few young people are attending some classes, the majority of adults in the communities studied are not participating in any adult education programmes • Some poor children are not able to benefit fully from educational opportunities because their parents are not always able to send them to school every day, because of their inability to provide lunch, school materials and transportation • Residents in several of the communities studied have low levels of education and illiteracy is said to be high, especially in Bogles, Post Royal, Apres Tout, Petit Martinique, and Gouyave are said to be low. 	<ul style="list-style-type: none"> • School books are provided on rental basis. Through the Rehabilitation Programme at the Prison, inmates may acquire skills and also through the help of the Ministry of Education they can upgrade their education from the adult literacy level up to university level.

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> • Females were also more likely to report being ill than males: 28.6 percent of all females reported being ill compared to 18.9 percent of all males • 12.2 percent of males and 19.6 percent of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers. • 25.9 percent of those who reported having a chronic lifestyle disease belonged to the highest quintile; 6.4 percent of chronic disease sufferers belonged to the poorest quintile • Of all males with chronic disease, 6.6 percent belonged to the poorest quintile, while 31.7 percent belonged to the fifth quintile. • Among women with chronic diseases 8.5 percent belonged to the poorest quintile while 32.3 percent belonged to the highest quintile. • Public health centres were the first place visited for medical attention by 36.9 percent of respondents • 89.5 percent of respondents were satisfied with treatment they received • Only 7.4 percent of respondents reported to being covered by health insurance. 	<ul style="list-style-type: none"> • In some of the communities the health status of residents is said to be good but in Bogles there appears to be some evidence of malnutrition. • In some other communities including Clozier there is evidence of high cholesterol, lifestyle diseases, diabetes, hypertension and obesity, and asthma in children. • In Clozier there is also a concern about mental health problems • The absence of health centres in some communities and the distance that some residents have to travel to access health services is a concern in some areas • The high cost of medicines is burdensome to many: "I am sick all the time because I cannot afford to buy medicine."; "Right now I am suffering from diabetes and hypertension and last month I did not have the money to pay for medication so I had to do without. • Recreational facilities are only available in a small number of the communities studied so residents in several communities have to travel to other communities to participate in recreational activities; 	<ul style="list-style-type: none"> • There are hospitals located at St. George's, St Andrew, Gouayave, and Carriacou. The Maternity Unit at Gouayave is being rebuilt. • Sauteurs is blessed with the best Maternity Unit. • Chronic diseases account for most of the reported health problems among the population. Diet and life style changes were responsible for the increased incidence of chronic diseases. • HIV/AIDS Has emerged as critical among infectious diseases requiring a special programme. There is also a campaign to encourage sexually active persons to observe safe sexual practices. • There are many girls who become pregnant under the age of 16 years. They are clearly vulnerable to HIV/AIDS, given that they engage in unprotected sex.
Disability	No data in SLC	<ul style="list-style-type: none"> • There are a number of persons with disabilities in eight of the communities. While there may be some organizations that provide care and assistance to persons with disabilities, the majority of those identified in these communities are being cared for at home by family members with little if any assistance from any organization • The majority of heads of households in which there are persons with disabilities said that they receive no assistance at all. 	<ul style="list-style-type: none"> • NCH treats with children with disabilities.

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Remittances	<ul style="list-style-type: none"> • Remittances accounted for 30.7 percent of all income to households in the lowest quintile and 12.0 percent of household incomes overall. 	<ul style="list-style-type: none"> • Remittances, money, gifts and barrels of clothing and household goods from family and friends at home and abroad, are an important source of income for families and individuals in several of the communities. "People receive barrels from family and friends abroad."; "<i>Many people get support from family members abroad.</i>" However with the recent downturn in the international economy, this source may be threatened and remittances may well be diminished or cease altogether. 	<ul style="list-style-type: none"> • Personnel from the Ministry of Carriacou and Petit Martinique recognised that remittances are important in the economy of Carriacou, deriving from United States, England, Canada and from other locations like Aruba and Trinidad and Tobago where the people of Carriacou have migrated to in the past.

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Physical Living Conditions	<ul style="list-style-type: none"> • Most dwellings had outer walls made of either of concrete/concrete blocks: (35.8%) or wood/timber (32.6%) • The poor were more likely to use wood/timber than any other type of material; 63.2 percent of those in the poorest quintile live in homes made of wood/timber. • 97.7 percent of households reported that their roof was made of galvanized metal sheets • Pit latrines were used by 36.3 percent of all households; as much as 72.3 percent of the poorest households used pit latrines. • Gas/LPG was used almost universally for cooking by households: 96.5 percent. 93.2 percent of those in the lowest quintile used Gas/LPG for cooking. • 58.5 percent of households had a supply of water seven days per week. • 85 percent of the population had access to electricity from a public source, but in the lowest quintile only 79.1 percent used electricity. • There was a peak in home construction in 2005 following hurricane Ivan; as much as 20.1 percent of households from the lowest household consumption quintile reported that their home was built in 2005 • As expected, when the number of household members increases by one the odds of the household being poor increases by 49%. Moreover, each additional person under the age of 15 increases the odds of being poor by 35%. 	<ul style="list-style-type: none"> • In several of the communities there is a mixture of concrete and wooden houses; however in some communities like Telescope and Post Royal there are still several small wooden houses and housing is still inadequate • While some houses do have flush toilets, a significant number (74%) of those interviewed, use pit latrines and a small number of those interviewed have no toilet. • Practically all households (94%) use gas as their main fuel for cooking, but when the gas runs out or when there is no money to replace it several resort to wood and/or charcoal. • There has been an increase in the number of residents who have access to electricity, pipe borne water, and telephones, including cell phones and access to the internet • In Apres Tout, Gouyave and Darbeau there is a constant supply water and shortages are rare. On the other hand, water is not always available in Darvey/Prospect and there is no running water in the upper half of Clozier. • The urban communities are all well served by public transport systems comprising of mini buses that run on a regular basis and in Gouyave there are also taxis for hire. But in Darvey/Prospect the bus only operates in the morning and the afternoon, and in Après Toute where there is no regular bus service • There have been significant improvements in the infrastructure including improvement in housing. "After Ivan everybody try to build back better."; "Some homes were old and broken now we have decent, comfortable homes." 	<ul style="list-style-type: none"> • Due to the devastation of the vast majority of the housing stock in Grenada, the government put in place several programmes to assist with the crisis. These include: the Emergency Housing Programme, the Housing Repair Programme, the Materials Assistance Programme, and the Loans Programme.

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Crime/Substance Abuse	<ul style="list-style-type: none"> • Overall, 1 percent of individuals reported having been victims of crime. 	<ul style="list-style-type: none"> • Alcoholism is a serious problem in seven of the communities studied • In terms of the increase in social problems, residents in several of the communities cited illegal gambling, alcoholism, crime and violence and heavy use and abuse of drugs. Some are particularly concerned about use of illegal drugs by children. 	<ul style="list-style-type: none"> • At the end of 2008, crime was showing a downward trend. • While there had been a few murders in the course of 2008, there had been an increase in youth violence with maiming and dismemberment of victims. • Overall detection rates were in the vicinity of 75 percent, although the rates for larceny were lower. • The Prison Service has a Rehabilitation Programme which is optional and the recidivism rate is lower among those who participated in the programme. • The National Drug Control Secretariat operates a referral system, through which persons who succumb to drug use can receive counselling from medical personnel, social workers and others involved in the treatment of drug abuse.
Teenage Pregnancy	<ul style="list-style-type: none"> • 40.3 percent of females between the age of 15 -49 reported having had their first child when they were between the ages of 15-19. • The percentage of females having their first birth during their teenage years declined as socio-economic status improved from 57.8 percent in the lowest quintile to 25.0 percent in the highest quintile. • 4.6 percent of females reported to have had their first child under the age of 15 years. 	<ul style="list-style-type: none"> • Teenage pregnancy appears to be a phenomenon in some households and residents in some of the communities identified it as a problem. In spite of this it appears there is little acknowledgement that men who impregnate teenage girls are breaking the law and there is little evidence that such males had been arrested or convicted for statutory rape 	<ul style="list-style-type: none"> • There exists a Programme for Adolescent Women (PAM) through which assistance is given to adolescent mothers. Girls are taught skills in parenting, office administration, physical education, health and family life. Girls come into the Programme based on self referral, the Ministries of Health, Education as well as Social Development.

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Gender Inequity	<ul style="list-style-type: none"> • The male unemployment rate is 17.9% and female unemployment rate is 31.8% • Somewhat contradictory to conventional expectation the logistic regression model produced the result that for each additional female person in the household the odds of being poor falls by 31%(significant at the 2% level on the basis of the Wald statistic). • Where the marital status of the household head is "legally married" the odds of the household being poor falls by 67%, (statistically significant at the 2% level) indicating that the household head being married reduces its odds of being poor. 	<ul style="list-style-type: none"> • Serial mating and fertility patterns have resulted in early and multiple pregnancies for some women and some have had several children for more than one man. • Within many of the households studied, division of labour is along gender lines. Adult females are responsible for child care and for managing and maintaining the home. 	<ul style="list-style-type: none"> • The new Legislation in place has removed some of the gender biases but they have not all been eliminated • Previously, the labour force was heavily dominated by males but in more recent times, women have been entering the labour force.

*COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08*

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Natural disasters and environmental management	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • The sea is also a valuable resource in Bogles, Darvey, Gouyave, Telescope, and Petit Martinique; in these communities fishing and related activities are the main economic activities in which women and youth as well as men are engaged • All of the communities are vulnerable to natural disasters, especially hurricanes, and all suffered from the effects of Ivan which devastated many of them • Sea rise is also a matter of concern especially in Carriacou where the sea is "taking over" a cemetery and where several graves have been submerged and headstones are "jutting out" of the sea • In all of the communities there are several environmental problems, caused by actions of residents. Among these are improper disposal of garbage and faeces including in rivers, streams and the sea, the existence of poor drainage and the presence of rats and mosquitoes, over-fishing in rivers and in the sea, and hunting in the closed season • Emily and Ivan have had a significant negative impact on the national economy and on the lives of those individuals and households that depended on agriculture for their livelihoods. 	<ul style="list-style-type: none"> • Agriculture remains critical in income-generation, and in employment creation in this small economy. The devastation of hurricanes Ivan and Emily of the agricultural sector further retarded in its contribution to livelihoods of large numbers.
Democracy and governance	<ul style="list-style-type: none"> • n/a 		Ministry of Carriacou Affairs has helped in decentralisation of services to the two other islands. New constitutional provisions may allow for devolution.

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
<p>Economic and social structural change and poverty</p>	<ul style="list-style-type: none"> The poverty level has risen (32.1% in 1998 to 37.7% in 2008), while the indigence level has fallen (12.9% in 1998 to 2.4% in 2008). 	<ul style="list-style-type: none"> Most residents are of the view that few organizations, governmental, NGOs or CBO were present or operating in their communities, and the data show that there are no institutions or organizations in Darvey/Prospect and a limited number of government institutions in Petit Martinique. 	<ul style="list-style-type: none"> The market conditions for primary agricultural exports have displayed declining terms of trade, and the removal of protection on such exports as bananas resulted in the marginalisation of Grenada as a banana producer. At the same time, Grenada's presence in the market for spices had been severely contested by suppliers like Indonesia. Efforts were directed at short-term crops including bananas, and secondary vegetables and root-crops to sustain the level of food production and food security in the country. Resources were deployed at resuscitation of nutmeg, cocoa and coffee with support from the Food and Agriculture Organisation (FAO). Efforts are also being made to promote citrus cultivation. The enhancement of the supply claim is in the offing with the reorganisation taking place in WIBDECO and its commitment to undertake the marketing of vegetables, mangoes, papaya and dasheen in Europe. Hurricane Ivan devastated much of the tourism plant, and a number of establishments had to undertake major repairs and rebuilding

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Causes of poverty	<ul style="list-style-type: none"> • Contrary to conventional wisdom, standard econometric modelling of the data suggests that for each additional female person in the household the odds of being poor falls by 31% • When the number of household members increases by one the odds of the household being poor increases by 49%. • Each additional person in the household under the age of 15 increases the odds of being poor by 35%. • The odds of being poor falls by 43% when heads have secondary education'; additional tertiary level education by household heads results in a decline in household poverty levels by 107 % • The level of unemployment in Grenada which stands at 25% is the highest in the Eastern Caribbean. Each additional unemployed person increases the odds of the household being poor by 69%. • Youth (aged 15 -24) account for 42.0 percent of the unemployed and 27.0 percent of the poor while they constitute only 20.0 percent of the resident population. 	<ul style="list-style-type: none"> • Several of the women said that their male partners/their children's fathers did not contribute to financial support of the children and some blamed this on the fact that the men spent their money on alcohol." 	<p>Most institutions committed to assist in fields consistent with their mission. Some are outstanding in this regard. Institutional gaps exist nevertheless.</p>

COUNTRY POVERTY ASSESSMENT
Grenada, Carriacou and Petit Martinique 2007/08

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Current policies and programmes in social protection	<ul style="list-style-type: none"> • There is a State funded School Feeding Programme in Grenada, which services a large proportion of preschool/kindergarten children (68.1%), primary school children (81.6%); and to a lesser extent secondary school students (35.4%) 	<ul style="list-style-type: none"> • No mention was made by residents in any of the communities of work being done by organizations to address the many social problems that they identified. This suggests that their reach may not have extended to the communities that were studied. • Interviewees mentioned two NGOs that in their opinion had contributed to improvement in living conditions: GRENCODA and the Red Cross. These organizations had helped some of the interviewees to replace or repair houses that had been destroyed by Ivan. 	<ul style="list-style-type: none"> • There are a number of programmes and transfers provided by the Ministry of Education through the school system which include the School Feeding Programme, the Book Rental Programme, textbook and uniform assistance as well as transportation. • The Grenada Red Cross, PAM, the AIDS Directorate, the National Drug Secretariat, NEWLO, the Ministry of Social Development, NCH, Roving Caregivers Programme, Bel Air home for Children and Adolescents and BNTF are all engaged in different interventions in support of vulnerable and at risk groups.
Donor agencies and pro-poor interventions			CDB, EU, UNDP most critical at moment. Bilateral support from Governments of China and Venezuela.

CHAPTER THIRTEEN: POVERTY REDUCTION: REORIENTING THE THRUST

Grenada, in the first decade of the 21st century, illustrates many of the problems of a small island developing state. Its vulnerability has been severely exposed in the recent past. It is reliant on just a few sectors to secure its foreign exchange earnings in the international economy. Volatility in the international economy reverberates immediately on its main sectors. The Terrorist Attacks of September 2001 adversely impacted its tourism sector. No sooner had its economy started to show signs of recovery with improvements in international tourism arrivals, that it was struck with a most devastating hurricane. Rebuilding following Hurricane Ivan in 2004 was interrupted by another hurricane (Emily) in 2005 which, though not as ferocious, wrought havoc in parts of the island of Grenada.

There has been some economic recovery, but rebuilding has left the country even more burdened by debt. Since the latter years of the decade of the 90s, the administration in power, like those before it, sought to develop strategies of transformation and diversification within the existing sectors and with new activity oriented to external markets. Non-traditional agriculture was attempted but the institutional requirements of reorienting agriculture might have been underestimated.

Export oriented manufacturing in place could not compete, following changes taking place in the international division of labour. Offshore Financial Services hardly got off as a sector when the country was faced with blacklisting from the OECD. Call centres could not compete with India and other countries with larger supply of educated labour speaking English. Tourism and traditional export agriculture thus remained the bedrock of its foreign exchange earning sector.

This is the backdrop against which the Government, following a participatory process, embarked on a poverty reduction programme. Conditions were not propitious for a quick and easy transition of the economy to a diversified base. But therein lies the only basis for sustained poverty reduction, namely, an opportunity for many of those trapped in structural poverty to escape through preparation for participation as active competitors in the international division of labour from their base in Grenada with goods and services that are able to penetrate export markets. Poverty in an economy like Grenada is in part the outward visible evidence of this structural weakness of large sections of the poor not being able to be engaged in the production of competitive goods and services.

In spite of these difficulties the country reports key indicators that are not much different from its neighbours. It remains a middle income country. In respect of the Human Development Index, it lies in the middle range. The 2008 HDI rank for Grenada and selected Caribbean countries can be seen in Table 13.1.

Box I below summarises the main poverty indicators for the country in 2008.

TABLE 13.1: COMPARABLE PERFORMANCE BY OECS AND OTHER REGIONAL COUNTRIES

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

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

BOX 1: SUMMARY INDICATORS OF LIVING CONDITIONS IN GRENADA (2007/08)

- *The annual Indigence Line was estimated at EC \$2,394 per annum per adult*
- *The annual Poverty Line was estimated at EC \$5,842 per annum per adult in 2008.*
- *The Vulnerability line (set at 25 percent above the poverty line) was EC \$7,302 per adult per annum.*
- *37.7 percent of the population was deemed to be poor in 2008, and 2.4 percent was deemed to be indigent.*
- *The highest incidence of poverty was found in St. Patrick – 56.67 percent of residents in this Parish were deemed to be poor. The lowest incidence of poverty was found in Carriacou – 6.57 percent of resident poor.*
- *The Poverty gap index for the country was 10.13 and the Poverty Severity Index was 4.03 (2008).*
- *The Gini coefficient of inequality was estimated to be 0.37 in 2008.*
- *The richest 10 percent of the population accounted for 29.76 percent of total consumption expenditure, while the poorest 10 percent accounted for a mere 2.88 percent of total consumption.*
- *40.2 percent of household heads rated their social and economic circumstances as being worse now compared to one year ago; 16 percent felt that their economic situation had "remained the same".*
- *According to the perception of those deemed to be among the poorest only 37 percent of household heads in the lowest quintile rated themselves as poor*
- *Males are more at risk of being poor than females - 39.5 percent of all males were deemed "poor" compared to 36.2 percent of all females, although the unemployment rate is drastically higher among women (31.8%) than men (17.9%).*
- *The average size of households in the poorest quintile was 5 persons, compared to an average of 2 persons per household in the quintile V.*
- *The proportion of households using pit latrines fell from 54 percent in 1998 to 36.3 percent in 2008. However, among the poorest households the percentage using pit latrines grew from 66.7 in 1998 to 72.3 in 2008.the majority of poor households (66.6%) used pit latrines*
- *90 percent of all households used electricity for lighting, with the poorest up from 75.9 in 1998 to 79.1 in 2008*
- *The national unemployment rate was 24.9 percent, but the unemployment rate among the poor was 34.9 percent.*
- *The Services Industry employed the largest proportion of persons (34.3%), followed by Construction which employed 19.0 percent of the labour force.*
- *63.7 percent of the poorest workers were paid employees with private employers. 59.5 percent of Grenadians work a 35-40 hour week.*
- *Primary level education was most likely to be the highest level of education attained (65.2%) among heads of households in 2008.*
- *Diabetes and High Blood Pressure were the two most prevalent lifestyle diseases overall (30.5% and 61.4% respectively of persons suffering chronic diseases)*
- *40.3 percent of Females had their first child between the ages of 15-19 years*

Much of what was required to be done in 1999 remains to be done. Economic shocks and environmental challenges frustrated planned initiatives. However, there are some new problems that need to be tackled. There were glimpses of some of these in 1999 but now they are more glaring.

Poverty reduction is still about preparing the society to become more competitive and to participate better equipped in the international economy. The following seeks to identify some immediate priorities and to locate them against the overall strategy that needs to be followed.

- **The environmental threat:** in addition to upgrading and implementing its building code, the country is faced with the mammoth task of preparing its infrastructure for sea rise. Carriacou and Petit Martinique are very much at risk but there are parts of Grenada as well.
- **Gang Violence and Drug Peddling:** the recent surge in the growth of gangs is linked to the growth of the underground economy in Grenada.
- **Abuse of girls:** there is need for the authorities to take concerted action to arrest the apparent impunity with which girls are being abused in some sections of the society.
- **Urban Renewal:** rural to urban migration has led to the growth

of tenements in haphazard spontaneous settlements which are unsightly and present a health hazard.

The country has to return to some of the main planks of the platform that were elaborated some years ago and have been developed further in the outlines of its National Strategic Development Plan and its most recent budget. These include:

- **Building a knowledge based economy**
- **Macro-economic Management**
- **Mobilisation of Financial Resources**
- **Promotion of Domestic Entrepreneurship**
- **Industrial Restructuring**
- **Food Security and Cuisine Development**
- **Governance**
- **Elimination of Gender Segmentation**
- **Institutional Development - Education, Health and Wellness**
- **Institutional Development - Labour Market Entry Preparation and Skills Upgrading**
- **Institutional Development - Social Services Delivery and Social Safety Net**

The proposals elaborated below reconnect to the more critical strategies

of the recent past and project new elements needed in addressing current and prospective challenges. The time-frame for these to be undertaken are profiled in terms of:

- “I” - immediate or within six months;
- “S” - short-term or between six months to a year;
- “M” - medium-term or in one to two years; and
- “L” - long-term or in three years or more.

13.1 RETROFITTING THE PHYSICAL INFRASTRUCTURE FOR ENVIRONMENTAL THREAT

Grenada’s experience as a Small Island Developing State (SIDS) has established the costs of poor preparation for environmental threat of hurricanes. Global climate change, and the associated sea rise put much of the islands at risk of inundation and of being lost to the sea. A cemetery in Carriacou is currently at risk of disappearing because of coastal erosion. The country is also vulnerable to earthquakes. NAMDA has led the way in contouring to arrest erosion on hill sides. Soft engineering solutions have to be explored, but there is need also to popularise, through the mass media, environmental sensitivity. Additionally, the building code needs to be rigidly adhered to in the interest of public safety.

TABLE 13.1: RETROFITTING PHYSICAL INFRASTRUCTURE

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

13.2 CURBING GANG VIOLENCE AND ELIMINATING THE UNDERGROUND ECONOMY

There is a surge in the growth of gangs and there is emergence of girl gangs. This is linked to the growth of the underground economy in Grenada in addition to the impact of demonstration effect of ghetto life in the United States. Rapid rural urban migration has been associated with the rise of social problems in some districts around St. George's and in locations like Gouyave.

There is need for a concerted intervention that recognises that if left unchecked, violence impacts the vital tourism industry. Effective policing has to be complemented by social services that reach into communities with

preventive services to stanch the promise and the appeal that participation in gangs and involvement in drug-running seems to provide, especially to male youth.

The society needs to develop a zero tolerance for drugs; it cannot afford to lose so many of its youth to the underground economy and all the associated costs, not only in avoidance costs but larger costs of unfulfilled productive possibilities. The growth of the underground economy can weaken the formal economy and distract large sections of the population into activities that are eventually not sustainable and, most importantly, can derail the development process of the country by many years.

TABLE 13.2: ELIMINATING THE GROWTH OF THE UNDERGROUND ECONOMY

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Reduce or eliminate Underground Economy	S	<ul style="list-style-type: none"> • Sustained programme at community level to create alternative paths to livelihood. • Robust policing of illegal agricultural enterprise 	Reverse influence of underground economy as preferred option for earning livelihood	Department of Community Development Police Service	Fewer residents involved in drug-peddling	<p>Reports of Department of Community Development</p> <p>Reports of Police Service on seizure of drugs</p>

13.3 REDUCE TEEN AGE PREGNANCY AND ABUSE OF ADOLESCENT GIRLS

Teenage pregnancy has serious social implications, inter-generational in nature for the society. But inaction on the part of the authorities in the face of adolescent motherhood suggests a failure in the social service system and a failure of the country to live up to the

expectations relating to the rights of the child.

There is need for a programme to encourage a change of attitudes and behaviours. It is necessary for action to be taken by the authorities so that all men would no longer expect to abuse girls without being arraigned.

TABLE 13.3: REDUCTION OF TEENAGE PREGNANCY

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

13.4 URBAN RENEWAL

There is need to address the issue of urban renewal. Rapid rural to urban migration has led to the growth of tenements in haphazard spontaneous settlements. Although few people admitted to squatting in the survey, there is no doubt that some of the settlements are unfit for habitation and create conditions that might be contributory to urban blight and worse. On the other hand, in addressing the urban renewal challenge, there is need

to ensure that this does not further exacerbate rural to urban migration.

Nor is this initiative to sideline the housing programme in place with external assistance from the Governments of Venezuela and China. Indeed novel financing arrangements will need to be developed for both - urban renewal programme and low income housing programme - to ensure that beneficiaries cover most of the costs of providing for their housing needs.

TABLE 13.4: URBAN RENEWAL

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Upgrade urban tenements	I	Develop programmes to reduce spread of spontaneous settlement and upgrade peri-urban settlements	Ensure orderly urban development	Ministry of Housing and Physical Planning Agency	Orderly physical planning and development in urban areas	Ministry of Housing and Physical Planning Agency

13.5 BUILD A KNOWLEDGE-BASED ECONOMY

Inculcation of commitment to the acquisition of knowledge and to its application in the world of work is the foundation in creating a competitive labour force geared to the application of Science, Technology and advances in knowledge in the productive system of the country.

This requires major institutional change at every level and, in such an area as agriculture, involves the upgrading of farmers with basic primary level education to scientifically literate participants in a reorganised agriculture. In this regard, the farmer and the worker in agriculture have to emulate farmers in productive agriculture driven by the application of Science and Technology as in places like Israel, Chile and Costa Rica. A similar orientation will need to apply in other areas of production.

TABLE 13.5: KNOWLEDGE BASED ECONOMY

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Build knowledge based economy	M	Create commitment to education and self-upgrading in preparing for labour force participation	Develop competitiveness of society	Ministries of Education, and Community Development	Well trained labour force	Ministries responsible for Education, and Community Development

13.6 MACRO-ECONOMIC MANAGEMENT

The country is likely to continue to face major fiscal constraints in the years ahead. In the short-term because of the crises, incipient and revealed, there is little option but to rely on support from the donor community in getting the economy stimulated by investment through the state. At the same time, efforts have to be made to raise domestic savings and/or to create the institutional arrangements which would allow these to grow and to provide for domestic capital formation. Encouraging the in-shoring of funds of nationals abroad is one avenue. Indeed many nationals may choose to return home in the face of the global economic crisis as opportunities in the international labour markets contract. There are also possibilities opened up to local entrepreneurship with funds

mobilised by the Credit Unions if properly managed and risk factors monitored.

There is need for a better understanding on the part of the population of the way the economy functions. This is likely to contribute immensely to the political space required in the management of the economy in which the Government has to seek to reduce debt, while at the same time facilitating the restructuring of the economy, the better to face the requirement of participation in the global market place.

Macro-economic management has to be complemented by industrial policy formulation, and a high degree of public/private sector collaboration, and tripartite cooperation such that the various stakeholders are better seized of the challenges that they face together.

TABLE 13.6: MACRO-ECONOMIC MANAGEMENT

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Effective Macro-economic Management	M	Efficiency in public sector operations and improved balance of revenue growth over public expenditure	Fiscal Balance	Ministry of Finance	Balanced Budget and Reduced Debt	Ministry of Finance, and achievement of debt to GDP ratio set by ECCB

13.7 MOBILISATION OF NATIONAL FINANCIAL RESOURCES

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

13.8 DIVERSIFICATION AND INDUSTRIAL STRATEGY

There are mixed views on the role of industrial strategy in the development process. There has been an implicit reliance on the foreign private sector and FDI to determine the direction of industrial development. The existing industrial estates seem moribund. At the same time, there are very small domestic enterprises attempting to use local raw materials and other inputs in making products that are distinctively of Grenada. It behoves the Government to weigh all of this in the balance in developing its approach to FDI. Grenada cannot compete in export-

processing operations with large countries with cheap labour and more so cheap skills.

One line of defence is in examining from its domestic resource base those factors that may provide space for product differentiation or are characterised by unique qualities that would allow it some level of market space on that account alone. There is also the possibility that it can brand its products more effectively. The requirements for handling, branding, labelling marketing etc will need to be addressed and will have to underpin its industrial strategy in respect of the range of sectors and sub-sectors that need to be assessed in laying the platform for development and transformation.

The producers have to become very familiar with EU rules or example, in the processing of agricultural products and in agro-processing. The sectors that merit review include agro-processing based on domestic supplies (cocoa, coffee, nutmeg, other spices), condiments, fish processing, and floriculture.

In its tourism sector, further initiatives are needed. Community based tourism, joint marketing of properties, and eco-tourism hold out possibilities on their own, in addition to the linkage that needs to be established backward to high quality produce from the agricultural sector.

TABLE 13.7: MOBILISATION OF NATIONAL FINANCIAL RESOURCES

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

TABLE 13.8: DIVERSIFY INDUSTRIAL BASE

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Diversify industrial base	I	Create facilitative environment to support industrial development based on local entrepreneurship	Strengthen industrial base of Grenada	Ministry of Economic Development	Transformation of industrial base with locals participating actively	Reports of Ministry of Economic Development

13.9 FACILITATING ENTREPRENEURSHIP

In recent years, across the Caribbean region, there has developed a deeper appreciation of the role of micro-enterprises and small businesses in the liberating potential and creating space for more enterprising citizens. Governments routinely provide funds, sometimes through a Development Bank for micro-enterprises. However, the ethos of this intervention is seldom about assisting the small and micro to get large.

There is need for a change in philosophy, and to locate micro-enterprises and SMEs as the focal point of the transformation process, at the same time placing far greater reliance on domestic capital or entrepreneurs in creating new possibilities. Programmes to encourage an orientation to business and enterprise should be started in the school system, so that more students would see business and entrepreneurship as a lucrative career decision.

TABLE 13.9: DEVELOPMENT OF ENTREPRENEURSHIP

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Promote transformation process through wide involvement of nationals in creation of Enterprise	S	Development of sectoral profiles demonstrating opportunities and requirements	Ensure large numbers of nationals are equipped to start and grow competitive enterprise Ensure more young people contemplate careers in business	Ministry of Economic Development and NGO community	Grenadians oriented with culture of business	Reports of Ministry of Economic Development

13.10 FOOD SECURITY AND CUISINE DEVELOPMENT

The country has a high food import bill. The escalation in prices of basic foods at the end of 2007 has underlined the fact that there is much more that could be done to guarantee some level of food security. There is a developing interest on the part of the hotel industry in accessing supplies from domestic sources. The failure in the past to endow domestic food with a status on par with

imported food has created an underlying bias that needs to be corrected. Close links between school feeding and domestic agriculture would guarantee a source of demand for domestic agriculture. The promotion of domestic cuisine with the use of local inputs might encourage greater reliance on domestic output, thus increasing employment and income in domestic agriculture, which has to be the source of ingredients for 'fine dining'.

TABLE 13.10: FOOD SECURITY AND CUISINE DEVELOPMENT

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

13.11 IMPROVING GOVERNANCE

There are ongoing discussions of Constitutional Reform. There has been some measure of decentralisation of the delivery of services to the public by the establishment of a Ministry of Carriacou Affairs. There are groups in a number of communities that have taken initiatives at the local area which have contributed to the betterment of the lives of citizens. There is need to develop models of decentralisation and devolution that allow all citizens to participate in decisions that affect them. In communities where people are willing to establish local councils, provision should be made to accommodate this.

13.12 ELIMINATION OF GENDER SEGMENTATION

There is need to open up opportunity for training in those areas where women have been blocked by social and customary rules. The removal of barriers to women will have a radical impact not only on the work-place but also on the home and on gender relations. Women and their children have been subjected to abuse in part because of the favourable entry into some areas of the labour market enjoyed by men. The society can ill-afford to rob itself of talent based on antiquated notions of masculinity and femininity in the work-place.

TABLE 13.11: IMPROVING GOVERNANCE

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

TABLE 13.12: ELIMINATION OF GENDER SEGMENTATION

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

13.13 INSTITUTIONAL DEVELOPMENT – LAND REFORM

The country has had programmes of land reform over the years. By and large, as small holder agriculture expanded over the years, there have been attempts to put some order into the process. However, the titling of land

leaves much to be desired with the result that land may be abandoned, when, with appropriate instruments it could be retained in production. At the present time with slack resources of labour and abandoned productive land, there is need to bring idle lands into production.

TABLE 13.13: LAND REFORM

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Land Reform and Land Distribution	M	Review of past land reform programmes and facilitate rules for transfer	To expand lands in active cultivation To reduce abandonment of lands	Ministry of Agriculture	Easier access to land for prospective agriculturalists	Reports of Ministry of Agriculture

13.14 INSTITUTIONAL DEVELOPMENT – EDUCATION AND HEALTH

The small population base of the country puts a high premium on the preparation and protection of its human capital. Like other countries of the Caribbean, there has been considerable investment/expenditure on education and health. This needs to be translated into genuine productive potential, largely by marketing among the idea among the population of personal responsibility to keep learning and growing intellectually, and to maintain good health through diet, exercise and

safe sexual and other practices, for example the avoidance of drug and alcohol abuse. Each individual has to be encouraged to keep the human capital in the best shape possible.

This implies Education and Health Systems that may be differently designed, to be facilitative of that endeavour. Also implied is an examination of the internal operations of the Education and Health systems with a view to the improvement of their efficiency: both their internal and external efficiency need to be reviewed.

TABLE 13.14: COMMITMENT TO EDUCATIONAL AND WELLNESS

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Rededication of the population to educational objectives and acquisition of knowledge Commitment to wellness	S	Marketing of Education and ideal of individual responsibility for knowledge acquisition, training, retraining and lifelong education and to maintenance of good health through wellness programmes	Ensure high level of participation of population in achieving fullest potential through education and health	Ministries of Education and Ministry of Health	Knowledgeable Society committed to being at the cutting edge in many fields Healthy population with lower incidence of life style diseases	Ministries of Education and Health

13.15 INSTITUTIONAL DEVELOPMENT – LABOUR MARKET ENTRY PREPARATION AND SKILLS UPGRADING

The SLC recorded very high levels of unemployment generally, and among the poor and among youth in particular. The IA has established the importance of the contribution of a number of agencies, NEWLO being one of the more significant in respect of labour market preparation of young people. There is need to expand in this area, possibly by doubling the intake of NEWLO and establishing its presence in other communities not now being served.

In addition to this clientele, there are the vast numbers of more mature persons, who need to be upgraded or require labour market entry skills as well. There is need for collaboration between the Ministry of Education and NEWLO with regard to the running of programmes on evenings to allow men and women who want to acquire skills for labour market entry or to upgrade their skills for mobility.

3.16 INSTITUTIONAL DEVELOPMENT – SOCIAL SAFETY NET AND SOCIAL SERVICES

The country has developed a range of social services over the years. These contribute to individuals, households and communities supplying in a range of services – developmental, preventive, supportive and remedial. Some of these are NGOs and CBOs that partner with the state or engage in their own programmes and interventions. In this period of fiscal crisis, there is need for them to cooperate and to manage with the limited resources available. Together, they constitute the social safety net of Grenada.

In the most immediate period, there may be need to increase the provision in the budget for transfers to protect those who have since fallen into poverty, or might even have become indigent. The estimated indigence line adjusted for other requirements, might be used as the marker in the provision of cash transfers made by the Government.

TABLE 13.15: SKILLS FOR LABOUR MARKET ENTRY AND MOBILITY

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Expand NEWLO and similar arrangements	S	Open opportunity unemployed to acquire skills	Reduce unemployment generally, with particular regard to the youth	Ministries of Education and NEWLO	Employable work-force	Ministries of Education

TABLE 13.16: RESTRUCTURING OF SOCIAL SAFETY NET

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Restructuring of Social Safety Net	S	Collaboration among agencies involved in the delivery of social services	Ensure efficiency in the delivery of social service across the range of agencies	Ministries of Social Development with other government agencies and NGO and CBO representation	Social Safety Net with better targeting and with conditional transfers to induce appropriate behaviour and practices among beneficiaries	Ministries of Social Development

There is need for improved efficiency in targeting of those who need to have the support of the safety net at any point in time and along the life cycle from womb to the tomb. The refocusing of the safety net would involve the identification of rules of entry and of exit of beneficiaries. With such a large percentage of the population living in poverty, it would be difficult for the State to minister to all the needs of those in poverty.

There is already considerable provision of resources to the poor and vulnerable – public assistance, school meals, book rentals, vouchers for students, and exemptions to the elderly in the Health system. However, it also known that there is leakage. There will be need for holistic review of main benefits going to individuals and households. Monitoring systems need to be developed. There

may be need to shift some programmes to a conditional transfer benefits system, thus targeting those most in need but ensuring that the support is not misused.

13.17 CONCLUSION

The economic experience of Grenada over the last ten years has demonstrated the facts of life for a SID. Environmental threat, external shock, income volatility have been its reality with episodes of disaster and economic reversals occurring in quick succession.

The Government committed itself to a programme of poverty reduction on a platform of human resource development, and economic diversification at the beginning of the decade of the Millennium. As a member

of international society, it is pledged to achieve the Millennium Development Goals, more so those adapted to conditions in the Caribbean where economic and social standards have long placed these countries above the norm in respect of key indicators.

The present study has found that the country has not made the level of advance that was anticipated. While indigence or food poverty has been reduced substantially, and few might be deemed to be living below minimum nutritional requirements, poverty levels might risen at worst, or at best, have not shown any major shift.

The country now finds itself faced with a fiscal crisis, still needing to restructure its economy, but now in the context of an international economy that is still in the throes of rebalancing after the worst downturn in decades. Given the level of estimated vulnerability, about half of the population of Grenada would be hurting in this most recent crisis.

The indigence line estimated in the study, appropriately adjusted for other requirements might be used for cash transfers to meet the expanded number that might be in need. However, the reorganisation of the safety net will need to be undertaken to improve targeting and to reduce leakage.

There are other immediate interventions needed – protection of children from abuse, stemming gang violence and

drug peddling, initiation of retrofitting for climate change, urban renewal in areas showing increasing social blight in peri-urban areas. There is need for the NAT or an appropriate structure to be maintained to engage in monitoring and constant feedback on the efficacy of measures being implemented generally, and on the poverty reduction strategy specifically, that would emerge from the recommendations of this study that are accepted. Fundamental to success is a NAT that embraces the Non-Government Sector – NGOs, CBOs and the Private Sector, such that poverty reduction is founded on a wide participation and engagement between State and non-State actors.

Also to be addressed is the host of measures that treat with the reorganisation of the economy to face the challenge of competition, and to permit its people to reinsert themselves as competitive participants in the global market place, through which ultimately the country has to arrive at sustainable development. Only with a competitive economy, will the people of Grenada achieve genuine and sustained poverty reduction.

To achieve this competitive platform, the country will need external support, even after mobilising all the resources at its disposal. While Grenada cannot be deemed to be a basket case, securing the turn around of a country still reeling from shock, requires resources much beyond its present capacity.

GLOSSARY OF TERMS

WORD	MEANING
Absolute Poverty	The quantification of poverty involves the aggregation of its occurrence to a single statistic. The absolute measure of poverty is derived from the non-attainment of a criterion level of food expenditure, usually set by way of nutritional requirements below which bodily health can be threatened. The non-food component which is included in the relative poverty measure is based on some minimum provision deemed to be socially acceptable.
Developmental Institutions	Institutions that contribute to capacity building and which equip individuals and/or groups with the means to grow, expand their capabilities, and take advantage of opportunities.
Employed	A person is defined as employed if he/she did any work at all in the reference week (the week prior to the survey) for at least one hour or was on vacation during that time. It includes persons on other types of leave (sick, maternity etcetera) with a formal attachment to their jobs during the aforementioned reference week.
High Dependency Ratio	This is defined as less than one person of working age for every two persons not of working age in households for the entire population. The percentage of households and the percentage of persons living in those households which qualify on this definition are reported. For the purpose of the study (as for all countries in the Caribbean) the working age was defined as persons over the age of 15 years, no upper limit was imposed on the data.
Indigence Line	This is the money value of the consumption level required to obtain the minimum accepted basic nutritional requirement for survival. A basket of goods is selected, using software which is programmed to assign CFNI nutrient estimates, as to maximise nutrient intake at the lowest possible cost. Households unable to meet the cost of obtaining this minimum accepted caloric intake (2400 Kcal) per adult male equivalent per day are deemed to be indigent.

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Informal Sector	According to the International Labour Organisation this sector includes very small-scale units producing and distributing goods and services, and consisting largely of independent, self-employed producers in urban areas of developing countries, some of whom also employ family labour and/or a few hired workers or apprentices; which operate with very little capital, or none at all; which utilise a low level of technology and skills; which therefore operate at a low level of productivity; and which generally provide very low and irregular incomes and highly unstable employment to those who work in it. They are informal in the sense that they are for the most part unregistered and unrecorded in official statistics.
Insufficient Employment	This is defined as the percentage of persons living in households where less than one in two adults is employed. There are several aspects to this definition; firstly an adult is defined for all applicable indicators as a person over the age of 15. In practical terms an employment rate for adults is generated for each household, if this rate is less than 50% then the household is said to have insufficient employment.
Labour Force	The total labour force consists of persons who are economically active who supply labour for the production of goods and services during a specified period. It is the sum of the employed and the unemployed.
Labour Force Participants	All persons who were 15 years and over at the time of the survey, who were willing and able to work - and were either employed or unemployed.
Households with Low Asset Base	This is defined as the percentage of 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 is less than three the household is deemed to have a low asset base. Common durables generally include but are not confined to the following, stove, refrigerator, television set, radio/stereo, vehicle, telephone, video, computer, electric iron, washing machine, etc.

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

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Poverty Headcount Index	<p>This is the percentage of the population which lives in households whose adult equivalent per capita consumption falls below the poverty line. In other words it is a measure of the prevalence of poverty. Unlike per capita consumption which is measured at the household level as total household expenditure divided by the number of household members, adult equivalence measures the total number of equivalent adults in the household. In this case each person is assigned based on his/her age and sex a number equal to or less than one using the following scale. The total number of equivalent adults is always less than or equal to the number of persons in the household.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3" style="text-align: center;"><i>Adult Equivalence</i></th> </tr> <tr> <th style="text-align: center;"><i>Age Range</i></th> <th style="text-align: center;"><i>Male</i></th> <th style="text-align: center;"><i>Female</i></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Less than 1</td> <td style="text-align: center;">0.270</td> <td style="text-align: center;">0.270</td> </tr> <tr> <td style="text-align: center;">1 to 3</td> <td style="text-align: center;">0.468</td> <td style="text-align: center;">0.436</td> </tr> <tr> <td style="text-align: center;">4 to 6</td> <td style="text-align: center;">0.606</td> <td style="text-align: center;">0.547</td> </tr> <tr> <td style="text-align: center;">7 to 9</td> <td style="text-align: center;">0.697</td> <td style="text-align: center;">0.614</td> </tr> <tr> <td style="text-align: center;">10 to 14</td> <td style="text-align: center;">0.825</td> <td style="text-align: center;">0.695</td> </tr> <tr> <td style="text-align: center;">15 to 18</td> <td style="text-align: center;">0.915</td> <td style="text-align: center;">0.737</td> </tr> <tr> <td style="text-align: center;">19 to 29</td> <td style="text-align: center;">1.000</td> <td style="text-align: center;">0.741</td> </tr> <tr> <td style="text-align: center;">30 to 60</td> <td style="text-align: center;">0.966</td> <td style="text-align: center;">0.727</td> </tr> <tr> <td style="text-align: center;">61+</td> <td style="text-align: center;">0.773</td> <td style="text-align: center;">0.618</td> </tr> </tbody> </table>	<i>Adult Equivalence</i>			<i>Age Range</i>	<i>Male</i>	<i>Female</i>	Less than 1	0.270	0.270	1 to 3	0.468	0.436	4 to 6	0.606	0.547	7 to 9	0.697	0.614	10 to 14	0.825	0.695	15 to 18	0.915	0.737	19 to 29	1.000	0.741	30 to 60	0.966	0.727	61+	0.773	0.618
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Poverty Gap Index	<p>This is the mean proportionate distance across the whole population of the poor from the poverty line. It gives a good indication of depth of poverty since it is a function of the distances of the poor below the poverty line. The poverty gap represents the minimum cost of eliminating poverty, using targeted transfers. In other words, if every person below the poverty line is given just enough money to get them above the poverty line the cost would be the total sum of these transfers.</p>																																	

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Poverty Severity Index (Foster-Greer-Thorbecke P2 Index) or FGT2	<p>This measure is defined as a weighting of the poverty gaps of the poor based on those poverty gaps. It is defined as:</p> $P_2 = \frac{1}{n} \sum_{i=1}^q \left[\frac{z - y_i}{z} \right]^2 = \text{mean of squared proportionate poverty gaps}$ <p><i>Z</i> is the monetary value of the poverty line. <i>q</i> is the total number of people who are poor. <i>N</i> is the size of the population. <i>y</i> is the per capita adult equivalent consumption expenditure. To be clear, this measure can be thought of as being composed of two components: an amount due to the poverty gap, and an amount due to the inequality amongst the poor. Expressed mathematically, we have equation below, where CV_p^2 denotes the squared coefficient of variation of consumption/income amongst the poor.</p> $P_2 = \frac{PG^2}{H} + \frac{(H - PG)^2}{H} * CV_p^2$ <p>Though this measure may be hard to interpret, it is able to effectively rank the distributions and indicate which is preferable.</p>
Poor	The poor are those in society who suffer disadvantage in regard to the possession of goods, or facilities deemed to be necessary according to some generally accepted social standard, or some fundamental physical need ¹⁷ .
Poor Access to Safe Water	This is defined as the percentage of household or persons living in those households with no piped water.
Poor Quality Housing	This is defined as the percentage of households or persons living in those households where the toilet is a pit latrine or worse. Typically, this is the sum of the valid percent of households which report that they have a pit latrine, whether or not ventilated or no toilet facilities.
Preventative Institutions	These are institutions that perform functions that are preventative in nature; assist in the protection of individuals or groups from risks or vulnerabilities, and from succumbing to particular problems.

¹⁷ Dennis A. V. Brown, *Surveys of Living Conditions, Reported Health and Poverty in the Caribbean: SES, UWI, Mona, 2007* Forthcoming.

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Quintile Distributions	This is the division of households in society into five groups. They provide useful data on conditions of households and individuals across the society, and not only on the poor. Such distributions allow insight into the changes that apply as one surveys the landscape of the socio-economic pyramid and prompt hypotheses on the causative factors involved, and in revealing counter-intuitive findings. Therefore the first quintile refers to the lowest 20 percent of the distribution. Likewise, when reference is made to the highest quintile it is the top 20 percent of the quintile distribution which is being discussed. In the case of this report it refers to the distribution of per capita consumption expenditure.
Relative Poverty	The concept of relative poverty defines the poor in relation to some criterion group in the population. Usually, the criterion set could be one half of the mean income, or at the 40th percentile of the distribution; in effect, the criterion recognises the attainment of some specific group of individuals or households.
Remedial Institutions	These are institutions that seek to restore individuals or groups to a state of wholesomeness following their having been subjected, or having succumbed to particular social challenges.
Supportive Institutions	These are institutions with a focus on the provision of assistance to those in need, without necessarily being concerned with their capacity to respond to social and economic challenges on their own.
Unemployed	All persons of the economically active population, who during the rolling reference week of the SLC/HBS, were without work, wanted to work, were seeking work and were available for work during the three-week period beginning at the start of the reference week, inclusive of those persons who have lost their jobs and those who have voluntarily left work.
Vulnerability Line	The vulnerability line is 125% of the poverty line; it measures the number of persons who are susceptible to becoming poor due to an unanticipated event such as a natural disaster or other economic shock. Persons who live in households with per capita consumption expenditure below the vulnerability line are said to be vulnerable.