



**ANGUILLA**  
**COUNTRY POVERTY ASSESSMENT 2007/2009**  
**VOLUME 1: MAIN REPORT**



**FINAL REPORT**  
**COUNTRY POVERTY ASSESSMENT**  
**ANGUILLA 2007/2009**

***MAIN REPORT***

**Prepared by Kairi Consultants Limited  
in collaboration with the  
National Assessment Team of Anguilla**

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## GLOSSARY OF TERMS

WORD	MEANING
Absolute Poverty	The quantification of poverty involves the aggregation of its occurrence to a single statistic. The absolute measure of poverty is derived from the non-attainment of a criterion level of food and of non-food expenditure. The former is usually set by way of nutritional requirements below which bodily health can be threatened. The non-food component is based on some minimum provision deemed to be socially acceptable.
Developmental Institutions	Institutions that contribute to capacity building and equip individuals and/or groups with the means to grow and expand.
Employment	A person is defined as employed if he/she did any work at all in the past week for at least one hour or was on vacation during that time, as well as 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 all countries the working age was defined as persons over the age of 15 years, no upper limit was imposed on the data.
Indigence Line	This refers to certain basic nutritional requirements for survival. A basket of goods is selected in such a way as to maximise one's nutrient intake at the lowest possible cost. Households unable to meet the cost of obtaining this basket of food items are indigent. The market cost of the basic food basket (the critical poverty line) represents a lower limit of poverty and is the critical poverty line.
Informal Sector	The informal sector according to the International Labour Organisation includes very small-scale units producing and distributing goods and services, and consisting largely of independent, self-employed producers in urban areas of developing countries, some of whom also employ family labour and/or a few hired workers or apprentices; which operate with very little capital, or none at all; which utilise a low level of technology and skills; which therefore operate at a low level of productivity; and which generally provide very low and irregular incomes and highly unstable employment to those who work in it. They are informal in the sense that they are for the most part unregistered and

	<p>unrecorded in official statistics; they tend to have little or no access to organised markets, to credit institutions, to formal education and training institutions, or to many public services and amenities; they are not recognised, supported or regulated by the government; they are often compelled by circumstances to operate outside the framework of the law, and even when they are registered and respect certain aspects of the law they are almost invariably beyond the pale of social protection, labour legislation and protective measures at the workplace.</p>
Insufficient Employment	<p>Basically this concept is defined as the percentage of households or persons in the population living in households where less than one in two adults is employed. There are several aspects to this definition; firstly an adult is defined for all applicable indicators as a person over the age of 15. In practical terms an employment rate for adults is generated for each household, if this rate is less than 50% then the household is said to have insufficient employment.</p>
Labour Force	<p>The total labour force consists of persons who are economically active who supply labour for the production of goods and services during a specified period. It includes both the employed and the unemployed.</p>
Labour Force Participants	<p>All persons who were 15 years and over at the time of the survey, who were either employed or unemployed.</p>
Low Asset Base	<p>This is defined as the percentage of households or persons living in those households with less than four out of nine possible common durables. A common durable is a popular household appliance which typically allows the household to derive more than one year of service flow from its use. All durables owned by the households in a country are ranked and the nine most popular ones are determined. An aggregate of the number of the nine most common durables is generated for each household. If this number 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.</p>
Low Educational Attainment	<p>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.</p>

WORD	MEANING
Low per Capita Household Consumption	This is the percentage of the population which belongs to households or households with per capita expenditure less than the monetary value of the vulnerability line defined previously.
No Employment	This measure is defined as the percentage of households in the population where the total number of persons employed within the households is zero. The percentage of persons within households with no employed adults is the equivalent persons based measure for the population on this indicator.
No Schooling	This is a measure of truancy and is defined as the percentage of the school age population between 5 to 15 years of age who missed at least one day of schooling of the total available number of days of schooling last week. This is strictly a characteristic which can only be defined for individuals if school age and therefore no measure exist for the household.
Poverty	Poverty refers to any situation in which an individual, or group possesses less than some standard of living that has generally been defined as acceptable. This standard may be determined either on the basis of the material condition of other persons or groups in the society, or on the basis of a measure of the gap between what is possessed and some objective indicator of elementary human need. It is a complex of multiple deprivations.
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.

<p>Poverty Headcount Index</p>	<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" data-bbox="560 632 1360 1146"> <thead> <tr> <th colspan="3"><i>Adult Equivalence</i></th> </tr> <tr> <th><i>Age Range</i></th> <th><i>Male</i></th> <th><i>Female</i></th> </tr> </thead> <tbody> <tr> <td>Less than 1</td> <td>0.270</td> <td>0.270</td> </tr> <tr> <td>1 to 3</td> <td>0.468</td> <td>0.436</td> </tr> <tr> <td>4 to 6</td> <td>0.606</td> <td>0.547</td> </tr> <tr> <td>7 to 9</td> <td>0.697</td> <td>0.614</td> </tr> <tr> <td>10 to 14</td> <td>0.825</td> <td>0.695</td> </tr> <tr> <td>15 to 18</td> <td>0.915</td> <td>0.737</td> </tr> <tr> <td>19 to 29</td> <td>1.000</td> <td>0.741</td> </tr> <tr> <td>30 to 60</td> <td>0.966</td> <td>0.727</td> </tr> <tr> <td>61+</td> <td>0.773</td> <td>0.618</td> </tr> </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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<p>Poverty Gap Index</p>	<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>																																	
<p>Poverty Severity Index (Foster-Greer-Thorbecke P2 Index) or FGT2</p>	<p>This measure is defined as a weighting of the poverty gaps of the poor based on those poverty gaps. It is defined as:</p> $P_2 = \frac{1}{n} \sum_{i=1}^q \left[ \frac{z - y_i}{z} \right]^2 = \text{mean of squared proportionate poverty gaps}$ <p>Z is the monetary value of the poverty line. q is the total number of people who are poor. N is the size of the population. y is the per capita adult equivalent consumption expenditure. To be clear, this measure can be thought of as being composed of two components: an amount due to</p>																																	



	<p>the poverty gap, and an amount due to the inequality amongst the poor. Expressed mathematically, we have equation below, where <math>CV_p^2</math> 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>
The 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 <sup>1</sup> .
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.
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.

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

WORD	MEANING
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.
Structural Poverty	Individuals or households living below the poverty line, that have only recently come to experience impoverishment as a result of recent structural changes in the economy.
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.
Working Poor	Those who work and who belong to poor households are considered to be the working poor. The definition of the working poor involves two statistical units: the individual and the household. The individual is the basis for establishing the "working" and "not working" classification, while the household is the basis for establishing the "poor" and "not poor" socioeconomic classification.

## EXECUTIVE SUMMARY

This Country Poverty Assessment of Anguilla which was conducted in 2007/2009, was funded by the Caribbean Development Bank (CDB), in collaboration with the United Kingdom Department for International Development (DFID), the Canadian International Development Agency (CIDA) and the United Nations Development Programme (UNDP).

The objectives of the study were to assess the current living conditions of the residents of Anguilla; determine the main factors affecting the welfare of residents; and identify a programme of policies, strategies, actions and projects that would reduce the extent and severity of poverty in Anguilla and improve overall quality of life, especially for those at the lower end of the economic and social pyramid. In addition, the exercise required the Consultants to work closely with a National Assessment Team (NAT), to allow for capacity building among personnel in Anguilla, thereby preparing nationals to conduct such work in the future.

The study consisted of three inter-related components: a combined National Survey of Living Conditions (SLC) and Household Budgetary Survey (HBS)<sup>2</sup>, a Participatory Poverty Assessment (PPA), and an Institutional Assessment (IA). These were all set against the backdrop of the Macro-Economic and Social Assessment (MESA) of Anguilla at the time of the study. The SLC/HBS incurred delays, largely because of the difficulty at the time of securing committed enumerators to administer the field instruments. The PPA likewise was beset by challenges in the field work: while it was hoped that eight communities would have been involved, in one of the communities, only a partial exercise was conducted because of lack of follow-through by field research personnel.

The report itself has been completed some time after the field research, after the country would have experienced an unprecedented decline in its GDP, in the wake of the international economic downturn of 2007/2008. In spite of this, the findings of the study are robust, and have been triangulated by the various methods of investigation. The data allow for relatively easy projection into the reality of a radically altered economic scenario for Anguilla at the end of the first decade of the 21<sup>st</sup> century.

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<sup>2</sup> The inclusion of a survey of household budgets allows the Government to make adjustment requiring updates to their national consumer basket as a basis for the measurement of inflation without having to repeat in a separate sample survey, the collection of consumption expenditure.

The study provides a mix of quantitative and qualitative data. The SLC/HBS was the source of the statistical data which are of primary concern to those interested in measured estimates of poverty and vulnerability.

### Key Findings

1. The estimated **indigence line** for Anguilla at the time of the survey (2008/2009) was EC\$2,602 per annum or EC\$7.13 per day.
2. The **poverty line** for Anguilla was estimated to be EC\$16,348 per annum per adult.
3. The **vulnerability line**, set at 25 percent above the poverty line, was estimated at EC\$20,484<sup>3</sup>.

**TABLE 1: INDIGENCE, POVERTY AND VULNERABILITY LINES FOR ANGUILLA, 2008/09**

Indicator of Vulnerability	Anguilla 2008/09
Indigence Line (Annual in EC\$)	2,602
Poverty Line (Annual in EC\$)	16,348
Vulnerability Line (Annual in EC\$)	20,484

4. Given that the average family size (i.e. the mean adult equivalent household size) in Anguilla is 2.1, the average family in Anguilla would need at least EC\$2,860 per month, or EC\$34,330 per annum in expenditure on basic food and non-food items at prevailing prices to escape poverty (Table 2)<sup>4</sup>.

**TABLE 2: MINIMUM COST CONSUMPTION ESTIMATES FOR ANGUILLA EC\$ (2008/09)**

Mean Adult Equivalent Household Size	Indigence Line Per Month Per Adult	Poverty Line Per Month Per Adult	Minimum Required Per Month For an Average Household Size	Annual Poverty Line Per Adult	Minimum Annual Required for an Average Household
2.1	217	1,362	2,860	16,348	34,330

<sup>3</sup> Households consuming at levels below the vulnerability line are deemed to be “vulnerable”. Persons living in households that do not fall below the poverty line (that is, they are not poor) but which fall under the vulnerability line are deemed to be at risk of falling into poverty should any adverse economic shock or natural disaster occur.

<sup>4</sup> The average family size is calculated on the basis of the Mean Adult Equivalent Household size which accounts for demographic variation in the composition of households, by sex and age, which have been known to influence consumption patterns.

5. Based on this survey, the estimated poverty rate in Anguilla in 2008/09 was 5.8 percent and the indigence rate was zero (i.e. no indigence)<sup>5</sup>. This represents a significant improvement over the 2002 estimates of 23 percent poverty and 2 percent indigence<sup>6</sup>.

**TABLE 3: COMPARISON OF 2002 AND 2008/09 POVERTY RATES FOR ANGUILLA**

Poverty Indicators (2002 and 2008/09 Compared)	% Individuals 2002	% Individuals 2008/09
Indigence Rate (percentage of individuals below the indigence line)	2.0	0.0
Poverty Headcount Index Poverty Rate (percentage of individuals below poverty line)	23.0	5.8
Vulnerable but not poor (percentage of individuals below the vulnerability line but not below the poverty line)	n/a	17.7

6. Table 4 compares the indigence and poverty rates for the OECS group of countries, based on their most recent Surveys of Living Conditions. Anguilla performed well on the basis of some of the measurable indicators.

**TABLE 4: INDIGENCE RATE AND HEADCOUNT INDEX-SELECTED CARIBBEAN COUNTRIES**

Country	SLC Year	Indigence rate (%)	Head Count Index (%)
Anguilla	2008/09	0.0	5.8
Antigua and Barbuda	2005/06	3.7	18.3
British Virgin Islands	2002	1.0	22
Cayman Islands	2006/07	0.0	1.9
Dominica	2008/2009	3.1	28.8
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- Respective Country Poverty Assessments

<sup>5</sup> Estimates of poverty are made at the level of the household, based on the per capita consumption expenditure, and the socioeconomic status is accorded to all household 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 line.

<sup>6</sup> The indigence rate is comparable over time as it is a measure of absolute poverty based solely on nutritional intake. However, the Headcount Index (or poverty rate) cannot strictly be compared across time and across countries because poverty lines are relative (not absolute) and there is need to take into account constant purchasing power across time and geographic locations. However, countries often use the headcount index to compare how countries are performing relative to their neighbours and how they themselves are performing over time.

7. The data show that there are pockets of poverty in Sandy Hill, Stoney Ground, West End, North Hill, The Valley, and Farrington. Based on the Poverty Gap and Poverty Severity Indices, poverty was found to be deepest and most severe in the Districts of Stoney Ground and Sandy Hill (Table 5).

**TABLE 5: HEADCOUNT AND FGT INDICES BY DISTRICT, ANGUILLA, 2008/09**

Name of District	Poverty Headcount	Poverty Gap	Poverty Severity	Population by District
West End	13.3	1.97	0.29	966
South Hill	0.0	0.00	0.00	1922
Blowing Point	0.0	0.00	0.00	1023
Sandy Ground	0.0	0.00	0.00	360
North Hill	12.8	1.49	0.17	576
George Hill	2.2	0.56	0.15	1039
The Valley	11.6	2.04	0.36	1500
North Side	0.0	0.00	0.00	1569
The Quarter	0.0	0.00	0.00	1284
Stoney Ground	16.4	3.92	1.17	1488
Farrington	10.0	1.60	0.31	717
Sandy Hill	21.2	3.64	0.88	731
East End	0.0	0.00	0.00	806
Island Harbour	0.0	0.00	0.00	1123
Total	5.8	1.06	0.24	15104

8. Household heads were asked to rate their present economic situation and compare it to one year prior. The results show that 44.1 percent of household heads felt that their economic situation had worsened (21.3% *“much worse now”* and 22.8% *“a little worse now”*); 30.7 percent felt that their economic situation had *“remained the same”* and 18.5 percent felt that their economic situation was better now. Of these, 13 percent felt their situation was *“a little better now”* and 5.5 percent *“much better now”*.
9. The Gini Coefficient of inequality was estimated at 0.39. The bottom 20 percent of the population accounted for 6.6 percent to total consumption, while the top 20 percent accounted for about 47 percent of total consumption.
10. The labour force participation rate was 73 percent and the overall unemployment rate was 1.5 percent, with the better-off least likely to be afflicted by unemployment. Males (81.2%) had a higher labour force participation rate compared to females

(65.8%) and the unemployment rate among females was marginally higher than the rate for males - 1.7 percent and 1.3 percent respectively.

**TABLE 6: LABOUR FORCE PARTICIPATION AND UNEMPLOYMENT RATE BY QUINTILE (PERCENT)**

Within Consumption Quintile	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
% Participation in Labour force	78.2	74.4	73.8	76.9	63.0	73.0
% Unemployed	2.5	3.2	2.0	0.0	0.0	1.5

**TABLE 7: LABOUR FORCE PARTICIPATION AND UNEMPLOYMENT RATE OF MALES AND FEMALES BY QUINTILE (PERCENT)**

Within Consumption Quintile	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
% Participation in Labour force-Males	83.6	85.4	81.5	80.8	73.5	81.2
% Unemployed-Males	.7	5.9	.0	.0	.0	1.3
% Participation in Labour force-Females	70.6	64.9	67.0	73.3	56.8	65.8
% Unemployed-Females	5.6	.0	4.1	.0	.0	1.7

11. Persons in the lowest quintile were most heavily concentrated in “Craft and related trades” (43%), and in “Elementary Occupations” (14.7 percent of the employed in quintile 1 and 19.8 percent of those in quintile 2).
12. Of those employed at the time of the survey, 11.4 percent stated that they had more than one job and the likelihood of having more than one job increased with socioeconomic status. Almost seventeen percent (16.9%) of persons in the richest quintile had more than one job, compared to 10 percent of those in the poorest quintile.
13. Across all socio-economic groups, the most reported source of income was “wages” (33.07%). Wealthier respondents were more likely to report sources other than wages, such as dividends on investments (5.31%), rental (18%), or foreign pension (15.46%).
14. The majority of dwellings (92.7%) had walls that were made of concrete/concrete blocks, including as many as 81.3 percent of those in the poorest quintile, indicating a high quality of the housing stock in Anguilla. Wood was used only by 1.2 percent

- of households and these households were predominantly in the poorest quintile. About 75 percent of dwellings had roofs made of concrete, while 18 percent had roofs made of sheet metal<sup>7</sup>.
15. Most households (93.6%) used gas/LPG for cooking and most (98%) used electricity as the main type of fuel for lighting. Few households (3.4%) used pit latrines and most households (69.6 %) owned their homes with/ without a mortgage. Cisterns filled by rain or water trucks were the main source of water for the majority of households (74.5%).
  16. In terms of school enrolment, ninety three percent (93%) of children aged 5-9 years were enrolled, with enrolment rates among the poorest 20 percent being the lowest (81%). There was 100 percent enrolment in the 10-14 age group and 91 percent enrolment in the 15-19 age group.
  17. Most children (5-15 years of age) had access to the required textbooks: 74.8 percent of all children and seventy five percent (75%) of the poorest had textbooks for their exclusive use. If text books were not acquired, the main reason was that the family could not afford to buy them (over 21 percent of the poorest households cited their inability to afford all texts).
  18. A large proportion of male heads of households admitted not having attained any level of certification (48.68%), and this proportion was significantly higher among the poorest. A large proportion of female heads of households also admitted to not having attained any level of certification: 45.26 percent.
  19. An estimated 32 percent of females reported that the age at their first birth was between the ages of 15-19 (2008/09, SLC). In other words, almost one-third of women had their first child as a teenager.
  20. Similar to experiences elsewhere in the region, males were less likely to report suffering chronic diseases than females: 21 percent of males and 26 percent of females reported having a chronic disease.
  21. Social Problems  
Participants in the PPA expressed concern about what they saw as the rapid deterioration of the social environment in which they live. In each of the areas

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<sup>7</sup> The widespread use of concrete roofing in Anguilla is in part due to the country's vulnerability to hurricanes and windstorms.



studied residents commented on the existence of gangs and gang violence, the increase in the use and trafficking of drugs, the rise in criminal activity, the high levels of alcohol consumption, and the high levels of teenage pregnancy.

*“Activities involving gangs, crime, violence, and use of illegal substances are now prevalent.”*

*“Crime is on the rise, increase in burglaries, gang-related incidents and violence and abuse of alcohol and drugs.”*

*“Drive-by shootings from the Eastern section of the island against the Western section.”*

*“Teenage pregnancy is being sported like a diamond ring.”*

*“Some girls end up pregnant and leave school without getting a proper education.”*

Table 8 summarizes the social issues raised by the residents of the communities studied. Residents of The Valley, George Hill, Long Ground and Little Harbour cited the largest number of social problems, that South Hill/Blowing Point, North Hill/Sandy Ground, and East End/Island Harbour all have a significant number of social problems, while North Side, the Quarter/Stoney Ground, and Farington/Sandy Hill suffered a smaller number of such problems.

**TABLE 8: SUMMARY SOCIAL ISSUES IN COMMUNITIES**

Problems	Area Two	Area Three	Area Four	Area Five	Area Six	Area Seven	Area Eight
Gangs	x	x	X	x	x	x	x
Alcoholism	x	x	X	x	x	x	x
Drugs	x	x	X	x	x	x	x
Crime	x	x	X	-	x	x	x
Stealing	x	x	X	x	x	-	-
Violence	x	x	X	x	-	-	x
Prostitution	x	x	X	-	-	-	x
Teenage pregnancy		x		x			x
Incest	-	-	X	-	-	-	x
Child abuse	x	-	X	-	-	-	x
Domestic violence	x	-	X	-	-	-	-
Indiscipline & delinquency	x	-					
Drop outs			X	-			x

Table 9 provides a triangulation of the findings from the three primary instruments of investigation. By and large, the three sources complement one another, and present a picture of a country which, while having low rates of poverty and a relatively high level of material comforts for most of the population, has not escaped a number of serious problems that leave sections of the society very vulnerable to certain risks.

**TABLE 9: ANGUILLA 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"> <li>• Poverty rate estimated at 5.8% and the annualised Poverty Line is estimated at EC\$ 16,348.</li> <li>• Vulnerability rate estimated at 17.7% (Annualised Vulnerability Line estimated at EC\$20,484.</li> <li>• Indigence rate estimated at 0.0%.</li> <li>• Annualised Indigence line estimated at EC\$ 2,602.</li> <li>• The districts of South Hill, Blowing Point, Sandy Ground, North Side, The Quarter, East End and Island Harbour all had no recorded incidence of poverty.</li> <li>• Children (persons aged 0-14) and youths (persons aged 15-24) together account for 40.1 percent of the poor.</li> <li>• 8.2 percent of all males were deemed to be poor, compared to 3.6 percent of all females.</li> <li>• The Gini Coefficient of inequality is 0.39.</li> </ul>		
Perceptions of Poverty	<ul style="list-style-type: none"> <li>• 44.1% of household heads felt that conditions had worsened when compared to the previous year.</li> <li>• 10% of household heads in the poorest quintile rated themselves as being poor.</li> </ul>	<ul style="list-style-type: none"> <li>• There were mixed views on the presence of poverty in Anguilla which are highlighted in the quotes below:  <i>“Anguilla has no poverty.”</i>  <i>“You can’t see the poverty, it covered down.”</i>  <i>“It have a lot of people here poor.”</i>  <i>“People here are better off.”</i> </li> </ul>	

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Employment/Unemployment	<ul style="list-style-type: none"> <li>• Overall 1.5% of labour force participants were unemployed.</li> <li>• The unemployment rate in the poorest quintile was 2.5% and for quintile II the unemployment rate was 3.2%.</li> <li>• Of those who are employed, 6.4% are deemed to be poor (the working poor)</li> <li>• The male unemployment rate is 1.3% and female unemployment rate is 1.7%</li> <li>• In the lowest quintile, 14.7% were engaged in elementary occupations.</li> <li>• 82.0% of the labour force worked for 40 hours or more per week: 92.2% in the lowest quintile and 77.8% in the highest quintile.</li> </ul>	<p>Suggestions and recommendations made by participants that in their view would help to reduce poverty and improve living conditions in the country related to employment/unemployment include:</p> <ul style="list-style-type: none"> <li>• Provision of more job opportunities and more jobs;</li> <li>• Revision of the minimum wage; and</li> <li>• The introduction of unemployment benefits.</li> </ul> <p>As they noted:</p> <p><i>“A lot of persons need a job.”</i>  <i>“Not having enough money.”</i>  <i>“Cannot save any money.”</i></p> <ul style="list-style-type: none"> <li>• The notion of the working poor is exemplified in the following quote:  <i>“Living from pay cheque to pay cheque.”</i></li> </ul>	<ul style="list-style-type: none"> <li>• Traditional barriers within the labour market are being removed with female workers being employed on job sites within the construction industry and several women heading several Departments within the Public Service.</li> <li>• Influx of foreign labour with migrants usually working for lower wages and in poor working conditions.</li> </ul>
Education	<ul style="list-style-type: none"> <li>• School enrolment was near universal with 95% of 5-9 year olds and 100% of 10-14 year olds enrolled in schools respectively.</li> <li>• The literacy rate of persons 15-24 years old is 90%.</li> <li>• 45.3% and 48.7% of female and male heads of households respectively had no educational certification.</li> </ul>	<p>Several participants saw the value of education as demonstrated in the following quotes:</p> <p><i>“Education is key to enjoying a good quality of life.”</i>  <i>“To get a college education to become independent and self-reliant.”</i></p> <p>Some participants also raised the fact that the education system was not adequately preparing students for the world of work:</p> <p><i>“Schools not turning out people for the workforce.”</i></p> <p>Some parents struggled with providing school books for their children:</p> <p><i>“The cost of school books is too high.”</i></p>	<ul style="list-style-type: none"> <li>• There exists a Continuing Education Programme for teenage mothers.</li> <li>• The Ministry of Education currently does not provide pre-primary level education. It does however act as regulator at this level and also provides training for teachers at this level.</li> <li>• High enrolment rates.</li> <li>• There is need for the formalisation of the teaching of English as a second Language.</li> <li>• Absence of school feeding programmes at schools.</li> </ul>

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
		<p><i>“My girls are twins so sometimes I can get away with buying one book for the two of them.”</i></p> <p><i>“I go out and get used books for them.”</i></p> <p><i>“Many of our children go to school without books because we can’t afford them.”</i></p> <p>Some parents had hopes of completing/ furthering their education:</p> <p><i>“I was a teenage mother and did not complete secondary school but I still have hope of completing my education.”</i></p> <p><i>“Now that my daughters are older I am doing evening courses at the UWI satellite College and working towards an Associate Degree.”</i></p> <p>Participants identified some needs related to education and they were as follows: Cheaper text books; Keep same text books longer; Vocational and technical skills training centre; Cater for individuals with varying abilities; Library and resource centre; and Computer courses.</p>	
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> <li>• Females were also more likely to report being ill than males: 45.1% of all females reported being ill compared to 34.2% of all males.</li> <li>• 21.1% of males and 25.8% of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers.</li> <li>• 29.4% of those who reported having a</li> </ul>	<p>The experience of some participants related to health and disease are as follows:</p> <p><i>“Plenty people can’t afford health care.”</i></p> <p><i>“For those without transportation it is difficult to get to public health facilities.”</i></p> <p><i>“If I were to consider that I have no health care then yes I am poor.”</i></p> <p><i>“Just getting sick could tip the balance and I could end up in the poor house.”</i></p> <p><i>“Being poor is sending you out of your head.”</i></p>	<ul style="list-style-type: none"> <li>• Presence of five clinical sites in the three health districts on the island, providing primary and secondary services.</li> <li>• Chronic diseases comprise the majority of the case load at health centres.</li> <li>• Deficient dietary selection and lack of school meals service contributing to obesity in children.</li> <li>• Presence of a Mental Health Association</li> </ul>

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
	<p>chronic lifestyle disease belonged to the highest quintile; 16.2% of chronic disease sufferers belonged to the poorest quintile.</p> <ul style="list-style-type: none"> <li>• Of all males with chronic diseases, 10.2% belonged to the poorest quintile, while 33.9% belonged to the fifth quintile.</li> <li>• Among women with chronic diseases 24.7% belonged to the poorest quintile while 26.7% belonged to the highest quintile.</li> <li>• Public health centres were the first place visited for medical attention by 31.6% of respondents.</li> <li>• 94.3% of respondents were satisfied with treatment they received.</li> </ul>	<p><i>“High blood pressure, sugar, obesity, stress and nervous attacks.”</i></p> <p><i>“Health care so expensive, sometimes we can’t pay for it.”</i></p> <p><i>“I do more than one job to help with paying the bills, that helps but sometimes I so tired I can hardly walk.”</i></p> <p><i>“We cannot take the number of test the doctor order.”</i></p> <p><i>“I don’t have insurance I just pray to stay healthy.”</i></p> <p>Health Authority deemed ineffective.</p> <p>Suggestions by participants for improving health include:</p> <ul style="list-style-type: none"> <li>• Better medical facilities;</li> <li>• Proper medical services;</li> <li>• Lower cost of medication; and</li> <li>• Free health care for the elderly.</li> </ul>	<p>which advocates on behalf of those with mental health problems.</p> <ul style="list-style-type: none"> <li>• National AIDS Coordinator in place which provides testing, medication, counselling in addition to promoting awareness and education of HIV/AIDS.</li> <li>• Grey area between Health Authority and Ministry in discharge of responsibilities to population.</li> </ul>
Disability	No Data in SLC	<p>Though several persons who had some disability noted that it has affected every aspect of their lives:</p> <p><i>“It has affected me financially, socially and emotionally.”</i></p> <p><i>“My living standard has dropped. I am not living how I used to.”</i></p> <p><i>“Sometimes you feel that you have no friends.”</i></p> <p>Some had come to accept their condition, and noting that having a disability does not mean that they no ability:</p> <p><i>“At first I used to feel unhappy because I</i></p>	<ul style="list-style-type: none"> <li>• The Arijah Children’s Foundation provides assistance to parents of children with disabilities.</li> </ul>

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
		<p><i>could not do things for myself, but since I accepted my condition I feel happy.</i></p> <p><i>"I have no problem, I have accepted my condition."</i></p> <p><i>"I thought it was all over but I met those who worse than me."</i></p> <p><i>"We are not helpless."</i></p> <p><i>"My foot amputee but my brain and hands not amputee."</i></p> <p><i>"I have many ideas, I do a little sewing and knitting."</i></p> <p><i>"I am good at the computer."</i></p> <p>While others felt that they were forgotten and taken advantage of:</p> <p><i>"Government does not know it has handicapped people."</i></p> <p><i>"Government should have a vehicle for persons with disabilities."</i></p> <p><i>"Albert Lake is the only business place that makes provision for handicapped people. They have a wheelchair facility."</i></p> <p><i>"A special line should be available at banks for people with disabilities."</i></p> <p><i>"People with disabilities are treated differently."</i></p> <p><i>"Relatives and other people take everything from you and put you in the Old People's home."</i></p> <p><i>"Sometimes they chuck up a ramp, don't build it with an elevation and then it is too steep."</i></p>	
Remittances	<ul style="list-style-type: none"> <li>• Remittances accounted for 0.74% and</li> </ul>	A few participants at the Participatory Poverty	

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
	<p>20.2% of all income to households in the first quintile and second quintiles respectively and 2.6% of household incomes overall.</p>	<p>Assessment research activities did confirm that they depended on remittances as a survival/coping strategy.</p>	

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Physical Living Conditions	<ul style="list-style-type: none"> <li>The majority of dwellings had outer walls made of concrete/concrete blocks: (92.7%).</li> <li>Even the majority of the poor (81.3%) lived in dwellings with outer walls made of concrete/concrete blocks.</li> <li>77.4 percent of households reported that their roof was made of concrete while 17.8 percent reported that their roof was made of sheet metal.</li> <li>Pit latrines were used by 3.4 percent of all households with 5.9 percent of the poorest households using pit latrines.</li> <li>Gas/LPG was used almost universally for cooking by households: 93.6 percent.</li> <li>4.4 percent of households had a supply of water seven days per week.</li> <li>88 percent of the population had access to electricity from a public source, with as much as 85.9 of households in the poorest quintile having access to electricity from a public source.</li> <li>Most homes: were built in the period 2000 or earlier (80.3%); only 4.3 percent of households reporting that their dwelling was built during the period 2001 to 2007.</li> <li>When the number of household members increases by 1, the odds of the household being poor increase by 105%.</li> </ul>	<p><i>“Having to live in a house with a leaking roof.”</i></p> <p><i>“Can’t afford to pay bills.”</i></p> <p><i>“We don’t have enough room.”</i></p> <p><i>“The house very bad, it want fixing.”</i></p> <p><i>“The children need somewhere to rest their head comfortable.”</i></p> <p><i>“If I could finish the house...”</i></p> <p>The experience of some participants with utilities are as follows:</p> <p><i>“The cost of electricity too high.”</i></p> <p><i>“Power outages take place during the day but ANGLEC don’t give you back money for all those power surges we have each week.”</i></p> <p><i>“Water bills too high.”</i></p> <p><i>“Water is too high I had to disconnect it.”</i></p> <p>Due of the high cost of renting, some young people commented on the difficulty they experienced in finding affordable housing:</p> <p><i>“I have been looking for an affordable apartment.”</i></p> <p><i>“Rent is too expensive.”</i></p> <p><i>“House rent too high.”</i></p> <p><i>“When I see an apartment and would like to get it the price is so very high I can’t take it because I can’t afford two bedrooms for US\$800.00-US\$1,400 monthly.”</i></p>	<ul style="list-style-type: none"> <li>Absence of low income housing programme.</li> <li>ANGLEC has an almost universal reach to all areas in the Anguilla.</li> <li>Deficiencies in the delivery of potable water due to pilfering and leakages.</li> </ul>



Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Crime/Substance Abuse	<ul style="list-style-type: none"> <li>Overall, 3 percent of individuals reported having been victims of crime.</li> </ul>	<p>Alcoholism, drugs and gangs are present in every area and residents see these as the most prevalent and serious social problems facing them:</p> <p><i>“Increased alcoholism among youth.”</i>  <i>“Men are always drinking.”</i>  <i>“Alcoholism is evident, both young and elderly engage openly in this activity.”</i>  <i>“There is a big problem with gangs.”</i>  <i>“Gang markings are visible.”</i>  <i>“Drive-by shootings from the Eastern section of the island against the Western section.”</i>  <i>“People don’t feel safe in the community anymore.”</i>  <i>“With the escalation of crime I do not feel safe.”</i>  <i>“We are in prison in our homes.”</i>  <i>“The prisons are full of drug offenders but they don’t receive no rehabilitation, so when they come out they pick up where they left off.”</i></p>	<ul style="list-style-type: none"> <li>There has been an emergence of gangs in Anguilla.</li> <li>Upsurge in crime, with young people under the age of 25 being the main perpetrators.</li> <li>The Probation Department seeks the successful re-integration of offenders into society.</li> </ul>
Teenage Pregnancy	<ul style="list-style-type: none"> <li>31.8 percent of females between the ages of 15-49 reported having had their first child when they were between the ages of 15-19.</li> <li>The percentage of females having their first birth during their teenage years declined as socio-economic status improved from 36.3% in the lowest quintile to 15.9% in the highest quintile.</li> <li>There were no females who reported to</li> </ul>	<p>Teenage pregnancy, incest, molestation, and physical and sexual abuse of children were identified in several of the areas:</p> <p><i>“Teenage pregnancy is being sported like a diamond ring.”</i>  <i>“Some girls end up pregnant and leave school without getting a proper education.”</i>  <i>“Some male teachers are involved with the girls.”</i>  <i>“Young girls going with older men.”</i></p>	<ul style="list-style-type: none"> <li>Several agencies noted that teenage pregnancy was a problem being faced by society.</li> </ul>

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
	<ul style="list-style-type: none"> <li>have had their first child under the age of 15 years.</li> </ul>		
Gender Inequity	<ul style="list-style-type: none"> <li>The male unemployment rate is 1.3% and the female unemployment rate is 1.7%.</li> </ul>	<p>Women found themselves reliant on men for survival because of differences in labour market conditions.</p> <p><i>“Totally dependent on the man for a dollar.”</i></p> <p><i>“Everyone knows that I credit food and have to beg my boyfriend for money to pay.”</i></p>	<ul style="list-style-type: none"> <li>Traditional barriers within the labour market are being removed with female workers being employed on job sites within the construction industry and several women heading several Departments within the Public Service.</li> </ul>
Natural disasters and environmental management	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<p>Many of the areas, villages and/or communities are situated either along or near the coast, and residents in several of these identified a number of factors that contribute to coastal degradation. Among these are:</p> <ul style="list-style-type: none"> <li>Destruction of reefs and therefore of marine life;</li> <li>Endangering of sea creatures like lobsters because of catching underdeveloped lobsters or lobsters with eggs;</li> <li>Beach erosion as a result of uncontrolled sand mining. Within the last twenty years Windward Point Bay and Sile Bay have totally disappeared as a result of sand mining. Other beaches have also been so damaged; and</li> <li>Clearing of vegetation from beaches. This has left them exposed and damaged by tropical storms and hurricanes.</li> </ul>	<ul style="list-style-type: none"> <li>The Department of the Environment engages in the provision of policy development and the coordination of environment management activities in Anguilla.</li> <li>The Department of Disaster Management seeks the integration of disaster management into national development planning.</li> </ul>
Democracy and governance	<ul style="list-style-type: none"> <li>n/a</li> </ul>		

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Economic, social and structural change and poverty	<ul style="list-style-type: none"> <li>Both the percentage poor and the percentage indigent have fallen (the former was 23.0% in 2002 and 5.8% in 2009; the latter was 2.0% in 2002 and 0.0% in 2009).</li> </ul>	<ul style="list-style-type: none"> <li>Social Welfare Department and Faith Based NGOs instrumental in the provision of assistance</li> <li>Complaints voiced in some communities about lack of respect and of sensitivity of officials in Social Development and Welfare Departments in dispensing assistance to poorer people.</li> </ul>	<ul style="list-style-type: none"> <li>The Department of Social Services seeks to upgrade service delivery from days of 'poor relief'.</li> </ul>
Causes of poverty	<ul style="list-style-type: none"> <li>As the number of household members increases by 1, the odds of the household being poor increase by 105%.</li> </ul>	<p><i>"I raise up poor."</i>  <i>"I grow up in a poor family."</i>  <i>"I come from a poor generation, poverty come down on them."</i>  <i>"Father went away, we lived in an old house in a cane field."</i>  <i>"My mother had nineteen children."</i></p>	<ul style="list-style-type: none"> <li>The Department of Social Development responsible for identifying causes of poverty and developing responses.</li> </ul>
Current policies and programmes in social protection	<ul style="list-style-type: none"> <li>Government social assistance accounted for 4.6% of incomes to households in the first quintile and 1.6% of household incomes overall.</li> </ul>	<p><i>"Government make decisions they think we need but they need to ask us."</i>  <i>"Decisions are made for one set of people, the wealthy."</i>  <i>"Fair opportunities for all."</i>  <i>"Government don't care about us."</i>  <i>"No one looking after our interests."</i></p>	<ul style="list-style-type: none"> <li>The Department of Social Development and The Social Security Board offers programmes that allow for social protection.</li> </ul>

The study warns of the difficulty for Anguilla as a Small Island Developing State, in the face of the economic volatility of its main sector, through which it engages the international economy – tourism. The unprecedented decline in the global economy and more so in the main markets for the services of Anguilla, has reverberated with immediate effect on the revenues of the Government and on employment and on the incomes of substantial sections of the population. The estimate of both poor and vulnerable of 23.5 percent is likely to be a better indicator of the level of poverty in 2010: poverty might have reverted to the level of 2002. The prospects for the country are for continuing difficulty, especially as the more recent projections suggest lower recovery rates than originally anticipated for the World Economy or even another recession in the wake of the Eurozone crisis.

The challenge for Anguilla is to overcome the difficulty posed by its miniscule size in terms of population and physical size, and to arrive on a path for sustainable development that allows it continually to improve its physical and economic infrastructure. This is the only safeguard against all of the threats – fiscal, economic and physical – and still maintain a long term trajectory of growth and transformation to provide an improved quality of life for all of its citizens.

A number of recommendations are provided in the report. These include:

- *Economic diversification* through a number of niches, within the fields in which the country is already engaged – tourism and related fields, and offshore financial services – as well as in new industries and niches, which are premised on the upgrading of its population to embrace the knowledge economy of the 21<sup>st</sup> century;
- *Promotion of domestic entrepreneurship* with the involvement of many more of the Belonger population in business enterprise;
- *Overcoming educational under-performance* to ensure that most, including young males, can participate actively in the emerging knowledge economy;
- *Development of a coherent population policy* with immigration policy geared to increase numbers to be assimilated into the population without the marginalisation of the native Belonger population by the newly naturalised;
- *Upgrading of Physical Planning and Control* in recognition of the fragility of the ecology of this SID, and to avoid repetition of irreversible errors of recent physical development measures;
- *Inculcating commitment to Environmental Protection* to allow a community-led environmental monitoring and protection system to become the ultimate safeguard of sustainable development of Anguilla, given the whole system threat with which it faced from global warming, sea rise, along with the visitation of nature;

- *Development of low income housing* in recognition of the reliance of the country on inflows of labour whenever its economy is in growth mode, and the need to avoid the emergence of blighted communities comprised of immigrants and of poorer Belongers who are unable face rising costs of rental accommodation;
- *Streamlining the delivery of social services* to protect the vulnerable where necessary without their succumbing to a dependency syndrome, and to ensure that resources are deployed efficiently in social protection;
- *Arresting the growth of an underground economy* through a mix of robust policing on the one hand, and social interventions that reach in particular, youth-at-risk;
- *Promoting gender equity* by eliminating segmentation of labour market and by ensuring that opportunities are open to all irrespective of gender and by compensatory mechanisms where gender differentials persist;
- *Promotion of wellness* by inculcating personal responsibility in respect of nutritional intake and of exercise regime, in maintaining good health through the age cycle.

The report concludes that poverty reduction in Anguilla is less about reorganising its social safety net, as important and critical as that is, and more about creating an economic base that can protect the population on an island that is highly vulnerable on all of the important dimensions. In effect, then, it is about overcoming the magnitude of the development challenge faced by a micro island-state in the international economic system.



# CHAPTER ONE - INTRODUCTION

## 1.1 BACKGROUND

This Country Poverty Assessment (CPA) for Anguilla follows on a programme of assessments of living conditions initiated by the Caribbean Development Bank (CDB), as part of the Bank's strategic targeting of interventions in Borrowing Member Countries (BMCs). Similar studies, conducted in the rest of the Caribbean, have yielded results that have been used by the CDB and international donor and funding agencies, as well as by governments in the respective countries, to develop interventions for improving the conditions under which people live.

The studies have usually resulted in the reform of social policies, the reshaping of organisations and the redesign of social programmes. The CPA for Anguilla was funded by the CDB, with financial assistance from the UK Department for International Development (DFID), the Canadian International Development Agency (CIDA) and the United Nations Development Programme (UNDP). The CDB has a long history in sponsoring work among the poor, dating back to the establishment of the Basic Needs Trust Fund in the late 1970s. The CPAs which were initiated in the 1990s have been extended over time in their frame of reference to include social protection, gender and disaster.

## 1.2 DEFINING 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. The World Development Report 2000 defines poverty as an unacceptable deprivation in human well-being that can comprise both physiological and social deprivation. Physiological deprivation can be interpreted as the inability to fulfil basic material or biological needs, including inadequate nutrition, health, education, and shelter. The concept of physiological deprivation is thus closely related to, but can extend beyond low monetary income and consumption levels. Social deprivation widens the concept of deprivation to include risk, vulnerability, lack of autonomy, powerlessness, and lack of self-respect.

Most definitions of poverty still focus on the notion of material deprivation, which accords with the layman's understanding of the phenomenon. From the time of the pioneering work of Booth (1887)<sup>8</sup> among the working class of 19<sup>th</sup> century Britain, and then of Rowntree (1902)<sup>9</sup>, to the work of the World Bank (2000) in the last quarter of the 20<sup>th</sup> Century, poverty

<sup>8</sup> 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.

<sup>9</sup> Rowntree, B. Seebohm. (1902) *Poverty. A Study of Town Life*. London: MacMillan and Co. 2<sup>nd</sup> edition.

has been popularly defined in terms of material deprivation. Beyond this narrow conceptualisation, there has been, in more recent times, a move towards a broader definition of poverty.

Sen (1987)<sup>10</sup> in researching famine in China and India, developed the concepts of entitlements and capabilities that call attention not only to food requirements, and the importance of freedom from hunger, but also of access to basic education, to primary health care, personal safety, to the supply of information necessary to make informed choices and to participate in the running of the society. It also means being a part of a cohesive self-affirming social network.

Such conceptualisations broaden our understanding of poverty along two lines. First, they alert us to the fact that in our understanding of poverty there are goods and services that are essential to the wellbeing of the individual but which are beyond the control of the individual. These include the social infrastructure and the provision of social services by the State. Secondly, we are alerted to a conceptualisation of poverty that entails the non-possession of tangible things, as well as intangibles. According to this conceptualisation, poor people are now deemed to be not only those who suffer from lack of food, clothes and shelter, but also those whose personal and social circumstances limit the range of choices that they are free to make in the process of self actualisation.

A corollary of this second dimension of poverty is that the poor possess intangibles in the form of social capital that constitutes an important part of their survival strategy<sup>11</sup>. Intrinsically related to this concept of social capital, are the coping strategies used by the poor to deal with their social conditions<sup>12</sup>.

*For the purpose of this study, the poor are defined as those in society, who suffer disadvantage with regard to their lack of possession of those goods, or facilities deemed to be necessary according to some generally accepted social standard, or some fundamental physical need. There are two facets to this definition, one relative, the other absolute: both are utilised in the study.*

Poverty research has established that poverty is gendered in that males and females become poor through similar but different processes and there are significant differences in how they experience poverty and in the impact that poverty has on their lives. As a result current poverty studies not only include data disaggregated by sex but seek to provide gender

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<sup>10</sup> Sen, Amartya, (1987). *The Standard of Living*, Cambridge: Cambridge University Press.

<sup>11</sup> Social capital, in the most general terms, is a product of the historical experiences and culture that inform social relations; it is the outcome of the social, political and ethical framework of the society and how these are organised and managed.

<sup>12</sup> <http://www.uclouvain.be/cps/ucl/doc/demo/documents/Brown.pdf>



analysis of data, which allows for the derivation of pro-poor approaches that are gender sensitive.

### **1.3 OBJECTIVES OF THE CPA**

The overall objective of the CPA was to assess the current conditions affecting the welfare of people, and to identify a programme of policies, strategies, actions and projects that would reduce the extent and severity of poverty in Anguilla, enhance social development, and improve overall quality of life, especially for those at the lower end of the economic and social pyramid.

Specifically, the study sought to:

1. Calculate a poverty line for Anguilla and determine the characteristics, extent, geographic concentration, severity and causes of poverty;
2. Identify and analyse the dynamic links among the following:
  - a. Employment, unemployment, and conditions in the formal and informal sectors and poverty (e.g. size, composition and changes in the structure of employment, sectoral distribution, role of women and profitability);
  - b. Poverty and issues affecting development of the natural resources sector (e.g. agricultural production, land and marine use policy, financial and infrastructural support, environmental constraints and market access);
  - c. Poverty and issues such as the development of squatter settlements and increased crime, substance abuse and HIV/AIDS;
  - d. Poverty, access to housing and housing conditions;
  - e. Structural changes in the society such as economic, social and cultural (including issues of migration and citizenship) and the generation, maintenance or reduction of poverty;
  - f. Poverty and processes of social, economic, cultural, civil and political discrimination and exclusion, including analysis of the links between access to human rights and poverty;
  - g. Economic growth and development policies on poverty and inequality indicators;
  - h. Poverty and the effects of recent natural disasters;
  - i. The relationship between gender and poverty;
  - j. Poverty, natural hazards and disasters and disaster risk reduction; and

- k. The relationship between governance and poverty (e.g. democratic processes, participation of civil society in governance, government transparency and accountability, capacity within government to plan and deliver pro-poor and participatory programmes);
3. Analyse the impact of the social and economic policies and 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;
4. 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, other social protection measures and programmed interventions to alleviate or reduce poverty including, where necessary, non-formal mechanisms);
5. Review the priority civil society and public actions required to assist in moving households out of poverty; and
6. Develop a programme of action which sets out strategic options for addressing critical issues emerging from the research and proposals for specific actions including improvements in existing social development programmes, or changes to social and economic policy, as well as institutional and legal frameworks and investment projects with emphasis being given to strengthening or enhancing the effectiveness of government, NGO and CBO efforts to reduce poverty and to address its root causes.

The study also included, as part of its process, a strong focus on capacity building, providing training and institutional strengthening where necessary, in order to ensure that future studies of this kind, as well as monitoring activities, could be undertaken on an ongoing basis.

## **1.4 STRUCTURE OF REPORT**

The report is presented in three Volumes:

*Volume 1:* The Main Report – A Synthesis of the results from the various components and a discussion of the key issues and findings, along various themes of interest.

*Volume 2:* Voices of the Poor and Vulnerable – Report on the Participatory Assessment

*Volume 3:* Report on the Institutional Analysis

*Statistical Tables and Technical Appendices*



## CHAPTER TWO - METHODOLOGY

The Study consisted of three inter-related components: a combined National Survey of Living Conditions (SLC) and Household Budgetary Survey (HBS)<sup>13</sup>, a Participatory Poverty Assessment (PPA), and an Institutional Assessment (IA). These are set against an analysis of the Macro-economic and Social Assessment (MESA) of Anguilla at the time at which the study was conducted. These components of the study combined quantitative and qualitative research methods, in ways that complemented each other in order to provide a comprehensive picture of living conditions.

### 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 Anguilla, 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, and 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 information on households:

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

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<sup>13</sup> The inclusion of a survey of household budgets allows the Government to update their national consumer baskets as a basis for the measurement of inflation, without having to repeat in a separate sample survey, the collection of consumption expenditure.

The questionnaire was administered to a systematic, stratified random sample of 255 households or 5 percent of all households throughout Anguilla. Because of the household budget survey component, the interview process was more involved, requiring in most cases, more than one visit to a household. With a questionnaire that takes in excess of an hour to complete, there is a limit to which each area of the terms of reference could be addressed by way of specific questions on the questionnaire.

## **2.2 THE PARTICIPATORY POVERTY ASSESSMENT (PPA)**

Participatory processes are an essential component of any research to determine the level and severity of poverty in a country. The participatory approach is the key source of qualitative data which complement the quantitative data produced by the traditional survey. The Participatory Poverty Assessment (PPA) also gives a voice to the poor and vulnerable by providing opportunities for them to articulate their perceptions and experiences and to share their coping strategies.

As such, the PPA deepens our understanding of poverty, its characteristics and various dimensions, and highlights the problems, needs and priorities of those who are poor and vulnerable. 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 primary objectives of the PPA were to:

1. 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;
2. Collect and analyse gender-specific data on living conditions and deprivation and coping mechanisms;
3. Increase understanding of poor living conditions and deprivation based on the perceptions and experience of individuals living in poor communities;
4. Identify the vulnerability and risks faced by resource-poor individuals and households as they strive to sustain their livelihoods;
5. 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
6. 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 February, 2008. Teams of local Field Research Facilitators as well as some members of the PPA Sub-Committee of the NAT were trained in the use of participatory research methods and techniques. Fieldwork commenced in March, 2008 and continued over a period of 15 months.

Information was collected from individuals, households, special interest groups, community leaders and community members in seven communities in Anguilla. These communities were selected based on pre-determined criteria and were expected to represent a mix of different population demographics and economic activity; geographic location (urban/rural); levels of infrastructure development; and prevalence of specific social issues including crime, and 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 attempts were made to include women as part of the research sample and to include gender-specific questions and to apply a gender sensitive approach in the data analysis.

### **2.3 INSTITUTIONAL ASSESSMENT (IA)**

Poverty reduction depends, in part, on the role performed by institutions and their interventions in the lives of the poor and of the non-poor. In a feedback process, institutions are shaped by society and its culture, and they in turn shape social and economic relations. Thus, research on poverty is considerably enhanced by the examination of the institutional structures that exist in a society and an assessment of their effectiveness in treating with the poor. Economists like Lewis (1955) and North (2005) have alerted us to the role served by institutions in economic life, and to the extent that poverty has economic implications or is caused by economic factors, it is critical that the institutional base be examined.<sup>14</sup>

The fundamental objective of the Institutional Assessment (IA) was to establish the degree to which organisations impact on living conditions generally, are pro-poor in their work, to determine how the system of organisations and institutions in the country collectively service the poor, the vulnerable and the society in general.

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<sup>14</sup> North, Douglass, *Understanding the Process of Economic Change*, Princeton University Press, 2005.

Lewis, W.A., *Theory of Economic Growth*, Irwin, 1955.

Specifically the IA aimed to establish:

1. The primary remit of the organisation, the modalities of its current operations, and the source of the resources at its disposal;
2. The perspectives of the leadership of the organisation in respect of the task at hand and their perception of the external environment that it faces and which was the focus of its attention;
3. The extent to which the organization felt that it was contributing to the improvement of living conditions of the people of Anguilla and, in particular, to the lives of poorer members of the society; and
4. The ways in which the organisation might improve its contribution to the society, if resources were not a constraint.

Interviews were conducted with a total of sixty-two governmental, private sector and non-governmental organisations. Primary data collected from these sixty-two organisations, with the use of an open ended semi-structured instrument, were collated together with secondary data available in reports and other relevant documentation on the operations and performance of these organisations.

A score was allotted to each organisation on the basis of the information provided from the interview and from secondary data sources obtained. These scores were assigned by the Team of Consultants (TOC) and are a reflection of the effectiveness of the organization in poverty mitigation and the extent to which its activities improve the conditions under which people live. Scores range on a scale from 1 to 5, with the 5 representing the highest level and 1 the lowest level. While these scores can be challenged as normative, in the final analysis, the inter-organisational comparison to which they implicitly lead, allows for some assessment of the relative performance among what was a substantial number of organisations.

## **2.4 MACRO SOCIO-ECONOMIC ASSESSMENT**

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. This component of the report is based on the premise that what is observed at the level of the household or the community derives from the economic and social environment in which these units of society exist. Turbulence in the international economy, trade adjustment, technical change and market conditions for main foreign exchange earners reverberate with telling effect on households in terms of incomes and life chances of their members.

The macro socio-economic analysis relied on secondary information collected mainly from governmental institutions, and international and regional agencies, and from published research conducted in recent years.

## **2.5 GENDER AS A CROSS CUTTING THEME**

Since poverty is gendered, there are differences in how males and females experience and respond to this phenomenon. These differences are identified and their implications analysed in the information obtained in the PPA and in the SLC. In the Institutional Assessment, additional evidence will be sought about the response of the institutions and organizations to these differences. At the same time, while data are disaggregated by sex, some of the barriers that gender inequalities impose/could impose on the country's economic and social development are also identified and their implications discussed.





## CHAPTER THREE – HISTORY, GEOGRAPHY AND POPULATION

This chapter reviews in brief, the history, geography and the population dynamics of this small state of Anguilla. Economic and social conditions existent today have been shaped by features deriving from each of these areas, making it necessary to examine each in any assessment of living conditions.

### 3.1 HISTORY

Anguilla is one of the few remaining dependencies of Great Britain, in the Caribbean. There are a number of smaller cays and islets which have no permanent population but the main island (Anguilla) is approximately 26 kilometres long by 5 kilometres wide at its widest point. Its total population exceeds 14,000.

Although there is archaeological evidence of their presence, Anguilla did not seem to attract any large settlement of First Peoples in the pre-colonial era. The first European presence in Anguilla was recorded in 1565, when the French ‘rediscovered’ the island. Its colonial history began in 1650, with the arrival of English settlers from St. Kitts. There was a brief period of French control in 1666, after which the English recaptured the island. In the early nineteenth century, it was incorporated into a single British dependency, under the governance of St. Kitts and Nevis.

There was resistance to this arrangement by Anguillians from its inception, and right up to the post World War decolonisation process. Matters came to a boil in the 1960s, and two rebellions later ensued in 1967 and 1969. Anguillians drove St. Kitts officials and police off the island, alleging mistreatment and misappropriation of public funds. Before being restored to British rule in 1971, Anguilla had a brief period of self-declared independence under Ronald Webster, who led the Anguillian Revolution. The Islanders elected to remain a colony of Britain and then to become a British Overseas Territory.

Anguilla’s relationship with the rest of the world has grown in recent times, not only because of its political status, but more so because of the influx of migrants elsewhere from the Caribbean and the rest of the world. Traditionally, most immigrants to Anguilla came from the United States, the United Kingdom, and various Caribbean Islands, and in the last twenty years, occasionally from Nigeria. However, since 2006, there has been a vast influx of Chinese, Indian and Mexican workers, entering the island as labourers for the booming tourism sector.

Anguilla is well integrated into the economic relations of the Caribbean, by virtue of its status as an associate member of CARICOM and its membership in the Eastern Caribbean Currency Union (ECCU). Anguilla's economy is differentiated from those of its Eastern Caribbean neighbours in a significant way: whereas most of the other islands need to make adjustments to their primary agricultural exports to become more competitive due to the removal of preferential arrangements with European markets, Anguilla's economy is more likely to be affected by volatility in the sectors with which it engages the global economic system. Anguilla's main economic challenges are potential changes in the rate of demand for the niche leisure market that it provides, and the imminent tightening of the financial services and offshore banking industries across the world.

### **3.2 GEOGRAPHY**

Anguilla's name originates from the Spanish word "eel", given to it by Christopher Columbus because of the island's shape. The main island (Anguilla) is sixteen miles long and about two miles wide with an area of 91 square kilometres (km<sup>2</sup>). There are numerous cays and islets which make up the entire territory; the main ones are Scrub Island which is five square kilometres and lies just off Anguilla's north east and Dog Island, which is smaller than Scrub Island and lies to the northwest. Anguilla is the most northerly of the Leeward Islands with a total territorial area of 102 square kilometres (km<sup>2</sup>).

Anguilla's long flat profile is formed from coral and limestone. Its northern coast is lined with short slopes and steep cliffs including Crocus Hill, which is 212 feet above sea level; while the southern coast has a longer and more gradual slope that drops gently to the sea. The island has no rivers, but there are several surface saltwater ponds, mostly near the coasts, that once supplied Anguilla's salt industry until its collapse in the 1980s.<sup>15</sup>

Anguilla's climate is dry tropical with little seasonal variation. Temperatures vary little throughout the year, ranging from about 27 C (80.6 F) in December to 30 C (86 F) in July. Rainfall is erratic and tends to be low, averaging about 35 inches (900 mm) per year, but with substantial variation from year to year<sup>16</sup>. Hurricanes can occur from July to November, the peak "hurricane season" being between August and mid-October. The country suffered some destruction from Hurricane Omar in 2008, including the erosion of many of the island's beaches. Significant erosion is also caused by indiscriminate sand mining, which has resulted in the disappearance of some beaches.<sup>17</sup>

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<sup>15</sup> Haggett, Peter 2001. *Encyclopaedia of World Geography*, Volume I, Marshall Cavendish, New York.

<sup>16</sup> <http://www.weatherbase.com/weather/weatherall.php3?s=66887&refer=&units=metric>

<sup>17</sup> Lex Mundi; *Guide to Doing Business: Anguilla*, Camilla Cato and Harry Wiggan, 2004,

The dry climate and soil and relatively constrained land size make it unsuitable for large-scale commercial agriculture but fishing is very popular. Anguilla has an exclusive fishing zone of 200 nautical miles (nmi) and is surrounded by a territorial sea constituting 3 nmi.

Anguilla is divided into fourteen administrative districts:

1. Blowing Point
2. East End
3. George Hill
4. Island Harbour
5. North Hill
6. North Side
7. Sandy Ground
8. Sandy Hill
9. South Hill
10. Stoney Ground
11. The Farrington
12. The Quarter
13. The Valley
14. West End

### **3.3 POPULATION**

#### **3.3.1 Trends in Population Size and Composition**

The districts of South Hill (13%), The Valley (10%), North Side (10%) and Stoney Ground (10%) accounted for 43 percent of the population alone while Sandy Ground accounted for only 2 percent of the total population in Anguilla in the census year 2001 (Table 3.1).

**TABLE 3.1: POPULATION DISTRIBUTION BY DISTRICT 1992 AND 2001**

District	1992 (N)	1992 (%)	2001 (N)	2001 (%)
West End	611	7	736	6
South Hill	1,102	12	1,495	13
Blowing Point	802	9	779	7
Sandy Ground	247	3	274	2
North Hill	410	5	439	4
George Hill	635	7	791	7
The Valley	795	9	1,169	10
North Side	667	7	1,195	10
The Quarter	654	7	978	8
Stoney Ground	949	11	1,133	10
The Farrington	304	3	546	5
Sandy Hill	364	4	557	5
East End	672	8	614	5
Island Harbour	744	8	855	7
<b>TOTAL</b>	<b>8,960</b>	<b>100</b>	<b>11,561</b>	<b>100</b>

Source: Anguilla Statistics Department

### 3.3.2 Age-Sex Composition

In 2001, children (persons under the age of 15), accounted for the largest percentage of the population (28%) followed by those in the 30-44 age group (25.5%). Persons in the 15-29 age group accounted for 23 percent of the population while persons in the 45-64 age group only accounted for 15.8 percent of the population. The elderly represented 7.6 percent of the population which was a decline over the previous census year (1992) when the elderly represented 9.1 percent of the population (Table 3.2). This suggests some return of Anguillian migrants of a younger age group and the entry of some migrants to Anguilla.

The sex-ratio (males per 100 females) was 99 and 97 in 1992 and 2001 respectively. In 2001, there were fewer males than females in all age groups, except for those in the age group 45-64 years, for which the sex ratio was 101.

**TABLE 3.2: POPULATION BY BROAD AGE GROUP AND SEX**

Age group	1992			2001		
	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
Under 15	49.8	50.2	30.5	49.6	50.4	28.0
15-29	51.6	48.4	27.4	49.2	50.8	23.0
30-44	50.2	49.8	20.9	49.0	51.0	25.5
45-64	50.1	49.9	12.2	50.3	49.7	15.8
65+	44.6	55.4	9.1	46.7	53.3	7.6
<b>Total</b>	<b>49.9</b>	<b>50.1</b>	<b>100</b>	<b>49.2</b>	<b>50.8</b>	<b>100.0</b>
<b>Total</b>	<b>4,473</b>	<b>4,487</b>	<b>8,960</b>	<b>5,628</b>	<b>5,802</b>	<b>11,430</b>

Source: Anguilla Statistics Department

### 3.3.3 Population by Religion

Anglicans accounted for the largest religious grouping in 2001 (29%), followed by Methodists (23.9%). However, between the two census years 1992 and 2001, the percentage of Anglicans declined. It might be though, that the 2001 census offered more disaggregated information on religious affiliations than did the 1992 census (Table 3.3).

TABLE 3.3: POPULATION BY RELIGION-1992, 2001

Religion	Percent Distribution	
	1992	2001
Anglican	40.4	29.0
Methodist	33.2	23.9
Seventh Day Adventist	7.0	7.6
Baptist	4.7	7.3
Roman Catholic	3.2	5.7
Church of God	n.a.	7.6
Pentecostal	n.a.	7.7
Jehovah Witness	n.a.	0.7
Rastafarian	n.a.	0.7
None	n.a.	4.0
Other	10.7	5.3
Not stated	0.7	0.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: Anguilla Statistics Department

### 3.3.4 Population by Ethnic Origin

In 2001, the majority of the population (90.1%) reported that they were of African/Black origin and those who reported being mixed accounted for 4.6 percent. This is in stark contrast to the data available for 1960 which show that at that time the mixed population accounted for 21.0 percent of the population while Africans/Blacks accounted for 78 percent (Table 3.4). This however, might be due to sociological definitions of race and ethnicity that apply among the population: more of the population might have been prepared to define themselves as Black or of African descent in the more recent past, given that the society would not have been oblivious to social developments in the United States, Britain and in the wider Caribbean.

**TABLE 3.4 DISTRIBUTION OF POPULATION BY ETHNIC ORIGIN**

Ethnic Origin	Percent of Population	
	1960	2001
African/negro/black	78.0	90.1
Amerindian/Carib	n.a.	0.2
East Indian	0.0	0.8
Caucasian/white	0.4	3.7
Chinese/oriental	0.0	0.2
Mixed	21.0	4.6
Other	n.a.	0.3
Not specified	0.4	0.0
<b>Total (%)</b>	<b>100.0</b>	<b>100.0</b>
<b>Total (N)</b>	<b>5,810</b>	<b>11,430</b>

Source: Anguilla Statistics Department

### 3.3.5 Population by Country of Origin

Migratory flows have been a dominant factor in demographic changes in Anguilla. While for much of the period of the 20<sup>th</sup> century, the flows were outward, the last two decades of the twentieth century and the first decade of the twenty-first have been associated with substantial inflows.

The Anguillian population is significantly larger than the non-Anguillian population in all age groups, particularly in the 75 years and over age group where 87 percent of the population within this age group was Anguillian (Table 3.5). However, there is a significant non-Anguillian population of 27 percent, reflecting the change in the economic circumstances of the island relative to its neighbours.

**TABLE 3.5: PERCENTAGE DISTRIBUTION OF ANGUILLIANS AND NON-ANGUILLIANS (2001)**

Age groups	Anguillian			Non-Anguillian		
	Male	Female	Total	Male	Female	Total
0-14	76	74	75	24	26	25
15 - 44	70	69	70	30	31	30
45 - 74	75	74	74	25	26	26
75+	87	88	87	13	13	13
<b>Total</b>	<b>73</b>	<b>72</b>	<b>73</b>	<b>27</b>	<b>28</b>	<b>27</b>

Source: Anguilla Statistics Department





## CHAPTER FOUR – MACRO ECONOMIC ANALYSIS

### 4.1 INTRODUCTION

Anguilla is a Small Island Developing State (SIDS) whose economy is endowed with relatively few land-based natural resources, beyond its amenity resources of sun, sea and sand on coral ringed beaches. Its economy is predominantly service based, with tourism, offshore incorporation and management, and offshore banking as its main industries. The economy is also heavily dependent on lobster fishing and remittances.

Tourism is the main economic driver. This sector showed the most rapid rate of expansion during the last decade, and which in turn spurred growth in other non-tradable sectors such as construction and transportation. The offshore financial sector is relatively smaller and newer, but it grew steadily as a result of the government's efforts to nurture the sector. As the world emerges from the turbulence of 2007-2009, and its more recent crisis, prospects for Anguilla's economy will inevitably depend on its tourism sector and its nascent off-shore financial sector. In turn, the success of these two industries in securing a bright economic future for Anguilla will be inextricably linked to the rate recovery of the developed world and to more volatile and unpredictable external factors, such as natural events and weather conditions.

### 4.2 INTERNATIONAL CONTEXT

As the last quarter of 2009 neared its end, the global economy showed positive signs of recovery, with moderate improvement in world financial markets and economic growth on the rebound. Indicators including a gradual stabilizing of retail prices, increases in consumer confidence and improved commodity prices (particularly crude oil prices), suggested that world trade was experiencing a resurgence. In the first quarter of 2010, low interest rates in developed economies triggered a flow of new capital to some emerging countries, contributing to the success they have had in staying afloat during the downturn. However, most recent data suggests that the world economy has entered a negative and "dangerous phase", according to the IMF.<sup>18</sup>

High unemployment may linger for some time and may require specific targeted policies. In advanced countries, unemployment peaked at over 10 percent between the last quarter of 2009 and first quarter of 2010, and with another dip in incomes will show an increase in 2011, slow or declining disposable income in advanced economies translates into reduced tourist arrivals to most destinations. For another reason, the persistence of unemployment in the North Atlantic is of significance for countries of the Eastern Caribbean, for which

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<sup>18</sup> <http://www.imf.org/external/pubs/ft/survey/so/2011/NEW092211B.htm>

remittances from migrant workers represent a major part of foreign exchange inflows. Migrant workers from the Caribbean are likely to face the more severe consequences of high unemployment, as many of them are employed or seek employment, as lower-end manual labourers, often by virtue of their legal status.

Credit availability in the United States and Europe represents another constraining factor affecting the pace of recovery. In both regions, bank credit was tightly controlled in 2009 and is expected to continue to be constrained in 2010. The deterioration of credit in the developed economies, coupled with stagnation in their labour markets will affect externally dependent economies such as Anguilla, which are heavily reliant on foreign direct investment and tourism.

Consumption and investment are slowly strengthening, but are still being adversely affected by unemployment and financing constraints<sup>19</sup>. It remains to be seen whether the current policy of fiscal stimulation will be maintained or phased out, and in turn, how this will impact on the status of the financial sector in advanced countries. The events of 2008-2009 have clearly demonstrated that the success of policy initiatives in SIDS is now ultimately dependent on the trajectory of the world economy and timing.

The April 2010 update of the World Economic Outlook indicated there had been a resurgence in the developing economies, particularly among Asian economies. Table 4.1 tracks the changes in world economic growth since 2010. From 2010 to 2012, output in the developing and emerging economies is expected to decline from 7.3 percent to 6.1 percent. Growth in the ASEAN economies is also expected to decline by 1.3 percent from 2010 to 2012.

The economies of the Euro area contracted in 2008 and 2009 and were expected to remain sluggish during 2010 due to the debt crisis which began with Iceland in late 2008 and culminated in the Greek crisis in first quarter 2010. The cases of Iceland and Greece have brought to bear critical issues of policy relating to regulation of credit. The European Union is beginning to take pre-emptive steps to curtail a repeat of the Greek crisis, and introduced from May 2010 a new system in which each EU government is required to present its broader assumptions for growth, inflation, taxing and spending in the spring, or about six months before national budgets go through their respective parliaments.<sup>20</sup> The Euro-zone crisis has absorbed the attention of financial markets across the world, with Greece being the epicentre of a crisis that now embraces the Eurozone.

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<sup>19</sup> World Economic Outlook April 2010 Update, [www.imf.org](http://www.imf.org).

<sup>20</sup> <http://economictimes.indiatimes.com/news/international-business/EU-outlines-plan-to-prevent-repeat-of-Greece-fuelled-debt-crisis/articleshow/6025904.cms>

**TABLE 4.1: OVERVIEW OF THE WORLD ECONOMIC OUTLOOK GDP GROWTH PROJECTIONS**

Country	Year on Year Growth		
	2010	Projections 2011	Projections 2012
<b>World output</b>	5.1	4.0	4.0
Advanced economies	3.1	1.6	1.9
United States	3.0	1.5	1.8
Euro area	1.8	1.6	1.1
Germany	3.6	2.7	1.3
France	1.4	1.7	1.4
Italy	1.3	0.6	0.3
Spain	(0.1)	0.8	1.1
Japan	4.0	(0.5)	2.3
United Kingdom	1.4	1.1	1.6
Canada	3.2	2.1	1.9
Other advanced economies	5.8	3.6	3.7
Newly industrialized Asian economies	8.4	4.7	4.5
Emerging and developing economies	7.3	6.4	6.1
Central and Eastern Europe	4.5	4.3	2.7
Commonwealth of Independent States	4.6	4.6	4.4
Russia	4.0	4.3	4.1
Excluding Russia	6.0	5.3	5.1
Developing Asia	9.5	8.2	8.0
China	10.3	9.5	9.0
India	10.1	7.8	7.5
ASEAN-53	6.9	5.3	5.6
Middle East and North Africa	4.4	4.0	3.6
Sub-Saharan Africa	5.4	5.2	5.8
Brazil	7.5	3.8	3.6
Mexico	5.4	3.8	3.6
<b>World growth based on market exchange rates</b>	<b>4.0</b>	<b>3.0</b>	<b>3.2</b>

Source: IMF World Economic Outlook September 2011

### 4.3 REGIONAL CONTEXT

The Eastern Caribbean Currency Union (ECCU) experienced an overall contraction of growth in 2009 due to declines in activity in the tourism and construction sectors, the main contributors to growth (Table 4.2). Stay-over arrivals fell by 14.8 percent in the first quarter of 2009, with declines in visitors from the US market (18.6%), the UK market (15.4%) and the wider Caribbean (23.3%)<sup>21</sup>. The outlook since then has been uncertain, because private sector construction activity, which has been a major source of economic stimulus and growth, is expected to fall and private remittance flows, which have sustained aggregate demand in previous economic downturns, have fallen markedly.

On the fiscal side, wider deficits and higher levels of debt are projected to persist and revenues are projected to continue to fall short of government expenditure especially in light of increased social spending to mitigate the impact of the global economic crisis.

**TABLE 4.2: GDP IN CONSTANT PRICES (EC\$M)**

Country	2008	2009	% Change	
			2008	2009
Anguilla	383	297.67	4.5	-29%
Antigua and Barbuda	1,827.90	1,706.20	1.8	-7%
Dominica	490.4	482.97	3.2	-2%
Grenada	858.4	815.15	2.2	-5%
Montserrat	63.1	65.48	5.4	4%
St Kitts and Nevis	701.8	642.07	4.6	-9%
Saint Lucia	1,427.90	1,373.31	0.7	-4%
St. Vincent and the Grenadines	822.5	821.24	-0.6	0%
ECCU	6,574.90	6204.09	1.9	-6%

Source: National Accounts Statistics

The dire economic consequences on the Eastern Caribbean Currency Union Countries have been corroborated by the Economic Commission for Latin America and the Caribbean (ECLAC) in its report that was unveiled in July 2010: Anguilla recorded the sharpest drop among the countries of the Eastern Caribbean.<sup>22</sup>

<sup>21</sup> Annual Economic and Financial Review, ECCB, 2009

<sup>22</sup> [http://www.eclac.org/publicaciones/xml/4/40254/LCG2458\\_ECCU\\_-\\_English\\_2.pdf](http://www.eclac.org/publicaciones/xml/4/40254/LCG2458_ECCU_-_English_2.pdf)

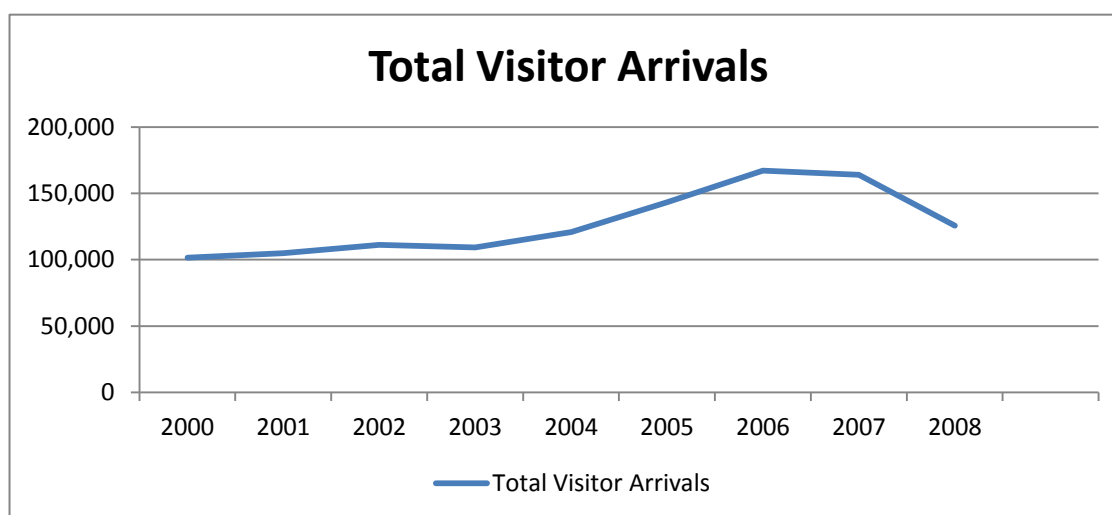
#### 4.4 ANGUILLA'S ECONOMIC PERFORMANCE

Anguilla experienced a contraction in economic activity for the first time in five years in 2009, mainly due to weak performance in its tourism and construction sectors. Reduced demand for tourism in early 2009 was reflected in an 18.3 percent fall in arrivals compared to the same period in 2008, mainly due to a decline in arrivals from the US market (Table 4.3).

**TABLE 4.3: TOURISM QUARTER BY QUARTER ANALYSIS FROM 2008-2009**

	2008	2008	2008R	2008	2009
	1st Qr	2nd Qr	3rd Qr	4th Qr	1st Qr
Total Visitors	39,614	34,147	28,935	25,164	32,383
Stay-Over Visitors	21,731	17,941	15,080	13,530	17,204
Of which: USA	13,994	11,706	6,870	7,632	11,039
Canada	915	402	313	444	816
UK	1,187	912	877	840	801
Italy	418	320	616	229	391
Germany	147	118	70	114	117
Caribbean	3,488	3,024	5,129	3,066	2,776
Other Countries	1,582	1,459	1,205	1,205	1,264
Excursionists	17,883	16,206	13,855	11,634	15,179
Total Visitor Expenditure (EC\$M)	88.94	65.78	63.6	57.3	74.6

Sources: Statistics Department. Data available at 20 May 2009



**FIGURE 4.1: TOTAL VISITOR ARRIVALS 2000-2008**

Tourism had declined consistently as a sector since 2006 (Table 4.4) suffering major declines in total visitor arrivals and the deceleration of the tourism sector resulted in related shrinkage in construction activity in 2009. Major tourism related construction activities such as the Viceroy Project were among the few that were continued in face of the sectoral decline. Additionally, the real estate experienced a contraction as property prices showed a rapid decline in early 2009 and property sales fell as a result of weakening foreign demand. Many tourist-oriented and residential construction projects were either cancelled or delayed, translating into higher unemployment. Large projects such as the Flags Luxury Properties project (which ceased construction activity in July 2009) and the Rendezvous Bay Resort and Altamer Resort expansion projects were notably affected.

**TABLE 4.4: ANGUILLA SELECTED TOURISM STATISTICS- EIGHT YEAR TREND**

	2002	2003	2004	2005	2006	2007	2008
Total Visitor Arrivals	111,118	109,282	120,788	143,186	167,245	164,067	125,616
Of Which: Stay-Over Arrivals	43,969	46,915	53,987	62,084	72,962	77,652	67,786
USA	28,755	30,644	35,751	41,733	44,489	45,974	40,789
Canada	1,301	1,289	1,549	1,792	1,977	2,393	1,893
UK	2,529	2,962	3,198	3,834	4,344	4,568	3,671
Caribbean	7,455	7,362	7,129	8,529	15,278	15,425	14,303
Other Countries	1,075	1,312	6,360	6,196	6,874	9,292	7,130
Excursionist	67,149	62,367	66,801	81,102	94,283	86,415	57,830
Total Visitor Expenditure (EC\$M)	153.6	162.7	186.9	231.9	289.9	309.2	273.8

Source: ECCB Annual Economic and Finance Report 2004, 2008

In response to the challenges confronting tourism, Anguilla has strived towards sourcing more viable markets in Asia. In July 2009 the government signed an agreement with the China Business Network to promote Anguilla's tourism product in China. China's strong position as a BRIC<sup>23</sup> economy and projected high growth in 2010 presages some success in this new relationship. More recently (May, 2010), the Government contracted with the Caribbean Development Bank to have a Tourism Master Plan done: this is in light of general downward trend in arrivals since the middle of the decade.

Anguilla's financial services sector is its next major industry. A critical issue relating to this sector is its regulatory track record and its ability to close legal loopholes that can damage its international reputation. The enormity of the challenge Anguilla faces became fully evident in early 2009, when the alleged misappropriation of funds in the sum of \$US 950,000 by an offshore practitioner became public: the integrity of the framework governing the

<sup>23</sup> Brazil, Russia, India and China, are known collectively as the "BRIC" countries.

offshore financial services sector came under question. Since this event, the country's financial system has come under more stringent scrutiny and was evaluated later in July by the Caribbean Financial Action Task Force (CFATF). Some of the issues addressed in this evaluation were, inter alia, the capacity for combating money laundering and terrorist financing, Anguilla's regulatory regime, and the legal capacity to enforce compliance measures, prosecute and convict offenders.<sup>24</sup>

#### **4.5 FISCAL OPERATIONS**

The 2009 budget for Anguilla was the largest estimated expenditure in the island's history, at EC\$339 million. The budget was mainly to address the island's growing cost of public services and its capital programme for the year. Recurrent expenditure rose to \$241 million, which is a \$37 million dollar or 17.6 percent increase from the 2008 allocation. Current expenditure in the first quarter of 2009 was higher than in the corresponding period of 2008, at \$51.76 million compared to \$48.39 million, which was due to an increase in spending in most subcategories, except goods and services. Expenditure on personal emoluments increased by 25.8 percent over the fiscal year, and this was mostly driven by salary increases to public servants in 2008 and an increase in the subvention allocated to the Anguilla Health Authority.

In 2009, priority was given to education, with an allocation of \$800 thousand towards the improvement of school environments. \$700 thousand was also allocated for the construction of support rooms at a primary school to accommodate special classes in reading recovery, music, and rooms for school-based support services such as a school nurse, counsellor and educational support services.<sup>25</sup>

With regards to Health Services Development, \$1.5 million went towards the funding of capital infrastructure for the Health Authority, most notably, the completion of the maternity wing, upgrade of the surgical theatre, creation of a Stabilisation Room in the Intensive Care Unit, Upgrade of Health Centres, and Hurricane Shutters for the Miriam Gumbs Senior Citizens Home and purchase of medical equipment<sup>26</sup>.

The 2009 budget also made a \$1.2 million dollar provision for the elderly and the destitute through the Department of Social Development. The allocation was intended to include in its vision single mothers who are raising children without the assistance of their fathers. The

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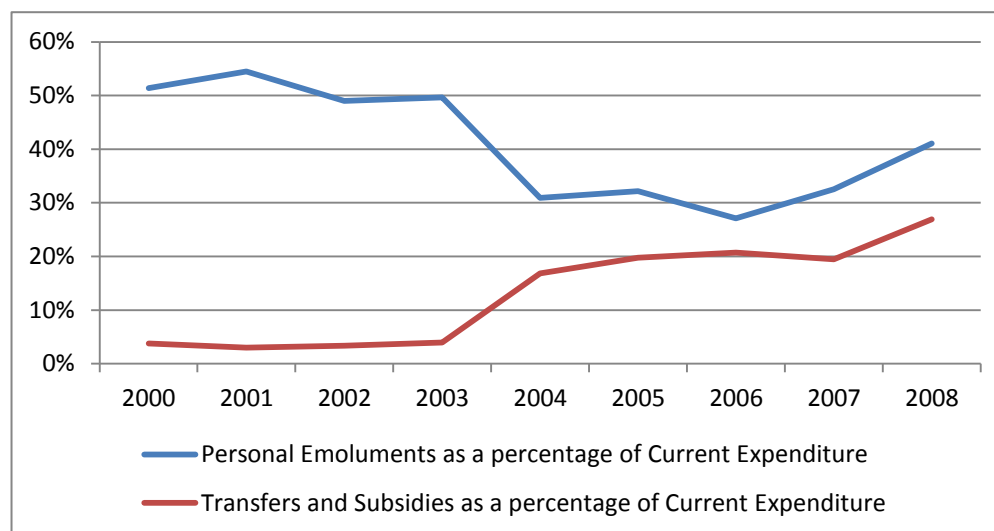
<sup>24</sup> <http://www.anguillian.com/article/articleview/6450/1/140/> "Prominent Businessman Arrested in Anguilla"

<sup>25</sup> Budget Statement 2009

<sup>26</sup> Budget Statement 2009

government reaffirmed its commitment to social development in stating its drive towards “strengthening the collective”.

Personal emoluments as a percentage of Current Expenditure, which progressively declined from 2002, had an upward turning point in 2006 from below 30 percent to just over 40 percent in 2008. Transfers and subsidies as a percentage of current expenditure however, were relatively unchanged between 2000 and 2003, grew to 18 percent in 2004 and remained relatively stable until increasing again in 2007.



**FIGURE 4.2: EXPENDITURE ON PERSONAL EMOLUMENTS AND CURRENT EXPENDITURE<sup>27</sup>**

A new property tax was introduced in January 2009, and there was a 7 percent increase in the Environmental Levy paid on electricity bills. The Tourism Marketing Levy was changed from US\$1.00 per night to \$US 1.00 per person per night. There were also increases in fees charged for acquiring “Belonger” status” passports and increases in fees for medical and health services. These increases in taxes and levies were expected to boost government revenues for the fiscal year, but were purported not to be too onerous on taxpayers.

Revenues from taxes on domestic goods and services trended slightly upwards from 2000 to 2008 (Figure 4.3), but declined steadily from 2006. Within this tax, the sub category of Stamp Duty accounted for much of the revenue contributions. Revenues from taxes on international trade and transactions dropped significantly since 2000, but expanded slightly between 2006 and 2008. The sub-category of Import Duty contributed most of the revenue from this tax. Non-tax revenue increased only marginally over the eight year period (Table 4.5).

<sup>27</sup> Annual Economic and Financial Report, 2009



TABLE 4.5: FISCAL OPERATIONS, 2005-2009

Fiscal Year	2005	2006	2007	2008	2009
<b>Current Revenue</b>	<b>126.8</b>	<b>181.3</b>	<b>210.4</b>	<b>204.4</b>	<b>148.3</b>
Tax Revenue	102.4	153.8	164.3	155.3	111.6
Taxes on Income and Profit	-	-	-	-	-
Taxes on Property	0.5	0.6	0.7	0.6	1.5
Taxes on Domestic Goods and Services	43.9	78.9	66.3	61.5	44.7
of Which:	17.4	45.6	31.2	22.9	10.5
Stamp Duties					
Accommodation Tax	12.6	14.7	13.5	15.1	11.4
Bank Deposit Levy	4.1	4.9	5.4	6.3	6.5
Taxes on International Trade and Transactions	58	74.3	97.3	93.1	65.4
of Which:	48.5	62.5	82.7	77.8	55.2
Import Duty					
Embarkation Tax	3.6	4.1	5.3	5.6	4.7
Foreign Currency Levy	1	1.4	0.3	(0.0)	-
Non-tax Revenue	24.4	27.5	46.1	49.1	36.7
<b>Current Expenditure</b>	<b>105.9</b>	<b>145.2</b>	<b>170.4</b>	<b>206.7</b>	<b>202.4</b>
Personal Emoluments	40.8	49.1	68.5	83.9	90.7
Goods and Services	35.3	52.2	53.7	59.8	48.4
Interest Payments	4.7	6.3	7.1	8	8.3
Domestic	4	5.5	6.3	7.4	6.6
External	0.7	0.9	0.8	0.6	1.7
Transfers and Subsidies	25.1	37.6	41	55	55
of Which: Pensions	2	2.6	4.9	6.4	7.3
<b>Current Account Balance</b>	<b>21</b>	<b>36.1</b>	<b>40</b>	<b>(2.4)</b>	<b>(54.1)</b>
Capital Revenue	0.0	0.1	3.4	9.8	0.0
Capital Grants	4.4	14.8	-	9.2	-
<b>Capital Expenditure</b>	<b>40.9</b>	<b>43.2</b>	<b>59</b>	<b>36.9</b>	<b>10.6</b>
<b>Primary Balance (after grants)</b>	<b>(10.8)</b>	<b>14.1</b>	<b>(8.5)</b>	<b>(12.3)</b>	<b>(56.4)</b>
<b>Overall Balance (after grants)</b>	<b>(15.5)</b>	<b>7.8</b>	<b>(15.6)</b>	<b>(20.3)</b>	<b>(64.6)</b>
<b>Financing</b>	<b>15.5</b>	<b>(7.8)</b>	<b>15.6</b>	<b>20.3</b>	<b>64.6</b>
Domestic	15.9	(7.4)	16.6	4	62.7
ECCB (net)	(0.1)	(0.0)	(0.3)	7.4	13.7
Commercial Banks (net)	16.7	(30.3)	35.7	5.9	43.9
Other	(0.7)	22.9	(18.8)	(9.4)	5.1
External	(0.4)	(0.4)	(1.0)	16.3	1.9
Net Disbursements/(Amortisation)	(0.4)	(0.4)	(1.0)	16.3	1.9
Disbursements	0.1	0.2	-	17.3	2.7
Amortisation	(0.5)	(0.6)	(1.0)	(1.0)	(0.8)
Change in Government Foreign Assets	-	-	-	-	-
Arrears	-	-	-	-	-
Domestic	-	-	-	-	-
External	-	-	-	-	-

Source: Ministry of Finance and ECCB Data available at 19 February 2010

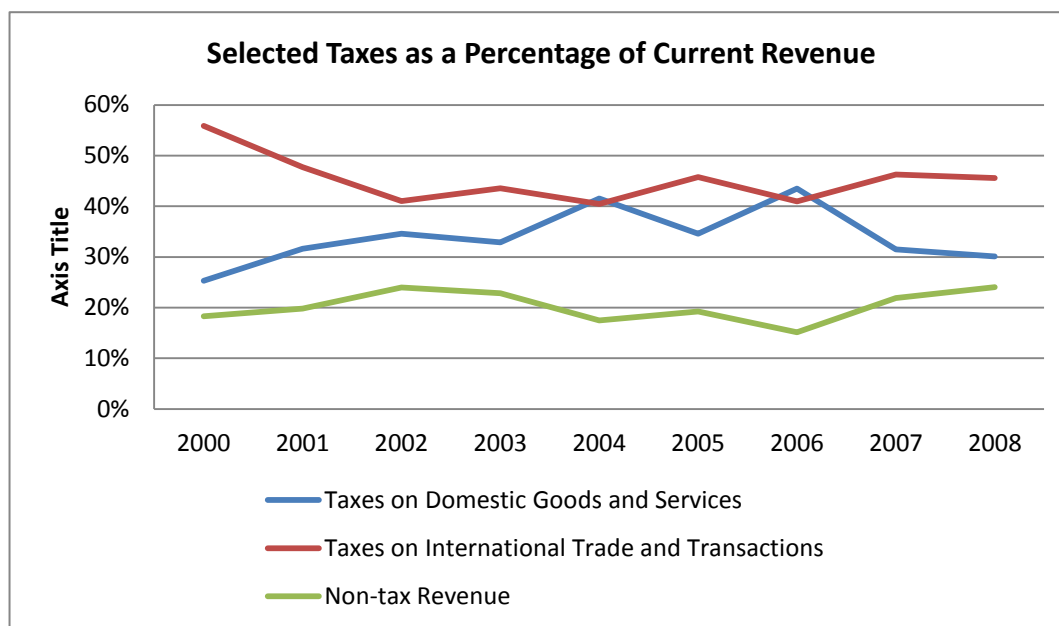


FIGURE 4.3: SELECTED TAXES AS A PERCENTAGE OF CURRENT REVENUE<sup>28</sup>

Overall, current revenue fell from by 31 percent to \$42.82 million in the first quarter of 2009 compared to \$62.06 million in the corresponding quarter of 2008. This was attributable to falls in the yield from all categories of taxes except taxes on property. Taxes on goods and services also contracted by 48.4 percent, largely due to a decrease in stamp duties, which declined by 82.8 percent from first quarter 2008 to corresponding period in 2009 (ECCB AEFR, 2009). Receipts from taxes on international trade fell by 24.7 percent to \$17.6 million in 2009, due to lower import duties as trade slowed.

Anguilla's public debt was \$152.68 million (65 percent of GDP) at the third quarter of 2008, one of the lowest debt-to-GDP ratios in the Commonwealth Caribbean. Debt service payments were at 4.09 percent of GDP, well within the ECCB's target range of 8 percent.

The new administration in Government has indicated that 2009 witnessed one of the most severe reverses across the macro-economic spectrum. Revenue collections in 2009 were lower than they had been since 2006 due to declines in Customs Duty, Stamp Duty and Accommodation tax. The Government has had little recourse but to cut expenditure on both the capital and recurrent budgets.<sup>29</sup>

<sup>28</sup> Annual Economic and Financial Report, 2009

<sup>29</sup> Anguilla Express, March, 2010 - <http://www.anguillaexpress.com/finance-minister-paints-bleak-picture-of-the-islands-finances/>

## 4.6 SECTORAL PERFORMANCE

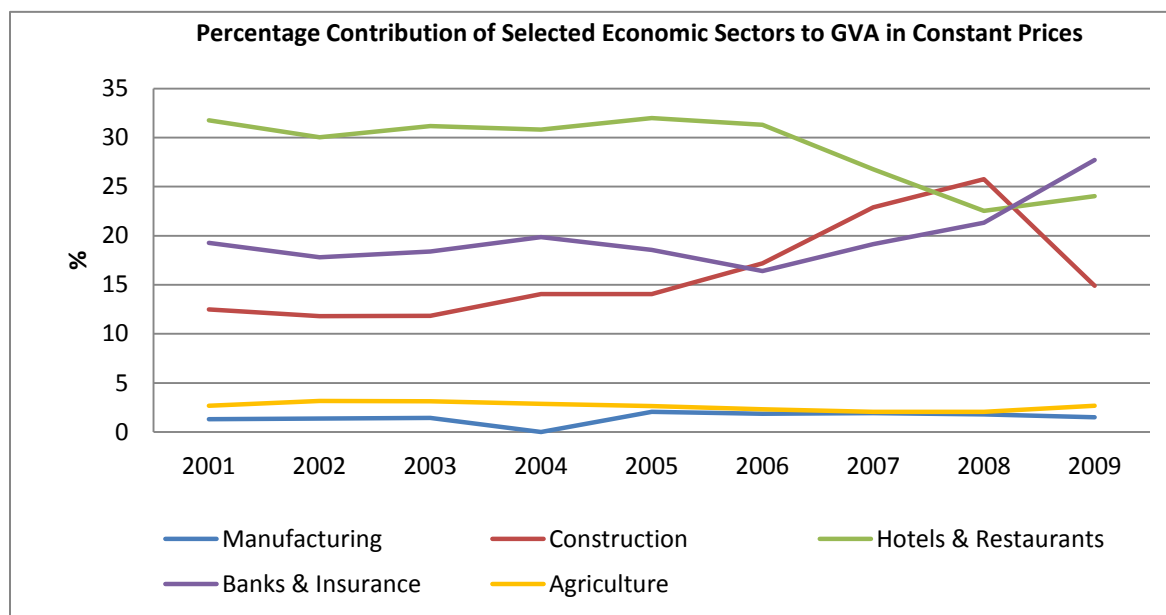
Agriculture and Manufacturing have had the lowest, but most consistent contributions to Gross Value Added (GVA) over the years. The Fishing subsector dominates the agriculture sector. Construction, banking and insurance, and tourism (Hotels and Restaurants) were the most significant contributors to GVA. Construction was on an upward trajectory until 2008, when it experienced a sharp decline from just above 25 percent of GVA to 15 percent of GVA in 2009.

Overall, there has been a major decline in the GDP growth rate. While there was an impressive recovery after September 2001 terrorist attack, with two major spikes occurring in 2004 (just under 25 percent) and 2006 (30%), post 2008, the country has had to weather the fallout of the global recession and the GDP growth rate has been trending downward since it peaked in 2006 (Table 4.6).

**TABLE 4.6: GROSS DOMESTIC PRODUCT BY ECONOMIC ACTIVITY IN CONSTANT (1990) PRICES (EC\$M)**

	2003	2004	2005	2006	2007	2008	2009
Agriculture	5.95	6.37	6.5	6.78	7.52	7.84	8.01
Crops	0.47	0.48	0.44	0.57	1.05	1.09	1.12
Livestock	1.47	1.48	1.35	1.36	1.38	1.41	1.44
Fishing	4.01	4.41	4.71	4.85	5.09	5.34	5.45
Mining & Quarrying	2.63	3.55	4.08	5.55	8.33	8.91	6.24
Manufacturing	2.75	2.07	5.02	5.47	7.07	6.91	4.49
Electricity & Water	7.28	7.77	8.96	10.28	11.08	10.97	9.87
Construction	22.52	31.16	34.42	50.67	83.97	98.61	44.37
Wholesale & Retail Trade	12.95	13.52	14.87	17.02	18.63	17.16	12.01
Hotels & Restaurants	59.27	68.2	78.43	92.17	98.1	86.26	71.6
Transportation & Communications	32.06	39.18	42.96	45.89	57.34	64.31	57.02
Banks & Insurance	34.97	43.99	45.49	48.3	70.14	81.69	82.51
Real Estate & Housing	6.83	6.95	7.09	7.3	7.59	7.97	8.05
Government Services	29.09	30.81	31.98	35.12	36.44	38.17	40.08
Other Services	4.68	4.34	4.47	4.92	5.11	5.22	4.96
Less: FISIM	30.83	36.52	39.1	34.91	44.7	51.03	51.54
GVA in Basic Prices	190.15	221.39	245.17	294.56	366.62	382.99	297.67
Growth Rate	2.85	16.43	10.74	20.15	24.46	4.47	(22.28)
plus taxes less subsidies	64.42	92.29	96.64	150.17	153.97	147.37	95.03
GDP in Market Prices	254.57	313.68	341.81	444.73	520.59	530.36	392.7
Growth Rate	3.66	23.22	8.97	30.11	17.06	1.88	(25.96)

SOURCE: Department of Statistics, ECCB



**FIGURE 4.4: PERCENTAGE CONTRIBUTION OF SELECTED ECONOMIC SECTORS TO GVA IN CONSTANT PRICES**

## 4.7 POVERTY REDUCTION

The 2002 poverty assessment indicated that indigence (severe poverty) in Anguilla was low, at 2 percent. Overall poverty was reported at 23 percent of individuals. At that time, Anguilla's poverty rate was the lowest among the ECCU countries and other British dependencies. It also enjoyed the second lowest level of income inequality in the region, with a Gini coefficient of 0.31, the British Virgin Islands having the lowest at 0.23. Most of the government's social development initiatives centred on providing better social and development infrastructure.

The 2010 Budget Statement did not include a broad scope of named social and poverty reduction programmes, but it highlighted a targeted \$10 million in capital investments for the year. Support for social development and social protection was explicitly stated as being subsumed in this targeted investment. The government also renewed its commitment to providing rehabilitation programmes for troubled youth. It proposed to continue investing in training and formation of skilled professionals to deliver social services. Provisions to Education were cut by 5 percent, but this was a reflection of cuts to personal emoluments rather than education services.

Educational infrastructure had undergone some significant new developments, as the Anguilla Community College (ACC) was established to be Anguilla's flagship post-secondary level educational institution. The ACC was to be expanded to incorporate Hospitality Studies and an Honours Programme.

A freeze on increments to public servants' salaries was proposed to be implemented in 2011, and there have also been proposed changes to key tax regimes, including the Property Tax and Customs Surcharge. These and other tax reforms in the coming fiscal year will in no small measure have an impact on the welfare of Anguilla's most disadvantaged groups, unless mitigated by other measures.

The United Nations is said to have indicated that they will render assistance to facilitate the preparation of a Poverty Reduction Strategy (PRS) following the completion of this Country Poverty Assessment.

In sum, then, while the country might have experienced commendable economic performance during the middle of the first decade of the 21<sup>st</sup> century, the latter years have been characterised by a severe reversal of its economic fortunes. Its economic vulnerability has been readily established with the precipitous decline in the rate of growth immediately following the global economic downturn.



## CHAPTER FIVE - KEY POVERTY AND VULNERABILITY INDICATORS

This chapter provides key indicators of poverty based on quantitative data derived from households that were sampled in the CPA. This chapter relies heavily on the empirical estimates of poverty. The indigence line, the poverty line, a vulnerability line and Gini coefficients are the main indicators calculated. While other estimates like the Inequality-adjusted Index, the Gender Inequality Index and the Multidimensional Poverty Index have not been generated, there are other data that address these issues, albeit partially.

### 5.1 THE INDIGENCE LINE

The concept of an *indigence line* carries the inherent assumption 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 requirements which, according to scientific nutritional studies, are estimated to be necessary for maintaining a healthy existence. This is based on a basket of goods that at current prices, attains the minimum acceptable nutrition requirement (2,400Kcal) at the lowest possible cost.

The estimated **indigence line** for Anguilla at the time of the current study was **EC\$2,602** per annum or **EC\$7.13** per day, while in 2002 it was estimated at EC\$3,066 per annum, which would have had the effect of raising the line higher<sup>30</sup>.

### 5.2 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 needs for an average adult.

In the previous study in 2002, the poverty line was estimated at EC\$ 7,930 per annum and in 2008/09 was estimated to be **EC\$16,348 per annum per adult**.

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<sup>30</sup> A higher indigence line in 2002 would have been due to the prices of the foods available in the market place at that time.

### 5.3 THE VULNERABILITY LINE

Vulnerability has to do with susceptibility to certain risks that can lead to poverty. The World Bank defines vulnerability as follows:

*Vulnerability is defined here as the probability or risk **today** of being in poverty or to fall into deeper poverty in the future.<sup>31</sup>*

In that regard, it is difficult to measure. However, in focusing on shocks – economic and environmental – which may impact income, one approximates much of the vulnerability that may be relevant at the household or individual level. Those whose incomes are 25 percent above the poverty line are among the at-risk group, as a working assumption. In other words, one can set a vulnerability line at 1.25 times the poverty line. This has been adopted in some of the work done in the region, in recent years.<sup>32</sup>

The **vulnerability line**, set at 25% above the poverty line of Anguilla, was estimated at **EC\$20,484**. 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 who fall under the vulnerability line are deemed to be at risk of falling into poverty, should any adverse economic shock or natural disaster occur.

Table 5.1 provides a summary of the poverty, indigence and vulnerability lines for Anguilla.

**TABLE 5.1: INDIGENCE, POVERTY AND VULNERABILITY LINES FOR ANGUILLA (2008/09)**

Indicator of Vulnerability	Anguilla 2008/09
Indigence Line (Annual in EC\$)	2,602
Poverty Line (Annual in EC\$)	16,348
Vulnerability Line (Annual in EC\$)	20,484

Estimates of poverty are made at the level of the household, based on the per capita consumption expenditure, and the socioeconomic status is accorded to all household members. 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

<sup>31</sup><http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPA/0,,contentMDK:20238993~menuPK:492141~pagePK:148956~piPK:216618~theSitePK:430367,00.html>

<sup>32</sup> The development of social protection to deal with vulnerability has been an area of focus of the CDB. See Armando Barrientos, 2004. Social Protection and Poverty Reduction in the Caribbean: Draft Regional Report - Synthesis of Main Findings of Studies for Belize, Grenada and Saint Lucia with Supplementary Information for Dominica and Jamaica. A study commissioned by the Social and Economic Research Unit and the Caribbean Development Bank in collaboration with the Department for International Development for the Caribbean and the European Commission Delegation for Barbados and the Eastern Caribbean. September 2004.



deemed to be poor. 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 line<sup>33</sup>.

Given that the average family size in Anguilla is 2.1, the average family would need at least EC\$2,860 per month, or EC\$34,330 per annum in expenditure on basic food and non-food items at prevailing prices to escape poverty (Table 5.2). The average family size is calculated on the basis of the Mean Adult Equivalent Household size which accounts for demographic variation in the composition of households, by sex and age, which have been known to influence consumption patterns.

**TABLE 5.2: MEAN ADULT EQUIVALENT HOUSEHOLD SIZE, AND MINIMUM COST CONSUMPTION ESTIMATES (EC\$), 2008/09**

Mean Adult Equivalent Household Size	Indigence Line Per Month Per Adult	Poverty Line Per Month Per Adult	Minimum Required Per Month For an Average Household Size	Annual Poverty Line Per Adult	Minimum Annual Required for an Average Household
<b>EC\$</b>					
2.1	217	1,362	2,860	16,348	34,330

#### 5.4 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).

<sup>33</sup> 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 normalise 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.

In 2002, the estimated headcount index (poverty rate) for Anguilla was 23 percent and the indigence rate was 2 percent. Based on this updated study undertaken in 2007/09, the estimated poverty rate is 5.8 percent and there is no indigence (Table 5.3). However, given the plummeting of key economic indicators as a result of the global downturn, the vulnerability estimate suggests that there could have been a more than three-fold increase in the percentage that fell into poverty by 2010 and into 2011 with living conditions reverting to the levels of 2002.

**TABLE 5.3: COMPARISON OF 2002 AND 2008/09 POVERTY RATES**

Poverty Indicators (2002 and 2008/09 Compared)	% Individuals 2002	% Individuals 2008/09
Indigence Rate (percentage of individuals below the indigence line)	2	0.0
Poverty Headcount Index Poverty Rate (percentage of individuals below poverty line)	23	5.8
Vulnerable but not poor (percentage of individuals below the Vulnerability line but not below the poverty line)	n/a	17.7

Both the poverty and indigence rates have shown considerable improvement. The indigence rate is comparable over time as it is a measure of absolute poverty based on nutritional intake. The fall in this statistic to nil confirms that there has been an improvement in living conditions among the poorest. 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 geographic locations or years.

However, often the headcount index is used to compare how countries are performing relative to their neighbours and how they are performing over time. Table 5.4 compares the indigence and poverty rates for the OECS group of countries, based on their most recent Surveys of Living Conditions. It shows that the headcount index in Anguilla is lowest among its OECS neighbours.

**TABLE 5.4: INDIGENCE RATE AND HEADCOUNT INDEX-SELECTED CARIBBEAN COUNTRIES**

Country	SLC Year	Indigence rate (%)	Head Count Index (%)
Anguilla	2008/09	0.0	5.8
Antigua and Barbuda	2005/06	3.7	18.3
British Virgin Islands	2002	1.0	22
Cayman Islands	2006/07	0.0	1.9
Dominica	2002/03	15	24
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

Though quite easy to interpret and communicate, the headcount index does not provide information on the extent of poverty. This has serious implications for policy makers. Other measures such as the poverty gap ratio and the poverty severity ratio are therefore used.

## 5.5 THE POVERTY GAP AND POVERTY SEVERITY INDEX

The poverty gap ratio gives the depth or intensity of poverty as it shows how far away the poor are from the poverty line. Policy makers are therefore able to ascertain the minimum cost of eliminating poverty using targeted transfers to bring the poor up to the level of the poverty line.

The poverty severity index, though similar to the poverty gap, places a higher weight on the poorest and takes into account the consumption distribution amongst them. This in turn reflects the degree of inequality among them.

Table 5.5 provides the headcount index, poverty gap and poverty severity for Anguilla by District. The data show that there are pockets of poverty in Sandy Hill, Stoney Ground, West End, North Hill, the Valley, and the Farrington. Based on the Poverty Gap and Poverty Severity Indices, poverty was found to be deepest and most severe in the Districts of Stoney Ground and Sandy Hill.

**TABLE 5.5: HEADCOUNT AND FGT INDICES BY DISTRICT, ANGUILLA, 2008/09**

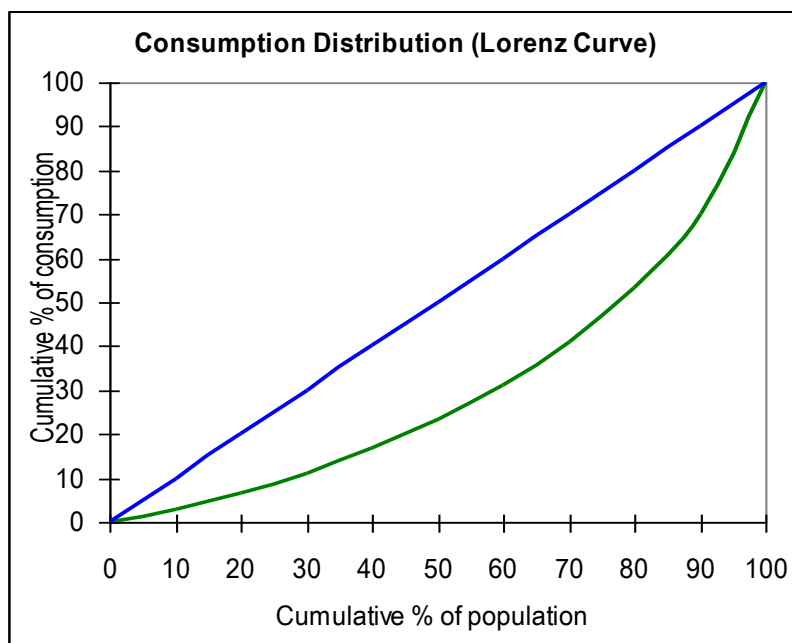
Name of District	Poverty Headcount	Poverty Gap	Poverty Severity	Population by District
West End	13.3	1.97	0.29	966
South Hill	0.0	0.00	0.00	1922
Blowing Point	0.0	0.00	0.00	1023
Sandy Ground	0.0	0.00	0.00	360
North Hill	12.8	1.49	0.17	576
George Hill	2.2	0.56	0.15	1039
The Valley	11.6	2.04	0.36	1500
North Side	0.0	0.00	0.00	1569
The Quarter	0.0	0.00	0.00	1284
Stoney Ground	16.4	3.92	1.17	1488
The Farrington	10.0	1.60	0.31	717
Sandy Hill	21.2	3.64	0.88	731
East End	0.0	0.00	0.00	806
Island Harbour	0.0	0.00	0.00	1123
Total	5.8	1.06	0.24	15,104

## 5.6 THE GINI COEFFICIENT OF INEQUALITY

The level of inequality in an economy can be estimated by the Gini Coefficient. The closer the Gini Coefficient is to zero, the lower the degree inequality, and the closer it is to 1, the higher the inequality present. Comparing the share of consumption of the richest 10 percent of the population against the consumption of the poorest 10 percent of the population, we get can get some sense of consumption patterns present in Anguilla. The richest 10 percent of the population accounted for 30.0 percent of consumption expenditure while the poorest 10 percent of the population only accounted for 2.7 percent of consumption expenditure. In 2008, the Gini Coefficient was estimated at 0.39 compared to 0.31 in 2002 (See Table 5.6). The Lorenz Curve, shown in Figure 5.1, is a diagrammatical representation of the consumption distribution.

**TABLE 5.6: DISTRIBUTION OF CONSUMPTION IN ANGUILLA, 2008**

Total Country							
Deciles	Consumption	Population	%		% cumulative		Gini
			Consumption	Population	Consumption	Population	
1	21540986	1460.66	2.715	9.67	2.7	10	0.003
2	30701303	1573.73	3.869	10.42	6.6	20	0.010
3	36882305	1484.45	4.648	9.83	11.2	30	0.018
4	45513140	1560.16	5.736	10.33	17.0	40	0.029
5	50664618	1469.27	6.385	9.73	23.4	50	0.039
6	61871493	1520.11	7.797	10.06	31.2	60	0.055
7	76524343	1511.10	9.644	10.00	40.8	70	0.072
8	97973237	1508.08	12.347	9.98	53.1	80	0.094
9	133666033	1529.56	16.845	10.13	70.0	90	0.125
10	238145200	1486.60	30.013	9.84	100.0	100	0.167
<b>Total</b>	<b>793482656.9</b>	<b>15104</b>	<b>100.00</b>	<b>100.00</b>			<b>0.3892</b>

**FIGURE 5.1: CONSUMPTION DISTRIBUTION**

## 5.7 ECONOMIC SITUATION OF HOUSEHOLDS

Household heads were asked to rate their present economic situation and compare it to a year before the Survey. Just over forty-four percent (44.1%) of heads felt that their economic situation was worse now: 21.3%–“*much worse now*” and 22.8%– “*a little worse now*”. About 31 percent felt that their economic situation had “*remained the same*” and only 19 percent felt that their economic situation was better. This can be seen in Table 5.7.

**TABLE 5.7: ECONOMIC SITUATION OF HOUSEHOLD COMPARED TO ONE YEAR AGO BY QUINTILES**

Overall Economic Situation Of Household	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Much worse now	12.0	17.6	33.3	25.5	17.6	21.3
A Little worse now	28.0	13.7	21.6	15.7	35.3	22.8
Same	30.0	31.4	25.5	29.4	37.3	30.7
A Little better now	12.0	19.6	5.9	19.6	7.8	13.0
Much better now	4.0	11.8	3.9	5.9	2.0	5.5
Don't know	6.0	5.9	5.9	3.9	.0	4.3
Not Stated	8.0	.0	3.9	.0	.0	2.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

When examined by gender, as much as 49 percent of female household heads felt that their economic situation was worse now: 27.7%–“*much worse now*” and 21.3%– “*a little worse now*” compared to 41.4 percent of male household heads who felt that their present economic situation was worse when compared to one year ago: 17.1%–“*much worse now*” and 24.3%– “*a little worse now*”. Only 28.7 and 31.4 percent of female and male headed households respectively felt that their economic situation “*remained the same*”. In terms of an improvement in the economic situation of households, 20 percent of male headed households reported and improvement while 17.1 percent of female headed households reported same.

**TABLE 5.8: ECONOMIC SITUATION OF HOUSEHOLD COMPARED TO ONE YEAR AGO BY QUINTILES (MALES)**

Overall Economic Situation Of Household	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Much worse now	10.3	13.3	29.0	20.8	11.5	17.1
A Little worse now	34.5	16.7	19.4	12.5	38.5	24.3
Same	31.0	30.0	25.8	37.5	34.6	31.4
A Little better now	6.9	20.0	9.7	16.7	15.4	13.6
Much better now	6.9	16.7	3.2	4.2	.0	6.4
Don't know	3.4	3.3	9.7	8.3	.0	5.0
Not Stated	6.9	.0	3.2	.0	.0	2.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**TABLE 5.9: ECONOMIC SITUATION OF HOUSEHOLD COMPARED TO ONE YEAR AGO BY QUINTILES (FEMALES)**

Overall Economic Situation Of Household	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Much worse now	11.8	21.1	43.8	40.0	22.7	27.7
A Little worse now	23.5	5.3	25.0	20.0	31.8	21.3
Same	35.3	36.8	25.0	5.0	40.9	28.7
A Little better now	11.8	21.1	.0	30.0	.0	12.8
Much better now	.0	5.3	6.3	5.0	4.5	4.3
Don't know	5.9	10.5	.0	.0	.0	3.2
Not Stated	11.8	.0	.0	.0	.0	2.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Heads of households were also asked to rate the economic situation of their household on a scale of 1 to 5, where 1 is the poorest and 5 is the richest. Less than 1 percent of household heads (0.4%) felt that they were rich, most household heads (59.1%) felt that they were in quintile 3 with as much as 66 percent of households in the poorest quintile rating their household's economic situation as a 3. This illustrates the notion of differing perceptions of poverty: based on a scientific method, these households were estimated to be poor, but they were not of the opinion that they were poor.

**TABLE 5.10: SUBJECTIVE RATING OF HOUSEHOLD'S ECONOMIC SITUATION BY QUINTILES**

Subjective Assessment of Household	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%	%	%	%	%	%
Poor	10.0	7.8	19.6	11.8	15.7	13.0
II	16.0	21.6	27.5	25.5	15.7	21.3
III	66.0	68.6	43.1	54.9	62.7	59.1
IV	2.0	2.0	7.8	5.9	5.9	4.7
Rich	.0	.0	.0	2.0	.0	.4
Not Stated	6.0	.0	2.0	.0	.0	1.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Across gender, no male headed households felt that they were rich, while only 1.1 percent of female headed households felt that there were rich. The majority of both male headed (59.3%) and female headed (59.6%) households felt that there were in quintile 3 and 15 percent of male head households rated themselves as being poor compared to 10.6 percent of female headed households.

**TABLE 5.11: SUBJECTIVE RATING OF HOUSEHOLD'S ECONOMIC SITUATION BY QUINTILES (MALE)**

Subjective Assessment of Household	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%	%	%	%	%	%
Poor	17.2	10.0	16.1	16.7	15.4	15.0
II	13.8	20.0	29.0	20.8	19.2	20.7
III	58.6	70.0	51.6	58.3	57.7	59.3
IV	3.4	.0	3.2	4.2	7.7	3.6
Rich	.0	.0	.0	.0	.0	.0
Not Stated	6.9	.0	.0	.0	.0	1.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**TABLE 5.12 SUBJECTIVE RATING OF HOUSEHOLD'S ECONOMIC SITUATION BY QUINTILES (FEMALE)**

Subjective Assessment of Household	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%	%	%	%	%	%
Poor	.0	5.3	25.0	10.0	13.6	10.6
II	11.8	26.3	31.3	35.0	9.1	22.3
III	82.4	63.2	31.3	45.0	72.7	59.6
IV	.0	5.3	12.5	5.0	4.5	5.3
Rich	.0	.0	.0	5.0	.0	1.1
Not Stated	5.9	.0	.0	.0	.0	1.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

## 5.8 PERCEPTIONS OF POVERTY

Participants in the PPA generally perceived poverty as “deprivation of the necessities of life”; when you “don’t have anything”; and the “inability to meet basic needs and to enjoy an acceptable standard of living and quality of life”.



Some of the indicators of poverty identified by PPA participants included:

- ***Economic factors***
  - “A lot of persons need a job.”*
  - “Not having enough money.”*
  - “Cannot save any money”*
  
- ***Inability to meet basic needs***
  - “When you can’t provide food.”*
  - “When you can’t help yourself.”*
  
- ***Poor housing and poor living conditions***
  - “Having nowhere to live.”*
  - “Some people are living in broken down homes*
  - “Not every home has an inside bathroom and some people use the bushes as a toilet.”*
  - “Poorer homes have galvanized roofs.”*
  - “Houses in poor condition, some cement roofs are crumbling.”*
  
- ***Resort to Underground Activity***
  - “Use and sale of marijuana”*
  - “Prostitution just for the money”*
  - “Yes, some sell drugs because they need the money.”*
  
- ***Being forced to accept lower reservation wage***
  - “I can do masonry work, but since they bring the Chinese workers they lay us off.”*
  - “Employers import Chinese to work for cheap labour so Anguillians have to work for less money than they would want.”*
  - “Look we home and the foreigners working.”*
  - “Too much Spanish coming to Anguilla to work without work permit.”*

Heads of poorer households admitted that their incomes were insufficient to meet their basic needs and those of their families, and that they found it difficult to manage and sometimes have to do without. What little money they have is spent first on food and then on the bills and rent.

Residents in the communities studied in the PPA identified a number of problems that they were experiencing and things that, in their view, were needed to improve living conditions, quality of life and sense of well being. In general there was a major concern about the high cost of living, including the cost of food and utility bills, inadequate wages, so that even those who were employed were finding it difficult to sustain their livelihoods. Male as well as female heads of poor households cited the high cost of food items and indicated that they could not afford to buy either enough or the right kinds of food. Children as well as adults

in these households were therefore underfed and/or were eating mainly carbohydrates, minimum amounts of protein and few vegetables.

Health was also a major concern for residents, especially the elderly, since although health services were widely available many commented on the accessibility, affordability and quality of existing health services. Participants in the PPA said that poverty determines whether one is able to afford needed health care. This was especially of concern for men whose jobs carried high risk of injury, such as construction.

The absence and the high cost of vital medication was of great concern especially for those suffering from lifestyle diseases and several persons said that they often have to do without much needed medicine, further endangering their health. Few if any, had health insurance, and there was concern in respect of the rules instituted by the Health Authority.

*“I am afraid if I get sick it would be worse because I have no money to pay the doctor.”*

*“Health care is money, now we have to pay for it.”*

*“You are at risk when you cannot pay your health bill.”*

*“Do without it (health care).”*

*“Put it (buying medicines) on hold till I get money”*

PPA Participants were also concerned about the deterioration in the social environment and about the large number of social problems facing their communities, reflected in the increase in anti-social behaviour.

### **5.8.1 Perception of Poverty among Men**

The men defined poverty in a number of ways, including not being able to meet basic needs, not having a job and having to live below the standard set by the society. A few also believed that poverty results when people are no longer contributing to the society.

For men poverty is defined as:

*“Not having anything at all.”*

*“Inability to meet basic needs.”*

*“Having no food to eat.”*

*“No flow of money.”*

*“No shelter, no food, no clothing, no job.”*

Many of the male participants in the PPA said that poverty generated feelings of embarrassment, powerlessness, helplessness, of being trapped and vulnerable. Many said that they felt pressured, depressed, and stressed because they could not adequately provide for their families. Poverty therefore affected men’s gender identity and prevented them from performing their gender role of bread winner and provider.

*"I feel ashamed that I cannot give my family what they need."*

*"I feel like a beggar."*

*"When you can't make it you feel like a dog."*

*"I feel defenceless and powerless."*

### **5.8.2 Perception of Poverty among Women**

Women generally defined poverty as a situation when "someone is unable to meet basic needs", "inability to pay bills", "having to live in poor conditions".

*"Can't provide the necessities of life."*

*"Lack of food."*

*"Living in poor conditions."*

*"Having to live in a house with a leaking roof."*

Many of the women had low levels of education and few marketable skills. They were therefore either unemployed, or employed in part time seasonal jobs for low wages. As a result, they were unable to cope with the high cost of living and to meet basic needs, especially food.

*"Can't afford to pay bills."*

*"It is even difficult to afford even the most basic things."*

*"Many days I don't cook. There is nothing in the fridge."*

*"Low income earners like us are not able to cope with the high cost of living."*

At the same time some of these women were the sole income earners and were responsible for the care and upkeep of their families. Consequently, in addition to their role as care givers, they were also performing the male role of breadwinner and provider.

Many of the women said that being poor affected their health. Performing the dual roles of care giver and breadwinner not only put a heavy burden on women but had a negative effect on their health. In addition to being able to eat nutritious food, several said that they suffered from anxiety and stress. The data also show that more women than men were suffering from lifestyle diseases. At the same time, while health care was available, the high cost of health care and medication was prohibitive.

*"Health care so expensive, sometimes we can't pay for it."*

*"We cannot take the number of test the doctor order"*

### 5.8.3 Perception of Poverty among the Elderly

According to elderly participants in the PPA, poverty is defined as:

*“Not having sufficient money to buy the necessary things of life.”*

*“Not able to live a life that is satisfactory.”*

*“Not having enough to eat.”*

*“Not having the basic necessities.”*

*“Can’t pay the bills.”*

*“Living in an old house.”*

*“Can’t pay doctor bills or buy medication.”*

Some of the participants did receive a pension, but this was sometimes too small to enable them to meet all of their needs.

*“The little pension that the government gives does not allow you to afford the high cost of food.”*

*“I am a pensioner on a fixed income and it has to take care of everything.”*

Among the elderly, poverty brought out feelings of inadequacy, worthlessness, embarrassment, and helplessness.

*“I feel like a failure in life.”*

*“Being poor makes me feel like a child.”*

*“I feel like nothing because I don’t have anything.”*

*“They don’t understand, especially the young people.”*

The health of elderly persons is seriously affected by poverty. This is so because many of them are diabetic, and/or suffer from hypertension, but are unable to afford private health care or to purchase medication from private pharmacies. They therefore depend on public health clinics, but according to them, while some health care services and medication are free, others are not.

## 5.9 PERFORMANCE ON THE MILLENNIUM DEVELOPMENT GOALS

The Millennium Development Goals (MDGs) were born out of an agenda on poverty reduction, to which the international community committed itself in September 2000. This commitment took the form of the signing of a UN Declaration which lists 8 broad goals, with 18 targets and 48 indicators which measure improvements in the quality of life. These MDGs have become an internationally accepted framework used in measuring progress in development.

**TABLE 5.13: ORIGINAL UNITED NATIONS MILLENNIUM DEVELOPMENT GOALS AND TARGETS**

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

To better reflect regional developmental objectives, the Caribbean region has produced a list of Caribbean specific MDGs. Targets have been adjusted and the indicators have been extended from 48 indicators to 89 indicators. These adjusted targets are expected to be achieved by 2015, and set a higher standard for the most part.

Table 5.14 demonstrates that Anguilla has made progress on the MDGs and displays reasonable indicators in a number of key areas. There are however, major data gaps that prevent the monitoring of changes.

TABLE 5.14: PERFORMANCE OF ANGUILLA 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;	4 percent of households were living below the poverty line and 5.8 percent of individuals were living below the poverty line (2008/09 SLC).
	2. Poverty gap ratio	The poverty gap ratio is 1.06 and the poverty severity ratio is 0.24 (2008/09 SLC).
	3. Share of poorest quintile in national consumption	The lowest quintile accounted for 6.6 percent of national consumption and the fifth quintile account for 46.8 percent (2008/09 SLC).
	4. Proportion of employed living in households that are below the poverty line, by sex (of household head)	6.4 percent of individuals who were below the poverty line were employed 2008/09 SLC).
Target 2	Indicators	Status
Halve, between 1990 and 2015, the proportion of people who suffer from hunger	5. Prevalence of under weight children by sex	33.8 percent of children under the age of 5 years were underweight ( <a href="http://www.prb.org/Countries/anguilla.aspx?p=1">http://www.prb.org/Countries/anguilla.aspx?p=1</a> ). 10% and 7% of infants born in 1997 and 2000 respectively had low birth weight ( <a href="http://www.paho.org/english/dd/ais/cp_660.htm">http://www.paho.org/english/dd/ais/cp_660.htm</a> ).
	6. Proportion of population below minimum level of dietary energy consumption by sex	There were no individuals consuming at levels below the indigence line or the minimum level of dietary consumption requirements (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	98 percent of households used electricity as the main type of lighting (2008/09 SLC).
	8. Proportion of households using pit latrines by sex of household head	3.4% percent of households used pit latrines (2008/09 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	No households reported that the material of the outer wall of their dwelling was “makeshift” (2008/09 SLC).

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 95.2 for boys, 95.4 for girls and 95.3 for both sexes in 2006 ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
	11. School attendance among primary school children by sex	Education welfare officers are employed to monitor attendance at school ( <a href="http://www.ibe.unesco.org/fileadmin/user_upload/Inclusive_Education/Reports/kingston_07/anguilla_inclusion_07.pdf">http://www.ibe.unesco.org/fileadmin/user_upload/Inclusive_Education/Reports/kingston_07/anguilla_inclusion_07.pdf</a> ).
	12. Proportion of pupils starting Grade 1 who reach Grade 5 by sex	74.6 percent of boys and 89.1 percent of girls who started grade 1 reached the last grade of primary school (2006).
	13. Net enrolment ratio in secondary education by sex	In 2004, the net enrolment ratio was 93 for males and 93 for females ( <a href="http://www.unesco.org/education/GMR/2007/statistical_tables.pdf">www.unesco.org/education/GMR/2007/statistical_tables.pdf</a> ).
	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 15-19years and 20-24 years was 100 percent (2008/09 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 schools and the secondary school in Anguilla have age appropriate curricula (Department of Education).
	19. Percentage of trained teachers in primary and secondary schools	In 2005, 68.1 percent of primary school teachers were trained, while at the secondary level, 67.1 percent of teachers were trained (UNESCO).
20. Average number of children in class by grade by school	In 2005, the pupil teacher ratio was 15 ( <a href="http://stats.uis.unesco.org/unesco/tableviewer/document.aspx?FileId=197">http://stats.uis.unesco.org/unesco/tableviewer/document.aspx?FileId=197</a> ).	

<b>GOAL 3. PROMOTE GENDER EQUALITY AND EMPOWER WOMEN</b>		
<b>Target 6</b>	<b>Indicators</b>	<b>Status</b>
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	In 2006, the Gender Parity Index (which shows females' level of access to education compared to the access of males) at the primary level was 0.99, 1.02 at the secondary level, and 4.86 at the tertiary level ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
	22. Ratio of literate women to men of 15-24 years	In 2002, the literacy rate for persons 15 years and over was 96 for females and 95 males (PAHO Gender, Health and Development in the Americas 2003).
	23. Proportion of students who take Maths and Science examinations at Grade 12 by sex	n/a
<b>Target 7</b>	<b>Indicators</b>	<b>Status</b>
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	In 2002, women accounted for 48.8 percent of those in wage employment in the non-agriculture sector ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
	25. Average national income of men and women by sector of employment	There is a disparity in wages and salaries carried home by men and women in Anguilla, usually men receive higher wages than women in the same occupation grouping (Anguilla SIMDG In a Wrap).
	26. Employed persons by occupational status by sex	The occupational status of the majority of employed persons was Services/Sales occupations (21.4%) followed by Craft occupations (20.2%) and Elementary Occupations (11.4%) as well as Technicians and Associate Professionals (11.2%) (2008/09 SLC).
	27. Proportion of seats held by women in national parliament	
	28. Proportion of women holding office in local government	
<b>Target 8</b>	<b>Indicators</b>	<b>Status</b>
Reduce by 60% by 2015, all forms of gender based violence	29. Incidence of reported physical abuse by sex of the abused	
	30. Existence of integrated national action plans to eliminate gender based violence by 2010	Anguilla is not yet a signatory of the Convention on the Elimination of All Forms of Violence Against Women (CEDAW). As a British Overseas Territory, the UK has the overall oversight for whether they extend this Convention to Anguilla.
	31. Type of crime by age and sex of offender and age and sex of victim	Housebreaking was the nature of the crime reported by the largest percentage of persons who were victims of crime (2008/09 SLC).
	32. Age and sex of persons who report experiencing physical violence in the past year at the hands of an intimate partner	
	33. Percentage of sexual assault cases completed through the court process in a 12-month period of the date of charge	



GOAL 4. REDUCE CHILD MORTALITY		
Target 9	Indicators	Status
Reduce by two thirds, between 1990 and 2015, the under-five mortality rate	34. Under-five mortality rate by sex	
	35. Infant mortality rate by sex	Over the period 1997-2000, the infant mortality rate was 11.8 per 1,000 live births ( <a href="http://www.paho.org/english/dd/ais/cp_660.htm">http://www.paho.org/english/dd/ais/cp_660.htm</a> ).
	36. Proportion of children 1-5 years of age who have received complete immunisation coverage (BCG, three doses of DPT and oral polio, measles)	Over the period 1997-2000, there was 100 percent immunisation coverage for BCG, 96 percent for DPT, 94 percent polio and 99 percent for MMR ( <a href="http://www.paho.org/english/dd/ais/cp_660.htm">http://www.paho.org/english/dd/ais/cp_660.htm</a> ).
	37. Number of children injured through, violence by sex and age	
	38. Number of children killed through violence, by sex and age of victim and perpetrator	
GOAL 5. IMPROVE MATERNAL HEALTH		
Target 10	Indicators	Status
Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	39. Maternal mortality ratio per 1,000 population	Over the period 1997-2000, there were no reported maternal deaths ( <a href="http://www.paho.org/english/dd/ais/cp_660.htm">http://www.paho.org/english/dd/ais/cp_660.htm</a> ).
	40. Proportion of births attended by skilled health personnel	In 2000, the percentage of births attended to by skilled health care personnel was 100 percent ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
Target 11	Indicators	Status
Universal access to reproductive and sexual health services through the primary healthcare system by 2015	41. Proportion of contraceptive demand satisfied	
	42. Adolescent fertility rate	In 2006, the adolescent birth rate per 1,000 women was 40.1 ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).  31.8 percent of females reported that the age at their first birth was between the ages of 15-19 (2008/09, SLC).

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	n/a
	a. Condom use at last high risks sex by sex	Condom use to overall contraceptive use among currently married women 15-49 years old was 34.9 percent in 2003 ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
	b. Percentage of population aged 15-24 years with comprehensive correct knowledge of HIV/AIDS by sex	
	c. Contraceptive prevalence rate	This rate was 43 for any method, and 14 for condoms among married women 15-49 years old in 2003 ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
	45. Condom use as a proportion of overall contraceptive use by persons, ages 15-24, in consensual unions by union type	
	46. Ratio of school attendance of orphans to school attendance to non-orphans (10-14)	n/a
47. Proportion of children orphaned by HIV/AIDS by age group	In 2003, it was reported that there were a total of 26 cases of HIV/AIDS cumulative since 1988: 12 females, 14 males, 3 children; ages 7, 3 and unknown at diagnosis. Also as of 2003, there were 13 HIV/AIDS related deaths (Anguilla SIMDG In a Wrap).	
Target 13	Indicators	Status
Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases	48. Prevalence and death rates associated with malaria	In 2006, there were no estimated cases of malaria in Anguilla ( <a href="http://www.globalhealthfacts.org/country.jsp?i=30&amp;c=24&amp;cat=0">http://www.globalhealthfacts.org/country.jsp?i=30&amp;c=24&amp;cat=0</a> ).
	49. proportion of population in malaria risks areas using effective malaria preventive and treatment measures	
	50. Prevalence and death rates associated with tuberculosis	The tuberculosis prevalence rate and death rates in 2007 was 34 per thousand population and 4.1 per thousand population respectively ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
	51. Proportion of tuberculosis cases detected and cured under DOTS	The tuberculosis incidence rate was 21.6 per thousand population in 2007 ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
	52. Existence of programmes that take into account the gender dimensions of power in the transmission and treatment of HIV/AIDS	
	53. Prevalence of chronic diseases by sex and age	21.1 percent of males and 25.8 percent of females suffered from chronic lifestyle diseases (2008/09 SLC).
	54. Provision of support services for primary caregivers	

<b>GOAL 7. ENSURE ENVIRONMENTAL SUSTAINABILITY</b>		
<b>Target 14</b>	<b>Indicators</b>	<b>Status</b>
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	In 2005, 71.4 percent of the land area of Anguilla was covered by forests ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ). 10 square km of terrestrial area and 10 square km of marine areas are protected (2008) ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ). Carbon dioxide emissions per capita were 4.1248 thousand metric tons of CO <sub>2</sub> in 2006 ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
	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)	
<b>Target 15</b>	<b>Indicators</b>	<b>Status</b>
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	60 percent of the urban population was using an improved drinking water source in 2000 ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
	61. Proportion of urban population with access to an improved sanitation	99 percent of the population was using an improved sanitation facility in 2006 ( <a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a> ).
<b>Target 16</b>	<b>Indicators</b>	<b>Status</b>
Have achieved by 2020, significant improvement in the lives of at least 70% of persons living in poor communities	62. Proportion of households with access to secure tenure	69.6 percent of households owned their homes with/ without a mortgage (2008/09 SLC).
<b>Target 17</b>	<b>Indicators</b>	<b>Status</b>
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 of Anguilla's coral reefs are threatened by human activities ( <a href="http://www.wri.org/publication/content/7872">http://www.wri.org/publication/content/7872</a> ).
	64. Percentage of coral reefs destroyed by natural disasters	In 1995, Hurricane Luis caused extensive damage to Acropora palmata coral in shallow water. ( <a href="http://www.wri.org/publication/content/7872">http://www.wri.org/publication/content/7872</a> ).
	65. Incidence of natural disasters	Anguilla experienced hurricane Luis in 1995 and hurricane Omar in 2008.
	66. Economic losses resulting from natural disasters	
	67. Social dislocation resulting from natural disasters	Hurricane Omar (2008) in Anguilla led to severe beach erosion, downed trees and utility poles as well as flooding in low lying areas.
	68. Existence of a sustainable framework for the collection, processing and analysis of data relevant to the construction of a Vulnerability Index	

GOAL 8. DEVELOP A GLOBAL PARTNERSHIP FOR DEVELOPMENT		
Targets	Indicators	Status
<p><b>Target 18</b> Develop further an open, ruled-based predictable, non-discriminating trading and financial systems</p> <p><b>Target 19</b> Address the special needs of the Least Developed Countries, LDCs (includes tariffs and quota free access for LDCs' exports; enhanced programme of debt relief for HIPC and cancellation of official bilateral debt; and more generous programmes of debt relief for countries committed to poverty reduction)</p> <p><b>Target 20</b> Address the special needs of landlocked countries and SIDS</p> <p><b>Target 21</b> Deal comprehensively with the debt problems of developing countries, through national and international measures in order to make debt sustainable in the long term</p> <p><b>Target 22</b> In cooperation with developing countries, develop and implement strategies for decent and productive work for youth, women and especially vulnerable groups</p> <p><b>Target 23</b> In cooperation with pharmaceutical companies, provide access to affordable internationally approved essential drugs in developing countries</p> <p><b>Target 24</b> In cooperation with the private sector, make available the benefits of new technologies, especially information and communications</p>	<p>69. Net ODA as a percentage of OECD/DAC donors' gross national product (targets of 0.7% in total and 0.15% for LDCs)</p> <p>70. Proportion of ODA to basic social services (basic education, primary health care, nutrition, safe water and sanitation)</p> <p>71. Proportion of ODA that is untied</p> <p>72. Proportion of ODA for environment in Small Island Developing States</p> <p>73. Proportion of ODA for transportation in land locked countries</p> <p>74. Proportion of exports (by value and excluding arms) admitted free of duties and quotas</p> <p>75. Services as a proportion of total exports</p> <p>76. Average tariffs and quotas on agricultural products and textiles and clothing from developing countries</p> <p>77. Domestic and export agriculture subsidies in OECD countries</p> <p>78. Sanitary and phyto-sanitary rules implemented by developed countries which exceed the standards specified by international organisations</p> <p>79. Cost of implementing sanitary/ phyto-sanitary measures as a percentage of the total value of exports for which these measures are required</p> <p>80. Proportion of ODA provided to help build trade capacity</p> <p>81. Proportion of official bilateral HIPC debt cancelled</p> <p>82. Debt service as a percentage of export of goods and services</p> <p>83. Proportion of ODA provided as debt relief</p> <p>84. Unemployment rate by age group and sex</p> <p>85. Proportion of population with access to affordable essential, approved drugs on a sustainable basis</p> <p>86. Telephone lines per 100 people</p> <p>87. Personal computers per 100 people</p> <p>88. Ratio of personal computers to students in primary and secondary school</p> <p>89. Use of internet by government to provide information to the population</p>	<ul style="list-style-type: none"> <li>• ODI received was 5.27 percent of gross national income in 2007 (<a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a>).</li> <li>• Overall the unemployment rate was 1.5%.</li> <li>• In 2006, there were 46.98 telephone lines per 100 population and there were 5,825 telephone lines. In 2005, there were 13,061 cellular subscriptions (<a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a>).</li> <li>• In 2005, there were 20.49 personal computers per 100 population (<a href="http://mdgs.un.org/unsd/mdg/Data.aspx">http://mdgs.un.org/unsd/mdg/Data.aspx</a>).</li> </ul>



## CHAPTER SIX – CHARACTERISTICS OF THE POOR

### 6.1 GEOGRAPHIC DISTRIBUTION OF POVERTY

**TABLE 6.1: DISTRIBUTION OF SOCIO ECONOMIC STATUS BY DISTRICT**

District	Socio Economic Status			
	Poor	Not Poor but Vulnerable	Not Poor	Total
	%	%	%	%
West End	14.8	0.0	6.7	6.4
South Hill	0.0	9.0	14.2	12.7
Blowing Point	0.0	0.0	8.2	6.8
Sandy Ground	0.0	3.1	2.5	2.4
North Hill	8.5	2.7	3.7	3.8
George Hill	2.6	0.0	8.2	6.9
The Valley	20.1	19.3	7.9	9.9
North Side	0.0	25.6	8.9	10.4
The Quarter	0.0	25.1	6.7	8.5
Stoney Ground	28.0	13.5	8.1	9.9
The Farrington	8.2	1.8	4.9	4.7
Sandy Hill	17.8	0.0	4.6	4.8
East End	0.0	0.0	6.5	5.3
Island Harbour	0.0	0.0	9.0	7.4
Total (%)	100.0	100.0	100.0	100.0
Total (N)	870	1810	12,424	15,104

The nature of settlement in Anguilla has resulted in the current geographic distribution of the population across the island, with households of varied socio-economic conditions living side by side. However, the Districts of Stoney Ground, the Valley, Sandy Hill and West End all had disproportionately high levels of poor persons. Stoney Ground accounted for 28 percent of the poor but only 9.9 percent of the resident population, while the Valley, which also represented 9.9 percent of the population, accounted for 20.1 percent of the poor. The same trend is true in the Districts of Sandy Hill and West End which together accounted for 11.2 percent of the population but 32.6 percent of the poor (Table 6.1).

Between districts, there was considerable disparity with regard to the poverty level. In several districts the percentage of residents deemed to be poor on the basis of the survey was higher than the national average of 5.8 percent. These districts included West End (13.3%), North Hill (12.8%), the Valley (11.6%), Stoney Ground (16.4%), Farrington (10%) and Sandy Hill (21.2%). There were some Districts which did not have any incidence of poverty, but did have some vulnerable persons. These included South Hill, Sandy Ground, North Side and the Quarter (Table 6.2).

**TABLE 6.2: DISTRIBUTION OF SOCIO ECONOMIC STATUS WITHIN DISTRICT**

District	Socio Economic Status							
	% Poor		% Not Poor but Vulnerable		%Not Poor		Total	
	N	%	N	%	N	%	N	%
West End	129	13.3	0	0.0	837	86.7	966	100.0
South Hill	0	0.0	164	8.5	1758	91.5	1922	100.0
Blowing Point	0	0.0	0	0.0	1023	100.0	1023	100.0
Sandy Ground	0	0.0	55	15.4	304	84.6	360	100.0
North Hill	74	12.8	49	8.5	454	78.7	576	100.0
George Hill	23	2.2	0	0.0	1016	97.8	1039	100.0
The Valley	174	11.6	349	23.3	977	65.1	1500	100.0
North Side	0	0.0	463	29.5	1106	70.5	1569	100.0
The Quarter	0	0.0	455	35.4	829	64.6	1284	100.0
Stoney Ground	243	16.4	243	16.4	1001	67.3	1488	100.0
The Farrington	72	10.0	32	4.4	614	85.6	717	100.0
Sandy Hill	155	21.2	0	0.0	576	78.8	731	100.0
East End	0	0.0	0	0.0	806	100.0	806	100.0
Island Harbour	0	0.0	0	0.0	1123	100.0	1123	100.0
<b>Total</b>	<b>870</b>	<b>5.8</b>	<b>1810</b>	<b>12.0</b>	<b>12424</b>	<b>82.3</b>	<b>15104</b>	<b>100.0</b>

## 6.2 DEMOGRAPHIC DISTRIBUTION OF POVERTY

The distribution of the poor by sex shows that the youth (persons aged 15-24 years) and children (aged 0-14 years) accounted for the largest share of the poor (Table 6.3). Youth accounted for 22.3 percent while children accounted for 17.8 percent of persons deemed to be poor; together children and youth accounted for 40.1 percent of all poor persons. The elderly (aged 65 years and over) accounted for 2.5 percent of poor, but accounted for a larger share of the vulnerable (10.8 percent).

**TABLE 6.3: DISTRIBUTION OF SOCIO ECONOMIC STATUS BY AGE GROUPS**

Five Year Age Groups	Socio Economic Status (%)			
	Poor	Not Poor but Vulnerable	Not Poor	Total
0-14	17.8	20.8	17.7	18.2
15-24	22.3	17.5	12.1	13.3
25-34	17.6	18.5	14.8	15.4
35-44	16.4	17.1	16	16.1
45-54	20.6	9	13.5	13.5
55-64	2.6	6.3	9.7	8.9
65 and Over	2.5	10.8	16.1	14.6
Total (%)	100.0	100.0	100.0	100.0
Total (N)	870	1,810	12,424	15,104

There was a higher rate of poverty among males when compared to their female counterparts. The poverty rate among males was 8.1 percent and among females it was 3.6 percent (Table 6.4).

Table 6.5 provides the distribution of the population by ethnic origin and shows that persons of African/Black ethnic origin accounted for the majority of the poor (69.6%) as well as the vulnerable (81.2%), however this is not alarming since Africans/Blacks accounted for 87.7 percent of the total population of Anguilla. What is more significant is the fact that persons of East Indian and Mixed origins collectively accounted for 27.2 percent of the poor, although accounting for only 4.3 percent of the population.

**TABLE 6.4: DISTRIBUTION OF PERSONS BY SEX AND SOCIO-ECONOMIC STATUS**

Sex	Socio Economic Status					
	Poor		Non Poor		Total	
	N	%	N	%	N	%
Male	586	8.1	6605	91.8	7191	100
Female	284	3.6	7629	96.4	7913	100
Total	870	5.8	14234	94.2	15104	100

**TABLE 6.5: DISTRIBUTION OF POPULATION BY ETHNICITY AND SOCIO-ECONOMIC STATUS**

Ethnicity	Socio Economic Status							
	Poor		Not Poor but Vulnerable		Not Poor		Total	
	N	%	N	%	N	%	N	%
African/Negro/Black	606	69.6	1469	81.2	11170	89.9	13245	87.7
Amerindian/Carib	27	3.1	0	0.0	72	0.6	99	0.7
White/Caucasian	0	0.0	0	0.0	416	3.3	416	2.8
East Indian	108	12.4	0	0.0	135	1.1	244	1.6
Hispanic	0	0.0	309	17.1	204	1.6	513	3.4
Chinese/Oriental	0	0.0	32	1.8	0	0.0	32	0.2
Mixed	129	14.8	0	0.0	276	2.2	405	2.7
Don't Know	0	0.0	0	0.0	94	0.8	94	0.6
Not Stated	0	0.0	0	0.0	56	0.5	56	0.4
Total	870	100.0	1810	100.0	12424	100.0	15104	100.0



### 6.3 EMPLOYMENT STATUS OF THE POOR

As reflected in Table 6.6, among the poor, 96.6 percent were employed while 3.4 percent were unemployed. The rates of unemployment among the poor (3.4%) and vulnerable (2.4%) were higher than the national average of 1.5 percent, while the unemployment rate among those who were not poor was marginally lower than the national average. Those who were deemed to be poor and were employed may be referred to as the working poor in that the income they received through their employment was insufficient to escape poverty given the fact employment is indeed a means of escaping poverty.

**TABLE 6.6: DISTRIBUTION OF EMPLOYED AND UNEMPLOYED BY SEX AND SOCIO-ECONOMIC STATUS**

Employment Status	Socio Economic Status							
	Poor		Not Poor but Vulnerable		Not Poor		Total	
	N	%	N	%	N	%	N	%
Employed	568	96.6	1093	97.6	7229	98.8	8890	98.5
Unemployed	20	3.4	27	2.4	88	1.2	135	1.5
Total	588	100.0	1120	100.0	7317	100.0	9025	100.0

Table 6.7 presents the distribution of the unemployed by socio-economic status and sex. Among the unemployed, females were more likely to be poor than their male counterparts. 60.6 percent of those who were poor were females and 39.4 percent were male.

**TABLE 6.7: DISTRIBUTION OF UNEMPLOYED BY SEX AND SOCIO-ECONOMIC STATUS**

Sex	Socio Economic Status							
	Poor		Not Poor but Vulnerable		Not Poor		Total	
	N	%	N	%	N	%	N	%
Male	8	39.4	0	.0	53	60.8	61	45.4
Female	12	60.6	27	100.0	34	39.2	74	54.6
Total	20	100.0	27	100.0	88	100.0	135	100.0

## 6.4 PHYSICAL LIVING CONDITIONS OF THE POOR

### 6.4.1 Mean Household Size and Headship

The average size of households in Anguilla was 2.95 with an average adult equivalence household size of 2.02. As socio-economic status improved, the average size of households decreased from 4.37 persons in the lowest quintile (quintile one) to 2.15 persons in the highest quintile. The data for the number of persons per bedroom (a measure of overcrowded conditions) are shown in Table 6.8. If three or more persons per bedroom are the benchmark used, there was no overcrowding in Anguilla. However, in references to overcrowding in some communities, on average, the poor had 4 children (aged 0-14 years), and the vulnerable had 5, with the average for the country being 3 children per household (Table 6.9).

**TABLE 6.8: HOUSEHOLD SIZE, ADULT EQUIVALENT HOUSEHOLD SIZE AND MEAN PERSONS PER BEDROOM**

Indicator	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	Mean	Mean	Mean	Mean	Mean	Mean
Household Size	4.37	3.38	2.56	2.34	2.15	2.95
Adult Equivalent Household Size	3.24	2.45	1.79	1.48	1.20	2.02
Persons Per Bedroom	1.54	1.20	.85	.84	.54	.99

**TABLE 6.9: MEAN NUMBER OF CHILDREN PER HOUSEHOLD BY SOCIO ECONOMIC STATUS**

Indicator	Socio Economic Status			
	Poor	Not Poor but Vulnerable	Not Poor	Total
	Mean	Mean	Mean	Mean
Number of Children in Household (0-14 Years)	4	5	2	3

Female headed households accounted for 40.1 percent of poor households and 39.6 percent of all households overall: thus female headed households, at first blush, did not seem to be any poorer than average.

**TABLE 6.10: DISTRIBUTION OF HEADS OF HOUSEHOLDS BY SEX AND SOCIO-ECONOMIC STATUS**

Sex	Socio Economic Status							
	Poor		Not Poor but Vulnerable		Not Poor		Total	
	N	%	N	%	N	%	N	%
Male	118	59.9	234	77.0	2863	59.4	3215	60.4
Female	79	40.1	70	23.0	1958	40.6	2107	39.6
Total	198	100.0	303	100.0	4821	100.0	5322	100.0

#### 6.4.2 Dwelling Conditions

The majority of the poor (70%) lived in houses with concrete outer walls. However 24.7 percent of the poor lived in homes made of wood compared to the national average of 1.2 percent. Overall, no household reported living in makeshift accommodation: poor households either had roofs made of either concrete (63.7%) or sheet metal roofing (36.3%). Non-poor households were more likely than poor households to have concrete roofing (Table 6.12).

**TABLE 6.11: MAIN MATERIAL OF OUTER WALLS BY SOCIO-ECONOMIC STATUS**

Main Material of Outer Walls	Socio Economic Status							
	Poor		Vulnerable		Non Poor		Total	
	N	%	N	%	N	%	N	%
Wood Only	57	24.7	0	0.0	12	0.2	69	1.2
Concrete/Concrete Blocks	163	70.0	329	100.0	4893	93.2	5385	92.7
Wood & Concrete	12	5.3	0.0	0.0	189	3.6	201	3.5
Brick/Blocks	0.0	0.0	0.0	0.0	98	1.9	98	1.7
Not Stated	0.0	0.0	0.0	0.0	56	1.1	56	1.0
Total	233	100.0	329	100.0	5249	100.0	5811	100.0

**TABLE 6.12: MAIN MATERIAL OF ROOF BY SOCIO-ECONOMIC STATUS**

Main Roof Material	Socio Economic Status							
	Poor		Vulnerable		Non Poor		Total	
	N	%	N	%	N	%	N	%
Sheet metal (galvanize, galvalume)	85	36.3	87	26.5	865	16.5	1037	17.8
Asphalt, Wood, Other Shingle	0	0.0	8	2.4	133	2.5	141	2.5
Concrete	148	63.7	234	71.0	4114	78.4	4496	77.4
Makeshift/thatched	0	0.0	0	0.0	23	0.4	23	0.4
Other	0	0.0	0	0.0	49	0.9	49	0.8
Not Stated	0	0.0	0	0.0	64	1.2	64	1.1
Total	233	100.0	329	100.0	5249	100.0	5811	100.0

Most poor households (47.8%) lived in unfurnished rented accommodations, while non-poor households tended to own their homes with or without a mortgage (Table 6.13).

**TABLE 6.13: TENURE OF DWELLING BY SOCIO-ECONOMIC STATUS**

Tenure of Dwelling	Socio Economic Status							
	Poor		Vulnerable		Non Poor		Total	
	N	%	N	%	N	%	N	%
Owned (with mortgage)	8	3.4	54	16.3	958	18.3	1020	17.5
Owned (without mortgage)	57	24.6	113	34.5	2855	54.4	3026	52.1
Rented-Furnished	21	9.2	61	18.5	153	2.9	235	4.0
Rented-Unfurnished	111	47.8	35	10.6	738	14.1	884	15.2
Rent-free	0	0.0	26	7.8	303	5.8	328	5.7
Squatted	35	15.0	0	0.0	0	0.0	35	0.6
Other	0	0.0	41	12.4	66	1.3	107	1.8
Not Stated	0	0.0	0	0.0	176	3.3	176	3.0
Total	233	100.0	329	100.0	5249	100.0	5811	100.0

As much as 30.9 percent of the poor had outhouses/pit-latrines compared to 3.4 percent at the national level (Table 6.14). Additionally, most poor households (69.1%) had water closets linked to septic tanks or sewer systems, compared to the national average of 93.9 percent.

**TABLE 6.14: TYPE OF TOILET FACILITIES BY SOCIO-ECONOMIC STATUS**

Type of Sewage System	Socio Economic Status							
	Poor		Vulnerable		Non Poor		Total	
	N	%	N	%	N	%	N	%
Mains (Water Department)	0	0.0	26	7.8	44	0.8	70	1.2
Septic Tank or cesspool	161	69.1	278	84.4	5020	95.6	5459	93.9
Out house/pit latrine	72	30.9	0	0.0	129	2.4	200	3.4
Not Stated	0	0.0	26	7.8	56	1.1	82	1.4
Total	233	100.0	329	100.0	5249	100.0	5811	100.0

An important indicator of living conditions is access to a potable supply of water. Table 6.15 presents the main source of water by socio-economic status. Some 36.2 percent of poor households had access to water from mains while 33.8 percent had access via cisterns (rain/truck). As much as 26.6 percent of poor households received water from “other” sources. Overall, the majority of households - 74.5 percent, received water from cisterns (rain/truck).

**TABLE 6.15: MAIN SOURCE OF WATER BY SOCIO-ECONOMIC STATUS**

Main Water Supply	Socio Economic Status							
	Poor		Vulnerable		Non Poor		Total	
	N	%	N	%	N	%	N	%
Mains	84	36.2	92	28.0	958	18.3	1134	19.5
Cistern (rain or truck)	79	33.8	229	69.6	4019	76.6	4327	74.5
Well	0	.0	0	.0	41	.8	41	.7
Other	62	26.6	8	2.4	175	3.3	245	4.2
Not Stated	8	3.4	0	.0	55	1.1	63	1.1
Total	233	100.0	329	100.0	5249	100.0	5811	100.0

The majority of all households (98%) used electricity as their main source of electricity whether from a public or private source. 90.3 of poor households used electricity as their main source of lighting with as much as 9.7 percent having no access to a source of lighting. Peculiarly, though 9.7 percent of poor households did not have access to any type of lighting, none of these households reported the use of gas and kerosene as a source of lighting.

**TABLE 6.16: MAIN TYPE OF LIGHTING BY SOCIO-ECONOMIC STATUS**

Type of Lighting	Socio Economic Status							
	Poor		Vulnerable		Non Poor		Total	
	N	%	N	%	N	%	N	%
Gas	0	.0	0	.0	0	.0	0	.0
Kerosene Lamp	0	.0	0	.0	0	.0	0	.0
Electricity - (Anglec)	180	77.3	303	92.2	4628	88.2	5112	88.0
Electricity - Private Generator	30	13.0	26	7.8	524	10.0	580	10.0
None	23	9.7	0	.0	21	.4	44	.8
Other	0	.0	0	.0	41	.8	41	.7
Not Stated	0	.0	0	.0	34	.6	34	.6
Total	233	100.0	329	100.0	5249	100.0	5811	100.0

## 6.5 NATIONALITY OF THE POOR

Persons with Anguillian nationality accounted for almost 50 percent of the poor, but only represented 24 percent of the population (Table 6.17). Persons who were Anguillian by descent accounted for 5.7 percent of the poor while those who were Anguillian by naturalisation accounted for 23 percent of the poor and Belongers to Anguilla accounted for 18.5 percent. British Overseas Territory Citizens accounted for 28.5 percent of the poor while Guyanese and Kittitians and Nevisians together accounted for 28.5 percent of the poor while representing 5.6 percent of the population.

TABLE 6.17: NATIONALITY BY SOCIO ECONOMIC STATUS

Nationality	Socio Economic Status			
	Poor	Not Poor but Vulnerable	Not Poor	Total
	%	%	%	%
British Overseas Territories Citizens (BOTC)	28.5	59.0	68.0	64.6
Jamaica	0.0	3.9	1.3	1.5
Barbados	0.0	0.0	0.3	0.2
Dominica	0.0	0.0	2.8	2.3
Guyana	12.6	0.0	1.3	1.8
St Martin/St Maarten	0.0	0.0	1.6	1.3
Dominican Republic	2.9	0.0	2.0	1.8
Other Caribbean	0.9	0.0	4.2	3.5
Philippines	0.0	1.8	0.0	0.2
BOTC (Anguilla) by Descent	5.7	3.0	5.9	5.5
Rest of World	15.0	17.4	1.6	4.3
BOTC (Anguilla) by Naturalization	23.0	2.0	6.8	7.2
Belonger of Anguilla	18.5	23.4	9.0	11.3
St Kitts and Nevis	15.9	0.0	3.5	3.8
USA	3.2	0.0	5.0	4.3
USVI	0.0	0.0	1.0	0.8
UK	0.0	0.0	1.2	1.0
Canada	0.0	0.0	0.2	0.2
Total	100.0	100.0	100.0	100.0

In several areas studied in the PPA including George Hill, Sandy Ground, there are significant numbers of Spanish-speaking immigrants and in North Side of English-speaking immigrants from a number of Caribbean islands and from the Spanish-speaking island of the Dominican Republic. These immigrants are a significant pool of human resources that includes professionals, technicians, tradespersons, hotel and domestic workers, and that fills the country's need for a larger and more diverse base of human resources. In spite of this, in the areas studied there is some evidence that some Anguillians deeply resent their presence, especially that of the Spanish-speaking immigrants, and that some immigrants have experienced discrimination, exploitation and exclusion.

In sum, while there might have been a decline in poverty and surely in indigence over the period 2002 to 2008/2009, the country had not eradicated poverty. Moreover, given the narrow economic base of the island, the gains in poverty reduction would have been quickly eroded when the global economy faltered and went into deep recession.





## CHAPTER SEVEN – LABOUR FORCE AND INCOME

The residents of Anguilla rely primarily on wages from regular jobs for their main source of income (Table 7.1). Across all socio-economic groups, the most reported source of income was “wages from last pay period” (33.07%). In total, 40% of respondents’ reported income was from “wages”, when all categories were considered (sum of overtime, bonuses, tips or income from multiple jobs). Persons of the lowest socio-economic group were most likely to report that wages from the last period was their main source of income, while wealthier respondents were more likely to report sources of income other than “last wage”, reporting instead sources such as dividends on investments (5.31%), rental (18%), or pension from a foreign source (15.46%).

Income from rentals was the second highest reported source of income overall (20.56%), and remittances did not appear to be a major source of income reported. The second poorest socio-economic was most likely to report “remittances” as a source of income (20%). By and large, social assistance seemed to be targeted to the lowest income group, with the largest percentage of recipients being in the lowest quintile.

**TABLE 7.1: TOTAL REPORTED INCOME BY SOURCES AND QUINTILE**

Income Source	Consumption Quintiles					Total
	Poorest	II	III	IV	Richest	
	%					
Wages Last Pay Period	88.82	49.51	63.07	30.15	22.37	33.07
Overtime/Bonuses/Tips/In Kind	0.00	3.51	2.39	1.37	6.78	4.56
Wages From All Other Jobs	0.70	5.97	5.49	0.78	3.20	2.91
Remittances	0.74	20.02	0.93	2.10	1.10	2.57
Rental Income	0.00	6.05	0.00	44.04	18.00	20.56
Self Employment Locally	0.00	0.00	17.88	11.23	3.42	6.07
Self Employment Abroad	0.00	0.40	0.72	0.00	0.00	0.09
Dividends On Investments	0.00	0.72	0.73	1.28	5.31	3.40
Interest On Deposits	0.41	0.26	0.82	0.19	3.14	1.93
Gov't Retirement Pension	4.27	3.60	0.14	2.29	10.70	7.03
Pension From Anguilla Employers	0.00	0.00	0.54	0.20	4.41	2.58
Pension From Foreigner	0.00	0.00	0.29	3.77	15.46	9.61
Invested Deposits Abroad	0.00	0.00	0.00	0.00	0.03	0.02
Gov't Social Assistance	4.57	0.12	2.90	0.18	1.91	1.63
Child Support	0.48	1.29	1.48	1.49	0.09	0.64
Financial Aid	0.00	0.00	0.00	0.00	0.15	0.09
Scholarships	0.00	0.00	0.00	0.94	0.00	0.21
Interest From Stocks	0.00	0.00	0.00	0.00	3.92	2.21
Other Income	0.00	8.54	2.64	0.00	0.00	0.81
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## 7.1 ECONOMIC ACTIVITY

The labour force participation rate was estimated at 73 percent (Table 7.2). The poorest quintile had a comparatively larger share of active labour force participants (78.2%) than the richest quintile (63%). There was also a high rate of employment even among the poorest. Overall 98.5 percent of all labour force participants were “employed” (Table 7.3).

**TABLE 7.2: LABOUR FORCE PARTICIPATION BY QUINTILES (PERCENT)**

Labour Force Participation	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Participant	78.2	74.4	73.8	76.9	63.0	73.0
Non Participant	21.8	25.6	26.2	23.1	37.0	27.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 7.3: EMPLOYMENT STATUS OF PERSONS 15+ BY QUINTILES (PERCENT)**

Employment Status	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Employed	97.5	96.8	98.0	100.0	100.0	98.5
Unemployed	2.5	3.2	2.0	0.0	0.0	1.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

The labour force participation rate was higher among males (81.2%) compared to females (65.8%). This is seen in Tables 7.4 and 7.5. However, the employment rate of males (98.7%) was only marginally higher than the employment rate of females (98.3%). Among the poorest males, 99.3 percent of males were employed. Among their female counterparts, 94.4 percent were employed. This is seen in Tables 7.6 and 7.7.

**TABLE 7.4: MALE LABOUR FORCE PARTICIPATION BY QUINTILES (PERCENT)**

Labour Force Participation	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Participant	83.6	85.4	81.5	80.8	73.5	81.2
Non Participant	16.4	14.6	18.5	19.2	26.5	18.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 7.5: FEMALE LABOUR FORCE PARTICIPATION BY QUINTILES (PERCENT)**

Labour Force Participation	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Participant	70.6	64.9	67.0	73.3	56.8	65.8
Non Participant	29.4	35.1	33.0	26.7	43.2	34.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 7.6: EMPLOYMENT STATUS OF PERSONS 15+ BY QUINTILES- MALES (PERCENT)**

Employment Status	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Employed	99.3	94.1	100.0	100.0	100.0	98.7
Unemployed	.7	5.9	.0	.0	.0	1.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 7.7: EMPLOYMENT STATUS OF PERSONS 15+ BY QUINTILES- FEMALES (PERCENT)**

Employment Status	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Employed	94.4	100.0	95.9	100.0	100.0	98.3
Unemployed	5.6	.0	4.1	.0	.0	1.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

Of all the people who had worked during the reference year (the year prior to the survey), about 65 percent had worked for all twelve months (Table 7.8). However, persons in the two lowest quintiles were the more likely to have worked less than a full year - 55.7 percent of persons in the poorest quintile had worked for the entire year, while 16.9 percent had worked for only two months.

**TABLE 7.8: MONTHS WORKED BY PERSONS WHO WORKED PAST TWELVE MONTHS BY QUINTILES**

Months Worked in Anguilla	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
One	3.5	2.8	0.0	0.0	1.6	1.5
Two	16.9	1.6	2.4	0.0	0.0	4.2
Three	0.0	1.7	0.7	2.6	0.0	1.0
Four	3.8	2.3	2.2	1.7	0.0	2.0
Five	1.2	0.7	4.2	0.0	2.1	1.6
Six	3.9	0.5	2.2	5.2	1.6	2.8
Seven	0.7	1.4	.0	4.1	1.6	1.6
Eight	2.7	3.2	2.6	0.0	3.1	2.3
Nine	2.2	1.4	3.2	1.4	1.3	1.9
Ten	3.2	6.6	9.6	5.1	6.4	6.1
Eleven	5.0	24.5	6.7	4.7	5.1	8.9
Twelve	55.7	53.4	63.5	72.8	77.2	64.7
Not Stated	1.2	0.0	2.7	2.6	0.0	1.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

When asked whether they had worked in the week prior to the survey, 87 percent of respondents indicated that they had. Respondents in the poorest quintile were more likely than respondents in any other quintile to have not worked in the reference week (Table 7.9).

**TABLE 7.9: PERSONS WHO WORKED PAST 7 DAYS BY QUINTILES (PERCENT)**

Worked Past 7 Days	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Yes	70.4	88.9	91.6	92.8	91.5	87.0
No	29.6	11.1	7.7	6.1	8.5	12.6
Not Stated	0.0	0.0	0.7	1.1	0.0	0.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

Of those employed, 11.4 percent worked at more than one job and the likelihood of having more than one job increased with socioeconomic status (Table 7.10). Almost seventeen percent (16.9%) of persons in the richest quintile had more than one job.

**TABLE 7.10: EMPLOYED PERSONS WITH MORE THAN ONE JOB BY QUINTILES (PERCENT)**

	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
<b>More Than One Job</b>	%					
Yes	10.0	7.6	6.7	15.1	16.9	11.4
No	87.5	88.9	91.6	80.3	77.7	85.0
Not Stated	2.4	3.5	1.6	4.6	5.4	3.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

Employed females were more likely than employed males to have more than one job as there were 14.1 percent of females with more than one job, and 9 percent of males with more than one job. Among the poorest females as much as 15.2 percent had more than one job while 20.4 percent of those in the richest quintile had more than one job. This is seen in Tables 7.11 and 7.12.

**TABLE 7.11: EMPLOYED MALES WITH MORE THAN ONE JOB BY QUINTILES (PERCENT)**

	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
<b>More Than One Job</b>	%					
Yes	7.1	.9	6.4	17.8	12.3	9.0
No	91.0	96.4	91.4	77.4	84.7	88.1
Not Stated	1.9	2.7	2.2	4.8	3.0	2.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 7.12: EMPLOYED FEMALES WITH MORE THAN ONE JOB BY QUINTILES (PERCENT)**

	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
<b>More Than One Job</b>	%					
Yes	15.2	14.7	7.1	12.3	20.4	14.1
No	81.5	80.9	91.9	83.2	72.4	81.7
Not Stated	3.3	4.4	1.0	4.5	7.2	4.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

Eighty two percent (82%) of employed persons worked 40 hours or more during the reference week. The poorest quintile had the highest percentage of persons working for forty or more hours per week (Table 7.13).

**TABLE 7.13: NUMBER OF HOURS WORKED WEEKLY BY QUINTILES (PERCENT)**

Hours Worked in reference week	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Less Than 40 Hours	5.4	18.1	18.3	12.9	15.3	13.8
40 Hours and Above	92.2	78.2	80.1	81.3	77.8	82.0
Not Stated	2.4	3.7	1.6	5.8	6.9	4.1
Total	100.0	100.0	100.0	100.0	100.0	100.0

Persons in the two lowest quintiles were more likely to cite family responsibilities as the main reason for working less than 40 hours, while persons in quintiles 3, 4 and 5 were more likely to cite “own choice” as the reason. Among the poorest people, 35.7 percent indicated that personal or family responsibilities kept them from working for forty or more hours per week and another 22 percent indicated that those were the only hours available (Table 7.14).

**TABLE 7.14: REASONS FOR WORKING LESS THAN 40 HOURS WORKED WEEKLY BY QUINTILES (PERCENT)**

Reason For Working Less Than 40 Hours	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Personal/family responsibilities	35.7	7.6	0.0	10.0	0.0	6.8
Own Choice	0.0	0.0	15.7	55.6	65.9	29.8
Job ended in reference week	0.0	4.7	0.0	0.0	0.0	1.1
Only hours available	22.7	50.2	29.3	13.5	10.3	26.4
Could not find more work	0.0	4.0	6.8	0.0	0.0	2.7
Part Time Work	0.0	0.0	15.2	21.0	0.0	8.3
Other	0.0	19.7	13.0	0.0	23.9	13.2
Not Stated	41.6	13.8	19.9	0.0	0.0	11.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

## 7.2 EMPLOYMENT BY INDUSTRY AND OCCUPATION TYPE

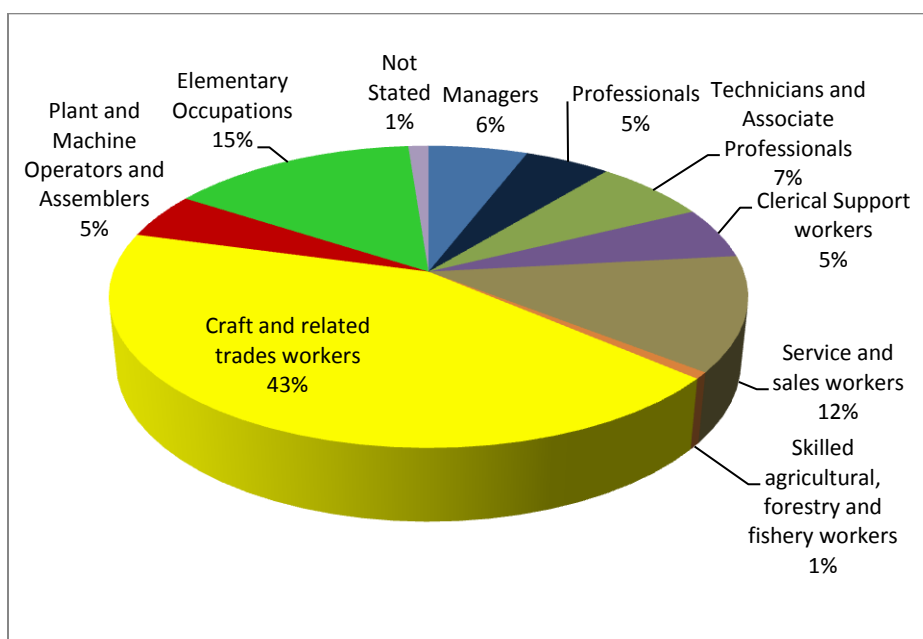
Overall the largest occupational categories indicated by respondents were “Service and sales” (21.4%) and “Craft and related trades” (20.2%). Persons in the lowest quintile were over-represented in the craft and trades category (43%) and in “Elementary Occupations” (14.7%). Figure 7.1, Occupation Profile of Persons in the Poorest Quintile, shows the occupation concentration of those in the poorest quintile. Given that entry requirements to

the dominant categories (especially, Craft and Related) are largely informal, most of the persons designating themselves as workers in the respective categories might have had limited education and little training: in other words, many of those classifying themselves as craft workers would have displayed no difference with those in Elementary Occupations.

As much as 11 percent of persons in the lowest quintile identified themselves as *Professionals* and *Managers*: it cannot be determined if this is as a result of enumerator error or any other reason.

**TABLE 7.15: OCCUPATION OF EMPLOYED BY QUINTILES (PERCENT)**

Main Occupation	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Managers	5.9	0.0	5.5	9.0	21.6	8.4
Professionals	5.1	5.9	14.4	8.2	10.5	8.8
Technicians and Associate Professionals	6.8	5.1	17.4	8.8	18.1	11.2
Clerical Support workers	5.5	10.0	9.0	10.5	8.2	8.6
Service and sales workers	12.3	26.2	25.6	24.3	19.1	21.4
Skilled agricultural, forestry and fishery workers	0.7	0.0	1.9	0.0	0.0	0.5
Craft and related trades workers	43.0	23.6	8.6	17.1	8.1	20.2
Plant and Machine Operators and Assemblers	4.9	1.6	2.6	5.5	1.3	3.3
Elementary Occupations	14.7	19.8	10.0	7.5	5.9	11.4
Not Stated	1.2	7.8	5.0	9.1	7.1	6.1
Total	100.0	100.0	100.0	100.0	100.0	100.0



**FIGURE 7.1: OCCUPATIONAL PROFILE OF PERSONS IN THE POOREST QUINTILE**

Among males, the largest occupational category reported was “Craft and Related Trades”- 36.7 percent. Among their female counterparts however, the largest occupational category reported was “Service and Sales” with 30.3 percent of females belonging to this category suggesting some degree of labour market segmentation by gender. Among the poorest females, the largest percentage (33.2%) belonged to the occupational category “Elementary Occupations” followed by “Service and Sales” (28.5%). As much as 65.3% of the poorest males belonged to the “Craft and Related Trades Category”. This is reflected in Tables 7.16 and 7.17.

**TABLE 7.16: OCCUPATION OF EMPLOYED MALES BY QUINTILES (PERCENT)**

Main Occupation	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Managers	4.6	.0	5.0	3.5	10.9	4.6
Professionals	6.2	5.9	8.3	2.0	4.6	5.4
Technicians and Associate Professionals	5.4	6.5	13.3	6.0	27.1	10.7
Clerical Support workers	.7	.0	3.7	7.1	8.5	3.8
Service and sales workers	3.0	18.9	26.8	11.8	9.2	13.4
Skilled agricultural, forestry and fishery workers	1.1	.0	3.7	.0	.0	1.0
Craft and related trades workers	65.3	40.8	16.3	34.0	15.8	36.7
Plant and Machine Operators and Assemblers	7.7	3.0	4.9	11.0	3.0	6.3
Elementary Occupations	4.1	16.9	15.1	11.0	10.8	11.1
Not Stated	1.9	7.9	2.9	13.7	10.0	7.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 7.17: OCCUPATION OF EMPLOYED FEMALES BY QUINTILES (PERCENT)**

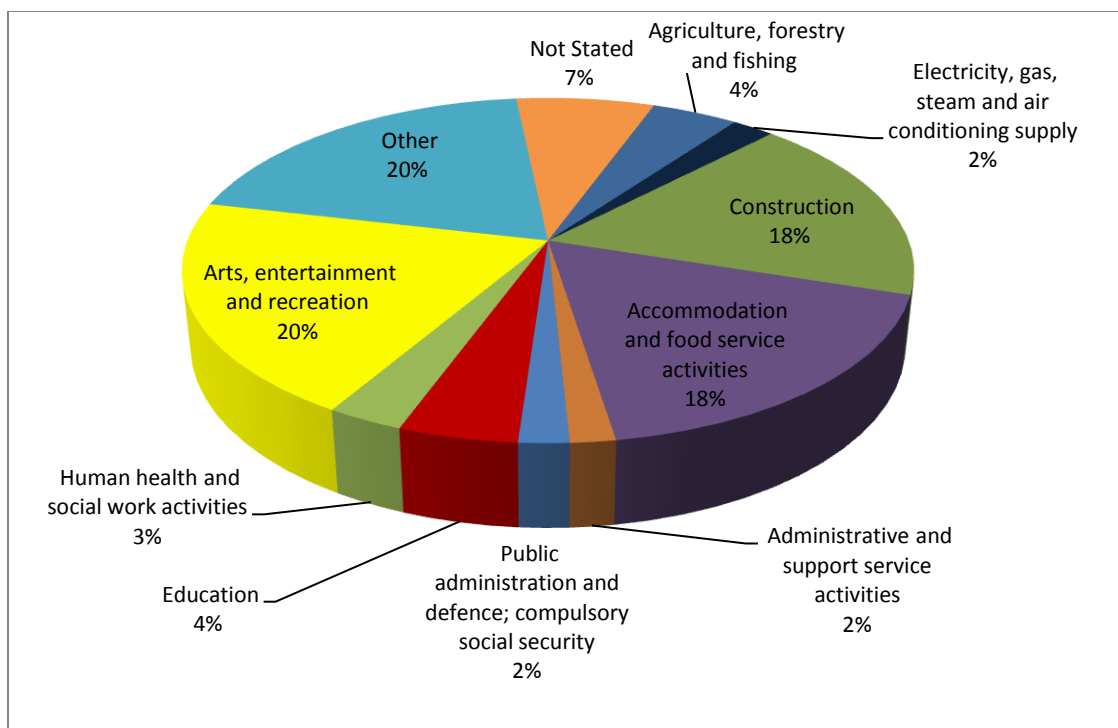
Main Occupation	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Managers	8.1	.0	6.0	14.5	29.7	12.7
Professionals	3.0	6.0	21.3	14.4	15.0	12.5
Technicians and Associate Professionals	9.3	3.7	21.9	11.6	11.3	11.7
Clerical Support workers	13.9	20.6	14.9	14.0	8.0	14.0
Service and sales workers	28.5	33.9	24.3	37.0	26.6	30.3
Skilled agricultural, forestry and fishery workers	.0	.0	.0	.0	.0	.0
Craft and related trades workers	4.1	5.2	.0	.0	2.3	2.1
Plant and Machine Operators and Assemblers	.0	.0	.0	.0	.0	.0
Elementary Occupations	33.2	23.0	4.3	4.0	2.2	11.8
Not Stated	.0	7.7	7.3	4.5	4.9	5.0
Total	100.0	100.0	100.0	100.0	100.0	100.0



In terms of Industry, Construction and Accommodation/Food accounted for the largest share of employed persons, with the lower two quintiles having the highest concentration in this industry. Arts and Entertainment also had a high concentration of persons from the lowest quintile (20%). The poorest quintile was also underrepresented in industries such as Professional, scientific and technical activities, Public Administration and transport and storage. See also Figure 7.2

**TABLE 7.18: INDUSTRY OF EMPLOYED BY QUINTILES (PERCENT)**

Industry	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Agriculture, forestry and fishing	4.5	5.0	1.9	1.1	0.0	2.5
Electricity, gas, steam and air conditioning supply	2.2	0.0	0.0	2.0	0.0	0.9
Construction	17.7	21.7	11.0	17.0	11.6	15.8
Accommodation and food service activities	17.5	24.3	18.3	22.4	14.7	19.5
Professional, scientific and technical activities	0	1.7	4.1	3.0	4.9	2.7
Administrative and support service activities	1.7	8.5	3.5	4.4	8.6	5.3
Public administration and defence; compulsory social security	1.9	2.3	11.8	9.5	13.8	7.9
Education	4.5	0.0	5.7	1.8	5.1	3.4
Human health and social work activities	2.9	1.6	8.0	1.0	3.2	3.3
Arts, entertainment and recreation	20.1	0.0	0.0	1.4	0.0	4.4
Other	19.7	28.2	23.2	23.5	30.8	24.9
Not Stated	7.2	6.8	12.4	12.9	7.4	9.4
Total	100.0	100.0	100.0	100.0	100.0	100.0



**FIGURE 7.2: INDUSTRY OF EMPLOYMENT - PERSONS IN THE POOREST QUINTILE**

Poor households found their financial resources were often insufficient to provide even the basic needs for household members. In some poor households, members were either unemployed or they were working for low wages. At the same time, several respondents said that to make ends meet they were working at more than one job.

At the same time it is important to note that women's work in the home is vital to the maintenance of the household but that it is unpaid. Moreover, in some cases, especially in the absence of free child care facilities, it prevents and/or limits their participation in the labour market, especially in the formal sectors of the economy.

While absence of job opportunities and low wages were cited as major contributors to poverty, low levels of education and lack of marketable skills were also responsible and the data show a definite link between education, employment and household economy. Low levels of education of household heads, many of whom had only primary education, and among youth, the majority of whom had not completed secondary school or had not attended technical and vocational or skills training programmes (see also Chapter 8). Such persons were therefore unable to obtain permanent or well paid jobs and to contribute in any substantial way to the economy of their households.

As a result they are obliged to remain unemployed or to engage in a number of diverse income-earning activities in the informal sector and sometimes even in the underground economy. However, while activities in the informal sector and in the underground economy do provide some income that allows people to survive and to be able to buy food and pay some of their bills, the money that they generate is usually still insufficient to pull their poor households out of poverty.

In sum, the data show that the vast majority earns their incomes from participation in the formal labour market. There is differential employment and labour force participation by gender and by socio-economic status. There is also differential labour market commitment, and the growing presence of an underground economy will impact on commitment to the formal labour market.



## CHAPTER EIGHT - EDUCATION

### 8.1. INTRODUCTION

The level of education in the society and more so among the poor is a critical variable to be examined in assessing the capacity of the society to transform and to create a better quality of life for the citizenry. Even before the end of slavery, there were religious groups in Anguilla committed to providing education as the basis for the moral and spiritual upliftment of the people. There has been a long tradition in the use of access to education for social and economic mobility. Since self-rule, there has been a high level of state support for education and training. However, availability of access is only one dimension in the role of education and training in social development. The commitment of the mass of the population to the achievement of high educational performance is just as critical a dimension. The survey provided substantial data on the educational profile of the population.

### 8.2 LITERACY

In terms of literacy, most persons reported that they could read and write (90%) and illiteracy generally appeared to afflict mainly the elderly (persons over the age of 65) and mainly the poorest people (Table 8.1).

**TABLE 8.1: PERSONS WHO CAN READ AND WRITE BY AGE COHORT AND QUINTILE (PERCENT)**

Five Year Age Groups	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
5-9	82	96	95	100	100	93
10-14	100	100	100	100	100	100
15-19	100	100	100	100	100	100
20-24	100	100	100	100	100	100
25-65	97	97	98	94	98	96
66 and above	71	69	95	86	100	90
Total	93	100	100	100	96	90

### 8.3 SCHOOL ENROLMENT

Table 8.2 shows that enrolment levels were almost universal among the primary and secondary age cohorts. Ninety three percent (93%) of individuals in the 5-9 age group were enrolled, with enrolment rates among the poorest being the lowest (81%). There was 100 percent enrolment in the 10-14 age group and overall 91 percent enrolment in the 15-19 age group. Some adult enrolment was also noted, as 11 percent of persons aged 40-44 were also

enrolled. Having regard to the absence of tertiary facilities, enrolment in distance learning programmes was not very evident in Anguilla (only 9.18 percent overall), which might be due to the incipient nature of programmes at the tertiary level in Anguilla. Persons in the richest quintile were more likely to have been enrolled in these programmes (See Statistical Appendices- Section 3.5, Table 8B).

**TABLE 8.2: ENROLMENT STATUS BY AGE AND QUINTILE (PERCENT)**

Five year Age group	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
*5--9	81	93	100	100	100	93
*10--14	100	100	100	100	100	100
*15-19	100	93	81	90	100	91
**Total	84	87	73	72	41	75

Note:

\*Total enrolled as percentage of age group within quintile

\*\*Total enrolled of all respondents in quintile (all age groups)

## 8.4 TRANSPORTATION

Private transportation was the dominant form in going to school (48.53%). Over 66 percent (66.72%) of individuals in the poorest quintile got to school by private transport and 10.92 percent usually walked to school. Only 3.71 percent used the school bus. Children in the richest quintile were also most likely to either walk to school (16.53%) or get there via private transport- their parent's automobile or otherwise. However, there was a 32.5 percent non-response rate in this group as can be seen in Table 8.3.

**TABLE 8.3: MODE OF TRAVEL TO SCHOOL BY QUINTILES (PERCENT)**

Way Normally Gets To School	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Walking	10.92	30.99	7.85	9.51	16.53	15.68
School Bus	3.71	26.62	9.42	7.48	0.0	11.37
Private Bus	8.47	3.55	11.27	4.88	0.0	6.36
Private	66.72	26.29	50.36	58.62	43.09	48.53
Other	3.17	0.0	0.0	1.44	7.84	1.72
Not Stated	7.02	12.55	21.09	18.08	32.54	16.35
Total	100.0	100.0	100.0	100.0	100.0	100.0

## 8.5. TEXTBOOKS

The survey revealed that most children have access to required text books, and 74.8 percent overall had them for exclusive use. Seventy five percent (75%) of the poorest children had exclusive use of their textbooks (Table 8.4).

**TABLE 8.4: PERSONS HAVING REQUIRED TEXT BOOKS BY QUINTILES (PERCENT)**

Has All Textbooks Required	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Yes, has books for exclusive use	75.0	73.7	78.9	80.5	55.4	74.8
Yes, but shares with other family members	0.0	0.0	0.0	1.4	4.2	0.7
Has only some books	13.9	13.7	0.0	0.0	0.0	6.6
Has none	4.0	0.0	0.0	0.0	7.8	1.6
Not Stated	7.0	12.6	21.1	18.1	32.5	16.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

For the poorest children, buying books brand new was almost the only way in which books were acquired, as 90.68 percent reported having bought texts brand new (Table 8.5). If all text books were not acquired, the main reason was that the family could not afford to buy them; over 21 percent of the poorest households cited their inability to afford all texts (Table 8.6).

**TABLE 8.5: SOURCE OF BOOKS ACQUIRED BY QUINTILES**

Source of textbooks	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Borrowed For Use	4.41	5.36	0.00	2.87	9.1	3.73
Received from Relative/Friend	10.05	8.01	9.44	26.54	13.38	12.84
Purchased New	90.68	78.49	63.54	76.99	64.69	75.94
Other	9.3	12.6	37.3	18.1	35.3	20.99
Total	100	100	100	100	100	100

**TABLE 8.6: REASON FOR NOT HAVING ALL BOOKS BY QUINTILES**

Reason For Not Having Textbooks	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Book Not Available	0.0	11.35	0.0	0.0	9.41	4.67
Could Not Afford	21.86	20.42	0.0	0.0	0.0	10.23
Book Available in Public/School Library	0.0	20.42	0.0	0.0	0.0	5.52
Other	16.12	0.0	0.0	0.0	0.0	3.47
Not Stated	62.03	47.8	100	100	90.59	76.12
Total	100	100	100	100	100	100

However, in the minds of students, availability of books was not the only factor determining their attendance at school. The matter of appearance was an important factor, and in that regard, some compared themselves invidiously with students in the United States, demonstrating the impact of the electronic media in shaping the youth culture of Anguilla.

*“It’s not like America where you can wear your Fubu and Hillfiger kicks.”*

*“I roll up the waistband of my skirt to make it shorter and I carry a pair of sexy sandals in my bag to wear when I am not on the school compound.”*

## 8.6 LEVELS OF EDUCATIONAL ATTAINMENT

There is a direct relationship between educational attainment and consumption. Table 8.7 shows the highest grade completed by males over the age of sixteen (16) who are not currently attending school. Males in this cohort were most likely to have attained up to secondary level education. Overall, secondary level education was the highest achievement (55.23% across all income groups). Almost 70 percent (69.08%) of males in the lowest quintile had attained up to secondary school education. Persons in higher consumption quintiles were more likely than those in lower quinties to have attained a university education.

Females 16 years and over not currently in school had slightly better educational achievements. There was an overall lower proportion reporting “secondary education” as the highest level of attainment (54.57%), and more having achieved tertiary education than males- 12.2 percent of females compared to 6.8 percent of males overall had attained university education. For both sexes, almost 20 percent overall reported having attained only primary school education 18.29 percent of females, compared to 19.38 percent of males), and the likelihood of being in this category was generally skewed towards the middle quintiles for both sexes (See Table 8.8).



**TABLE 8.7: HIGHEST GRADE COMPLETED BY MALES 16+ NOT CURRENTLY IN SCHOOL BY QUINTILES (%)**

Highest Grade Completed	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
None	0.00	0.00	0.00	0.00	0.83	0.15
Nursery/Pre-school/GK/Kindergarten/Infants	0.00	0.00	0.00	0.00	2.80	0.52
Primary	17.07	14.78	26.23	26.63	11.39	19.38
Secondary	69.08	60.71	58.93	49.37	35.55	55.23
University	0.00	0.00	3.61	6.42	25.63	6.80
SLD/Special Education	0.00	0.00	0.00	2.30	0.00	0.50
Other	7.09	24.52	11.23	12.86	21.55	14.90
Don't Know	3.38	0.00	0.00	2.42	2.25	1.73
Not Sated	3.38	0.00	0.00	0.00	0.00	0.79
Not Applicable	0.00	0.00	0.00	0.00	0.00	0.00
Total	100.00	100.00	100.00	100.00	100.00	100.00

**TABLE 8.8: HIGHEST GRADE COMPLETED BY FEMALES 16+ NOT CURRENTLY IN SCHOOL BY QUINTILES (%)**

Highest Grade Completed	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
None	0.00	0.00	0.00	0.00	0.00	0.00
Nursery/Pre-school/GK/Kindergarten/Infants	0.00	2.18	2.60	0.00	0.00	0.87
Primary	12.80	9.68	24.44	26.90	16.55	18.29
Secondary	67.62	68.26	47.66	51.52	45.29	54.57
University	4.92	2.18	11.38	16.08	20.44	12.20
SLD/Special Education	4.68	2.75	2.21	0.00	0.00	1.63
Other	9.99	14.95	11.71	3.22	14.06	10.96
Don't Know	0.00	0.00	0.00	2.30	3.65	1.48
Not Sated	0.00	0.00	0.00	0.00	0.00	0.00
Not Applicable	0.00	0.00	0.00	0.00	0.00	0.00
Total	100.00	100.00	100.00	100.00	100.00	100.00

A large proportion of male heads of households admitted not having attained any certification (48.68%), and this proportion increased significantly among the poorest (68.93%). The poorest male heads of households who did have educational certification were likely to have achieved at least their school leaving certificates (13.52%) or at least some secondary level education. Among female heads of households, the levels of educational attainment were comparable to those of their male counterparts, as 45.26 percent overall had no educational qualifications. The poorest female heads of household were also quite likely to have attained their school leaving certificates as their highest educational attainment. Tables 8.9 and 8.10 illustrate the data.

**TABLE 8.9: CERTIFICATION ATTAINED BY MALE HEADS OF HOUSEHOLDS BY QUINTILES (%)**

Highest Examination Passed	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
School Leaving Certificate	13.52	26.64	12.55	28.08	7.23	17.56
GCE O'Levels/CXC/Cambridge - 1 to 4 Subjects	10.04	5.67	18.43	6.74	6.17	9.09
GCE O'Levels/CXC/Cambridge - 5 and over Subjects	0.00	0.00	2.14	4.75	3.46	2.61
High School Diploma/Certificate	0.00	0.00	1.39	0.00	2.84	1.06
Other Diploma/Certificate	2.96	0.00	5.33	0.00	5.23	2.8
Professional Certificate	0.00	2.57	0.00	1.09	5.73	2.29
Trade Certificate	4.55	5.74	0.00	1.68	3.42	2.78
Bachelor's Degree	0.00	0.00	1.39	3.09	15.84	5.45
Postgraduate Degree	0.00	0.00	4.83	4.56	19	7.4
Other	0.00	0.00	0.00	1.09	0.00	0.28
None	68.93	59.37	53.93	48.93	31.08	48.68
Total	100	100	100	100	100	100

**TABLE 8.10: CERTIFICATION ATTAINED BY FEMALE HEADS OF HOUSEHOLDS BY QUINTILES**

Highest Examination Passed	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
School Leaving Certificate	23.93	20.89	13.57	25.75	14.54	18.95
GCE O'Levels/CXC/Cambridge - 1 to 4 Subjects	0.00	21.28	0.00	19.27	5.9	9.58
GCE O'Levels/CXC/Cambridge - 5 and over Subjects	0.00	4.64	3.62	0.00	0.00	1.35
High School Diploma/Certificate	0.00	0.00	0.00	6.36	0.00	1.53
Undergraduate Diploma	0.00	0.00	0.00	9.51	4.75	3.82
Other Diploma/Certificate	14.26	0.00	7.9	0.00	6.07	4.95
Associate Degree	4.25	0.00	0.00	3.22	6.05	3.17
Professional Certificate	0.00	0.00	0.00	0.00	10.82	3.49
Bachelor's Degree	0.00	0.00	0.00	0.00	7.23	2.33
Postgraduate Degree	0.00	0.00	0.00	2.85	0.00	0.69
Other	0.00	0.00	7.99	0.00	10.51	4.9
None	57.55	53.19	66.93	33.05	34.13	45.26
Total	100	100	100	100	100	100

## 8.7 FINDINGS FROM THE PPA

PPA participants agreed that education is important and even those who have very little formal education said that they wanted to “ensure that their children and grandchildren received a good education” so that they would not have to be condemned to living in poverty, and could have a better and easier life.

However, the data collected in the PPA show that although parents did try to send their children to school every day, several children living in poor households often missed school because their parents were unable to provide them with lunch or lunch money, with school supplies or with transportation. Children from poor households are therefore at a disadvantage when they have to compete with their counterparts from non-poor households. At the same time, several parents also admitted that their children either could

not complete secondary education or pursue tertiary education because they lacked the financial resources to allow them to do so. Parents as well as some young people therefore identified the need for opportunities to pursue tertiary education on the island and for more technical and vocational education programmes.

While the education of children is vitally important, continuing education of adults is equally so. However, the data show that few participants in PPA activities are participating in adult education or literacy programmes. This was in spite of the fact that the majority of heads of households who were interviewed had only a primary level education. Among the reasons for non-participation are lack of knowledge of programmes, absence of programmes in their communities, no one to take care of children, and lack of money to pay fees for some programmes.

In sum, there is no gainsaying the wide access that exists to primary and secondary education in the society, with primary and secondary education universalised. However, Anguilla has not been immune from gender differential in educational performance, with males underperforming compared to females. There is also a differential in achievement with those in the highest quintile more likely to have attained tertiary than others: on the other hand, it could be argued that it is the achievement of tertiary which brings with it, graduation to the highest income level. By and large, given the need to prepare for a knowledge economy, the adult Anguillian population has a sizeable educational gap to close in terms of educational certification.



## CHAPTER NINE – HEALTH, FERTILITY AND SECURITY

### 9.1 INTRODUCTION

Good health is essential if people are to enjoy a sense of well being. To be afforded a safe environment free of crime also contributes to one's sense of well-being. The SLC, PPA and IA provided some insights on all of this.

### 9.2 PREVALENCE OF CHRONIC DISEASES

Persons suffering from chronic diseases as well as the nature of the chronic diseases are shown in Tables 9.1 and 9.2. The likelihood of suffering from chronic diseases increased as socio-economic status improved. Similar to the experience elsewhere in the region, men were less likely to report the incidence of chronic diseases than women. However, among males, those who were in the higher consumption quintiles were more inclined to report suffering from chronic disease. This may be on account of males in the higher quintiles being predisposed to check their health status and seek medical attention than their counterparts in the lower quintiles.

**TABLE 9.1: PERSONS SUFFERING FROM CHRONIC DISEASES BY SEX AND QUINTILES (PERCENT)**

Suffer From Diseases		Consumption Quintiles					
		Poorest	II	III	IV	Richest	Total
		%					
Male	Yes	10.2	26.4	19.4	20.9	33.9	21.1
	No	89.8	73.6	80.6	79.1	66.1	78.9
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Female	Yes	24.7	25.4	22.1	30.0	26.7	25.8
	No	75.3	74.6	77.9	70.0	73.3	74.2
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Both Sexes	Yes	16.2	25.9	20.9	25.5	29.4	23.6
	No	83.8	74.1	79.1	74.5	70.6	76.4
	Total	100.0	100.0	100.0	100.0	100.0	100.0

Among both men and women, high blood pressure stood out as the dominant type of chronic illness; 63.2 percent of males and 66.8 percent of females reported suffering from high blood pressure. There was also a high prevalence of diabetes: 33 percent of males and 35.7 percent of females reported that they had diabetes. Asthma, heart condition and cancer were reported by 10.3 percent, 9.7 percent and percent of individuals respectively (Table 9.2).

**TABLE 9.2: TYPE OF CHRONIC ILLNESS REPORTED BY SEX AND QUINTILES (PERCENT)**

		Consumption Quintiles					
		Poorest	II	III	IV	Richest	Total
<b>Lifestyle Disease</b>		%					
Male	Diabetes	66.0	3.2	30.3	35.5	47.0	33.0
	High Blood Pressure	70.8	44.7	50.7	76.9	75.6	63.2
	Heart Condition	0.0	30.2	5.2	0.0	0.0	8.4
	Cancer	0.0	0.0	0.0	0.0	0.0	0.0
	Asthma	0.0	17.2	13.0	7.3	7.1	9.8
	Other	22.6	18.1	8.2	8.6	0.0	10.4
	Not Stated	0.0	0.0	0.0	0.0	0.0	0.0
Female	Diabetes	23.9	40.3	21.2	34.5	50.4	35.7
	High Blood Pressure	67.5	72.8	69.4	66.8	59.5	66.8
	Heart Condition	0.0	16.2	9.7	13.9	10.6	10.7
	Cancer	0.0	0.0	0.0	0.0	13.4	3.3
	Asthma	8.7	16.1	2.2	13.5	10.6	10.6
	Other	8.6	0.0	13.5	12.5	0.0	6.5
	Not Stated	0.0	5.5	0.0	0.0	0.0	1.1
Total	Diabetes	39.4	22.5	25.1	34.9	48.9	34.6
	High Blood Pressure	68.7	59.4	61.4	70.9	66.4	65.2
	Heart Condition	0.0	22.9	7.7	8.3	6.1	9.7
	Cancer	0.0	0.0	0.0	0.0	7.6	1.9
	Asthma	5.5	16.6	6.9	11.0	9.1	10.3
	Other	13.7	8.7	11.2	10.9	0.0	8.1
	Not Stated	0.0	2.9	0.0	0.0	0.0	0.6

### 9.3 HEALTH SERVICES

Females were more likely than males to visit a health practitioner on account of illness and poor females were more likely to visit a health practitioner than females in higher consumption quintiles (Table 9.3). Among females, as much as 56.2 percent of persons in the poorest quintile (quintile 1) visited a health practitioner when ill, compared to 31.2 percent in the richest quintile.

**TABLE 9.3: PERSONS VISITING HEALTH PRACTITIONER ON ACCOUNT OF ILLNESS BY SEX AND QUINTILES (PERCENT)**

Visited Medical Facility		Consumption Quintiles					
		Poorest	II	III	IV	Richest	Total
		%					
Male	Yes	25.6	25.4	48.8	43.2	21.3	32.7
	No	74.4	74.6	35.5	40.5	61.3	56.7
	Not Stated	0.0	0.0	15.7	16.2	17.4	10.6
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Female	Yes	56.2	34.6	28.8	34.4	31.2	35.1
	No	43.8	65.4	61.8	56.3	53.6	56.9
	Not Stated	0.0	0.0	9.4	9.3	15.2	7.9
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Both Sexes	Yes	41.1	30.9	37.7	37.5	27.3	34.1
	No	58.9	69.1	50.2	50.7	56.6	56.8
	Not Stated	.0	.0	12.2	11.8	16.1	9.0
	Total	100.0	100.0	100.0	100.0	100.0	100.0

Tables 9.4 and 9.5 provide information on the first place visited for medical attention as indicated by respondents. Most respondents (31.6%) chose to visit the Health Centre to seek medical attention, while the Princess Alexandra Hospital (26.4%) was the next most frequented facility. Only 5.3 percent of persons visited a private hospital (Hughes Medical Centre) for medical attention and as much as 12.5 percent of persons visited a private doctor/dentist abroad.



**TABLE 9.4: FIRST PLACE VISITED FOR MEDICAL ATTENTION BY QUINTILES (PERCENT)**

Place First Visited	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Princess Alexandra Hospital	35.3	17.0	23.1	31.1	25.2	26.4
Hughes Medical Centre	0.0	9.9	6.6	4.2	5.3	5.3
Health Centre	41.7	36.5	35.1	23.1	26.9	31.6
Private Doctor/Dentist Abroad	0.0	18.5	25.8	2.2	16.9	12.5
Private Doctor/Dentist	23.0	7.0	9.5	27.8	7.3	15.5
Hospital Abroad	0.0	0.0	0.0	4.2	5.2	2.1
Pharmacy/Chemist	0.0	0.0	0.0	5.1	0.0	1.3
Other	0.0	0.0	0.0	0.0	13.2	2.7
Not Stated	0.0	11.1	0.0	2.3	0.0	2.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

As expected, persons in the poorest quintile tended not to visit places such as the Hughes Medical Centre or Private Doctor/Dentist/hospital abroad and instead utilized the public Hospital and Health Centres (Table 9.5).

**TABLE 9.5: FIRST PLACE VISITED FOR MEDICAL ATTENTION BY QUINTILES- SUMMED ACROSS (PERCENT)**

Place First Visited	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Princess Alexandra Hospital	21.3	11.5	17.4	30.5	19.2	100.0
Hughes Medical Centre	0.0	33.7	25.0	20.9	20.5	100.0
Health Centre	21.0	20.6	22.2	19.0	17.2	100.0
Private Doctor/Dentist Abroad	0.0	26.6	41.3	4.6	27.4	100.0
Private Doctor/Dentist	23.6	8.1	12.2	46.7	9.5	100.0
Hospital Abroad	0.0	0.0	0.0	51.3	48.7	100.0
Pharmacy/Chemist	0.0	0.0	0.0	100.0	0.0	100.0
Other	0.0	0.0	0.0	0.0	100.0	100.0
Not Stated	0.0	76.9	0.0	23.1	0.0	100.0
Total	15.9	17.9	20.0	26.0	20.2	100.0

In general, persons said they had elected to go to the selected place for treatment based on proximity/convenience (29.4 %). A large percentage of persons reported that their reason was that they “worked there” (12.8 %) with a large share of such respondents being in the poorest quintile (28.9%).

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

Why Visit First Place	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Proximity/Convenience	26.1	18.9	43.1	30.9	25.9	29.4
Better Service	0.0	20.6	24.8	8.7	0.0	10.9
Best Cost	0.0	0.0	4.8	5.1	0.0	2.3
Recommended by Friend/Doctor	11.8	3.2	0.0	5.1	0.0	3.8
Usual Place/Doctor	18.5	18.1	5.8	11.4	7.3	11.8
Emergency	2.4	0.0	1.9	.0	10.3	2.9
Specialised Service Required	4.2	12.0	0.0	2.3	16.8	6.8
Medication Available	0.0	0.0	0.0	0.0	13.0	2.6
Confidentiality	0.0	0.0	0.0	2.3	5.3	1.7
Work There	28.9	16.0	8.5	2.3	15.0	12.8
Not Stated	8.2	11.2	11.0	32.0	6.4	15.1
Total	100.0	100.0	100.0	100.0	100.0	100.0

As shown in Table 9.7, a doctor (68%) was most likely to be the person providing medical treatment followed by a nurse or health care worker (25.7%). Males in the richest quintile, were attended to exclusively by doctors (See Statistical Appendices- Section 3.4 Tables 16A & B).

**TABLE 9.7: PERSON PROVIDING MEDICAL TREATMENT AT PLACE VISITED BY QUINTILES (PERCENT)**

Person Attending	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Nurse, health care worker	37.8	29.4	26.9	16.1	23.8	25.7
Pharmacist	0.0	0.0	0.0	5.1	13.0	3.9
Doctor	58.0	70.6	67.6	76.6	63.3	68.0
Other	4.2	0.0	5.5	0.0	0.0	1.8
Not Stated	0.0	0.0	0.0	2.3	0.0	0.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

Table 9.8 shows the length of time it took persons seeking medical attention to be served. The majority of males (85.9%) and females (85.5%) reported that they received medical attention within one hour of arrival. Overall, 11.6 percent of individuals reported that they had to wait over one hour to receive medical attention.

Data from the SLC showed that satisfaction with the treatment received while seeking medical attention was near universal (94.3%); dissatisfaction with treatment was expressed by only 5.1 percent of individuals (Table 9.9). Further, those who expressed dissatisfaction with the treatment received cited the *long wait time* (84.2%) and *attitude of staff* (15.8%) as the reasons for dissatisfaction. All those in the poorest quintile advanced *long waiting time* as the reason for dissatisfaction.

In contrast, the PPA participants who said that they used the public health services, highlighted inadequacies in the system including poor attitudes of some health professionals, the poor quality of services offered, and the unavailability or high cost of medication. Many said that although they are not always satisfied with the service provided, they could not afford to go to private doctors, or to buy medication when it was not available from the public hospital or clinic.

**TABLE 9.8: LENGTH OF WAIT BEFORE RECEIVING MEDICAL TREATMENT BY QUINTILES (PERCENT)**

Time Spent Before Getting Attention	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
None	4.2	0.0	1.9	7.0	10.3	5.0
1-10 Min	24.6	27.0	29.1	9.3	19.1	20.8
11-30 Min	32.0	61.4	45.4	41.6	25.4	41.1
30 Min to 1 Hour	6.8	8.3	23.6	22.2	28.4	18.8
1-2 Hours	10.6	3.2	0.0	4.2	11.6	5.7
2-4 Hours	21.8	0.0	0.0	7.6	0.0	5.5
Over 4 Hours	0.0	0.0	0.0	1.5	0.0	.4
Not Stated	0.0	0.0	0.0	6.5	5.2	2.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 9.9: LEVEL OF SATISFACTION WITH TREATMENT RECEIVED BY SEX AND QUINTILES (PERCENT)**

Level of Satisfaction With Service	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Very satisfied	55.3	54.3	38.6	42.2	52.4	47.8
Satisfied	25.9	45.7	61.4	47.5	47.6	46.5
Dissatisfied	10.6	0.0	0.0	6.5	0.0	3.4
Very dissatisfied	8.2	0.0	0.0	1.5	0.0	1.7
Not stated	0.0	0.0	0.0	2.3	0.0	0.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 9.10: REASON FOR DISSATISFACTION WITH TREATMENT RECEIVED BY SEX AND QUINTILES (PERCENT)**

Why Not Satisfied	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Attitude of Staff	0.0	0.0	0.0	28.6	0.0	15.8
Long Waiting Time	100.0	0.0	0.0	71.4	0.0	84.2
Total	100.0	0.0	0.0	100.0	0.0	100.0

## 9.4 MEDICATION

Table 9.13 provides information on whether respondents purchased or did not purchase medication; 46.5 percent of individuals reported that they bought medication while 53.5 percent reported that they did not. Generally, men were less likely to purchase medication than women. The difference between men and women was significant in the poorest socio-economic group.

**TABLE 9.11: PERSONS BUYING MEDICATION BY SEX AND QUINTILES (PERCENT)**

		Consumption Quintiles					
		Poorest	II	III	IV	Richest	Total
Bought Medication		%					
Male	Yes	31.9	39.4	48.6	59.3	47.1	45.3
	No	68.1	60.6	51.4	40.7	52.9	54.7
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Female	Yes	65.1	40.3	28.4	50.1	53.2	47.3
	No	34.9	59.7	71.6	49.9	46.8	52.7
	Total	100.0	100.0	100.0	100.0	100.0	100.0
Both Sexes	Yes	49.1	39.9	37.2	53.2	50.8	46.5
	No	50.9	60.1	62.8	46.8	49.2	53.5
	Total	100.0	100.0	100.0	100.0	100.0	100.0

## 9.5 UNION STATUS AND FERTILITY

Legal marriages accounted for the largest percentage of respondents (41%) followed by those reporting that they were not in a union (33.8%). 9.9 percent of females reported that they were in a common law union or had a visiting partner. Those in the poorest quintile (48.4%) were just as likely as their counterparts in the richest quintile (48.2%) to be legally married. Generally, though, the lower the socio-economic status, the greater was the likelihood of a common law union.

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

Present Union Status	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
%						
Legally married	48.4	36.3	29.3	41.4	48.2	41.0
Common Law union	6.9	12.0	3.6	4.5	2.9	5.8
Visiting partner	1.5	5.7	3.7	5.0	4.4	4.1
Married but not in union	0.3	0.0	2.0	3.7	2.8	1.8
Legally separated and not in a union	0.0	0.0	0.0	1.3	0.0	0.3
Widowed and not in union	2.8	4.2	1.8	6.0	6.6	4.4
Divorced and not in union	1.1	3.4	2.7	0.0	3.9	2.2
Not in a union	28.3	29.4	51.0	33.1	28.0	33.8
Don't know/Not stated	10.7	9.0	5.8	5.0	3.4	6.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

No girl under age 15 years reported having given birth; however, 31.8 percent of women of childbearing age reported having had their first child between the ages of 15 and 19 and a significant proportion (35.4%) had their first child in their early 20's (Table 9.13). Most women had one or two children, but a large share (41.5%) of females had not had a live birth (Table 9.17). This reflects the slowing of growth in the Belonger population by way of natural increase: Anguilla has made the demographic transition from high death and birth rates to falling birth and death rates.

**TABLE 9.13: AGE HAD FIRST BIRTH BY QUINTILES (PERCENT)**

Age at First Birth	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Under 15	0.0	0.0	0.0	0.0	0.0	0.0
15-19	36.3	52.3	22.4	26.6	15.9	31.8
20-24	41.2	16.8	31.6	38.9	53.8	35.4
25-29	12.0	19.4	21.0	21.3	14.9	17.9
30+	4.8	2.4	8.0	5.8	7.8	5.6
Not Stated	5.7	9.1	16.9	7.4	7.6	9.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 9.14: NUMBER OF LIVE BIRTHS EVER HAD (FEMALES 15-49 YEARS) BY QUINTILES (PERCENT)**

Live Births Ever Had	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
None	32.4	49.0	39.7	33.7	50.5	41.5
One	25.8	9.7	19.0	37.7	33.8	24.2
Two	18.2	12.7	18.1	13.7	4.8	13.5
Three	7.1	16.7	10.8	11.9	0.0	9.9
Four	3.8	5.0	9.6	3.0	5.3	5.3
Five	3.9	7.0	1.1	0.0	5.6	3.7
Six	8.8	0.0	0.0	0.0	0.0	1.6
Seven	0.0	0.0	1.6	0.0	0.0	0.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

Information provided by women in the PPA revealed high levels of fertility and a common feature of serial mating. Several women were encountered who had between six and eleven children, most often by several men. Moreover for several women child bearing had begun in their early teens.

Data from the SLC also show that there are significant differences between the mating and fertility patterns among the poor and the non-poor, and that poor women tend to have their first child at an earlier age and to have a larger number of children than their non-poor counterparts.

Early and multiple pregnancies not only have serious implications for women’s physical and reproductive health, but it also increases the burden of child care and can limit their ability to participate fully in the labour market and in paid employment as well as in other societal processes.

## 9.6 INFANT AND CHILD MORTALITY

The frequency distribution below shows that no infants had died in the reference year; thus infant mortality was zero (Table 9.15).

TABLE 9.15 BABIES DIED LAST 12 MONTHS

Babies Died Last 12 Months		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	203	1.3	100.0	100.0
Missing	Not Applicable	14900	98.7		
Total		15104	100.0		

## 9.7 EMOTIONAL AND PSYCHOLOGICAL HEALTH

The data collected from the PPA and SLC show a high prevalence of life style diseases, especially among the elderly. Many PPA participants said that their inability to eat the ‘right kind’ of food on a regular basis had contributed to their poor health, and several of the poorest persons said they are often unable to afford good health care and medication.

Many of those who participated in PPA activities shared experiences on the negative emotional and psychological impact of poverty and the extent to which this affects their sense of well being. They identified stress and anxiety at being unable to provide for their families, especially their children, and sadness and anger at being impoverished. They often talked about being depressed and frustrated and about feeling helpless and powerless. For several people, poverty is traumatic because it dehumanizes them and engenders feelings of worthlessness. People who suffer such psychological and emotional damage to their self-esteem and self-confidence may need counselling and other professional help. However the need for such help is not always recognized as one of the strategies to address some of the negative effects of poverty.

## 9.8 CRIME

Data from the SLC suggest that crime was not a major issue affecting Anguillians. Overall, 3 percent of the population reported that they had been affected by crime within the last twelve months. Persons in the richest quintile were most likely to have reported being affected by crime (10.2%) than persons in the lower quintiles. Housebreak-ins were the most frequently reported crime (25.8% overall). Other cited crimes included grievous bodily harm, stealing car parts and stealing in general.

**TABLE 9.16 VICTIM OF CRIME WITHIN THE LAST 12 MONTHS**

Victim of Crime	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Yes	.7	1.3	1.8	.9	10.2	3.0
No	96.0	97.5	94.2	97.5	84.8	94.0
Not Stated	3.2	1.2	4.1	1.6	5.0	3.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 9.17 NATURE OF CRIME WITHIN THE LAST 12 MONTHS**

Nature of Crime	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Drug Offence	0.0	0.0	26.4	0.0	0.0	3.1
Abuse	0.0	0.0	0.0	0.0	7.4	5.0
Grievous Bodily Harm	0.0	0.0	51.0	0.0	0.0	6.0
Battery	0.0	0.0	0.0	0.0	8.4	5.7
Assault	0.0	0.0	22.6	0.0	0.0	2.6
Stealing Car Parts	0.0	0.0	0.0	0.0	13.3	9.1
Stealing (General)	0.0	0.0	0.0	0.0	14.4	9.9
Stolen Property	0.0	0.0	0.0	100.0	0.0	5.7
Housebreaking	0.0	0.0	0.0	0.0	37.7	25.8
Not Stated	100.0	100.0	0.0	0.0	18.7	27.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

In sum, chronic diseases are prevalent among the population. Females were more likely to visit a health practitioner than males. The recent changes in the nature of state financed health delivery have created problems, surely for poorer people, who feel that their entitlement to relatively free health care has been compromised.

While there is evidence of a decline in fertility, there is still a relatively high percentage of women having their first child in their teenage years.





## CHAPTER TEN - PHYSICAL LIVING CONDITIONS

### 10.1 INTRODUCTION

The IA identified a number of institutions that treat with housing issues in Anguilla. However, the only ones with a direct focus on housing for the poor and vulnerable are discussed here. Government intervention to ensure that residents have a potable water supply, access to proper roads and drainage, a reliable source of electrical power, access to telecommunications, and housing of an acceptable standard has a distinct influence on the conditions under which persons live. In Anguilla, the Government, through its statutory agencies provides electricity through the Anguilla Electricity Company, (ANGLEC), and water (through the Water Corporation of Anguilla). Additionally, the Department of Infrastructure has oversight for roads and drainage. Though housing for low income residents is a crucial element of infrastructure, there is currently no public programme specifically set up to treat with this.

Anguilla was struck by hurricane Omar in 2008, which left in its wake severe beach erosion, fallen trees and utility poles and caused flooding in many low lying areas. There were no reports of significant structural damage to houses or other buildings, largely due to strict enforcement of, and adherence to, existing Building Codes.

### 10.2 HOUSING CONDITIONS

#### 10.2.1 Outer Walls

Most dwellings (92.7%) had walls that were made of concrete/concrete blocks, including 81.3 percent of those in the poorest quintile, an indication of the high quality of the housing stock in Anguilla (Table 10.1). Wood and concrete were used by those in the first three quintiles only and predominantly by those in the poorest quintile.

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

Main Material of Outer Walls	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Wood Only	4.7	0.0	0.0	1.0	0.0	1.2
Concrete/Concrete Blocks	81.3	95.6	96.2	95.5	95.5	92.7
Wood & Concrete	10.1	4.4	3.0	0.0	0.0	3.5
Brick/Blocks	0.0	0.0	0.0	3.5	4.5	1.7
Not Stated	4.0	0.0	0.7	0.0	0.0	1.0
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1221	1026	1110	1184	1270	5811

### 10.2.2 Roofing

Most dwellings had roofs made of concrete (77.4%), while 17.8 percent had roofs made of sheet-metal (Table 10.2)<sup>34</sup>. The widespread use of concrete roofing in Anguilla is in large measure due to the fact that concrete roofing is more structurally sound and can offer hurricane protection.

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

Main Roof Material	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Sheet metal (galvanize, galvalume)	24.7	10.3	12.0	25.0	15.9	17.8
Asphalt Shingle	1.8	0.0	0.0	0.0	3.2	1.1
Wood Shingle	0.7	0.0	0.0	1.8	2.2	1.0
Other Shingle	0.0	0.0	0.0	1.9	0.0	0.4
Concrete	68.9	87.5	82.1	71.4	78.8	77.4
Makeshift/thatched	0.0	2.2	0.0	0.0	0.0	0.4
Other	0.0	0.0	4.4	0.0	0.0	0.8
Not Stated	4.0	0.0	1.4	0.0	0.0	1.1
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1221	1026	1110	1184	1270	5811

### 10.2.3 Tenure

About 70 percent of households owned the dwellings that they occupied, either with or without a mortgage (Table 10.3). This suggests that there might have been no major change between 2002 and 2008/09. Generally, households in the richest quintile (quintile 5) were more likely than households in any other quintile to own their homes without a mortgage. Unfurnished rented accommodation was another popular option: 15.2 percent of households across all quintiles lived in unfurnished rentals: this hints at the presence of a large number of migrant workers in rental accommodation. Approximately 3 percent of households in the poorest quintile reported to have been squatting.

Table 10.4 shows that 52.2 percent of households owned their land without a mortgage, and the likelihood of this increased with socio-economic status. Interestingly 15.5 percent of households reported that their land was family owned.

<sup>34</sup> These data corroborate the findings of the 2001 Census, which reported that 75.9 percent of roofs were made of concrete, while 19.4 percent were made of sheet metal.

**TABLE 10.3: TENURE OF DWELLING BY QUINTILES (PERCENT)**

Tenure of Dwelling	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Owned (with mortgage)	13.7	17.8	24.5	17.1	15.5	17.5
Owned (without mortgage)	44.2	50.3	51.2	45.4	68.0	52.1
Rented-Furnished	7.7	3.4	4.4	0.0	4.5	4.0
Rented-Unfurnished	22.1	19.4	8.2	23.4	3.7	15.2
Rent-free	2.1	4.3	7.2	8.4	6.2	5.7
Squatted	2.9	0.0	0.0	0.0	0.0	0.6
Other	3.3	0.0	1.9	3.8	0.0	1.8
Not Stated	4.0	4.8	2.7	1.9	2.1	3.0
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1221	1026	1110	1184	1270	5811

**TABLE 10.4 TENURE OF LAND BY QUINTILES**

Tenure of Land	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%	%	%	%	%	%
Owned (with Mortgage)	10.0	11.2	13.2	5.6	13.3	10.7
Owned (without Mortgage)	39.1	52.7	54.7	56.1	58.1	52.2
Family Owned	18.8	11.1	12.0	14.3	20.4	15.5
Rents the land	31.4	22.1	11.5	22.1	8.2	18.9
Leases the land	.0	.0	.0	.0	.0	.0
Squatting	.0	.0	.0	.0	.0	.0
Other	.0	2.9	5.6	1.9	.0	2.0
Not Stated	.7	.0	3.0	.0	.0	.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

### 10.2.4 Toilet Facility

Most households (94%) used “water closets linked to a septic tank or cesspool” as their main method of sewerage disposal. Out houses and pit latrines were used by 3.4 percent of households, including a significant number of households in the third and fourth quintiles. In the 2002 study, 6 percent of households had no flush toilets which meant that conditions in this regard had somewhat improved. As much as 4.2 percent of households in the poorest quintile did not state the type of toilet facility that they had.

**TABLE 10.5: TYPE OF SEWAGE BY QUINTILES (PERCENT)**

Type of Sewage System	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Mains (Water Department)	2.1	0.0	2.0	0.0	1.7	1.2
Septic Tank or cesspool	87.8	98.8	93.5	91.7	98.3	93.9
Out house/pit latrine	5.9	1.2	3.7	6.4	0.0	3.4
Not Stated	4.2	0.0	0.7	1.9	0.0	1.4
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1221	1026	1110	1184	1270	5811

### 10.2.5 Access to Water and Frequency of Supply

Cisterns filled by rain or water trucks were the main source of water for the majority of households (74.5%). Those in the poorest quintile were less likely than those in the richest quintile to have cisterns as their main source of water supply; 52.3 percent of households in the poorest quintile used cisterns as their main source of water supply compared to 93.9 percent of households in the richest quintile. Households in the poorest quintile were more likely to have “mains” as their main source of water supply (Table 10.6).

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

Main Water Supply	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Mains	34.1	27.2	18.5	13.3	6.1	19.5
Cistern (rain or truck)	52.3	68.4	75.2	80.9	93.9	74.5
Well	0.0	0.0	0.0	3.5	0.0	0.7
Other	10.8	4.4	3.7	2.3	0.0	4.2
Not Stated	2.8	0.0	2.7	0.0	0.0	1.1
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1221	1026	1110	1184	1270	5811

A large percentage of households (79.4%) reported that they had water in their taps for seven days in the reference week (Table 10.7). Those in the poorest quintile were less likely than those in the richest quintile to not have water for seven days of the week.

**TABLE 10.7: DAYS WITHOUT WATER IN TAP PAST WEEK BY QUINTILES (PERCENT)**

Average Days Without Water in Tap	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Zero (Always Have)	71.0	71.5	74.5	83.8	94.1	79.4
One	0.0	0.0	0.0	0.0	0.0	0.0
Two	1.1	1.2	0.0	0.0	0.0	0.4
Three	6.1	1.2	0.0	0.0	0.0	1.5
Four	1.9	2.2	5.6	4.0	0.0	2.7
Five or more	11.1	9.0	14.4	3.3	2.1	7.8
Don't Know	8.8	14.1	3.2	4.2	2.1	6.3
Not Stated	0.0	0.8	2.4	4.8	1.7	1.9
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1221	1026	1110	1184	1270	5811

### 10.2.6 Fuel for Cooking and Lighting

Most households (93.6%) used gas/LPG for cooking, irrespective of household quintile (Table 10.8). Electricity was used for cooking by 4.3 percent of households, with those in the higher quintiles more likely than households in the lower quintiles to use electricity for cooking.

Irrespective of household quintile, 98 percent of households used electricity as their main source for lighting (Table 10.9). Similarly, according to the 2002 study, only 3 percent of households had no electricity.

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

Type of Fuel Used for Cooking	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Coal	0.0	0.0	0.0	0.0	1.8	0.4
Wood	1.8	0.0	0.0	0.0	1.7	0.8
Gas/LPG	92.1	100.0	94.3	95.9	87.2	93.6
Kerosene	0.0	0.0	0.0	0.0	0.0	0.0
Electricity	2.1	0.0	5.0	4.1	9.3	4.3
Other	0.0	0.0	0.0	0.0	0.0	0.0
Not Stated	4.0	0.0	0.7	0.0	0.0	1.0
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1221	1026	1110	1184	1270	5811

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

Type of Lighting	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Kerosene Lamp	0.0	0.0	0.0	0.0	0.0	0.0
Electricity - (Anglec)	85.9	88.9	88.8	83.8	92.3	88.0
Electricity - Private Generator	10.1	11.1	10.5	12.7	6.0	10.0
None	1.8	0.0	0.0	0.0	1.7	0.8
Other	0.0	0.0	0.0	3.5	0.0	0.7
Not Stated	2.1	0.0	0.7	0.0	0.0	0.6
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
Total (N)	1221	1026	1110	1184	1270	5811

The majority of homes (80.3%) were built in the period 2000 or earlier with only 4.3 percent of households reporting that their dwelling was built during the period 2001 to 2007 (Table 10.10).

**TABLE 10.10: YEAR DWELLING BUILT BY QUINTILES (PERCENT)**

Year Dwelling Built	Household Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Before 1970	39.4	26.8	30.7	20.4	32.7	30.2
1970 - 1979	6.6	9	20.4	18.6	16.1	14.2
1980 - 1989	6.1	13.7	9.8	22.5	19.3	14.4
1990 - 1995	3.5	13	18.3	7.7	11.5	10.6
1996 - 2000	10.8	15	2.4	12.1	14.2	10.9
2001-2005	0.0	0.0	2.0	8.0	3.2	2.7
2006	3.3	1.2	0.0	0.0	0.0	0.9
2007	2.2	0.0	1.2	0.0	0.0	0.7
Don't Know	23.5	19.2	14.5	8.9	3.0	13.6
Not Stated	4.6	2.2	0.7	1.9	0.0	1.9
Total	100	100	100	100	100	100
Total (N)	1221	1026	1110	1184	1270	5811

### 10.3 TECHNOLOGY AND COMMUNICATION

Mobile phone penetration is still moderate in Anguilla. Well over half the population own a working mobile phone (68.4%), with the richest quintile having the highest concentration of mobile phone ownership (72.6%). Thirty six (36) percent of the poorest did not own a working mobile phone (Table 10.11). Average expenditure on mobile phones during the month before the survey ranged from EC\$155 in the poorest quintile, to EC\$244 in the richest quintile (Table 10.12).

**TABLE 10.11: PERSONS WITH WORKING MOBILE PHONES BY QUINTILES (PERCENT)**

Has Working Mobile Phone	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Yes	64.0	63.1	66.7	75.7	72.6	68.4
No	36.0	36.2	33.3	22.9	27.4	31.2
Not Stated	.0	.7	.0	1.4	.0	.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

**TABLE 10.12: MEAN EXPENDITURE ON MOBILE PHONE LAST MONTH BY QUINTILES**

	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	Mean					
Expenditure on Cellular Phone	155	150	151	303	244	206

Overall 74.4 percent of respondents had internet access. Domestic access of internet facility was the most common “place internet used” (48%) Just over forty two percent (42.7%) of the poorest households had domestic internet access, and domestic access tended to become more prevalent as socio-economic status improved. The next largest source of internet access was at work, where 9 percent of the poorest received access. A small proportion of children accessed the internet at school (3.6%) and some persons were able to gain access the through family and friends (see table 10.13).



**TABLE 10.13: PLACE INTERNET ACCESS AVAILABLE BY QUINTILES**

Place Internet Used	Consumption Quintiles					
	Poorest	II	III	IV	Richest	Total
	%					
Home	42.7	43.9	50.0	48.4	55.2	48.0
Work	9.0	4.5	13.9	12.2	21.7	12.2
School	1.6	3.6	5.4	5.4	2.1	3.6
Internet Cafe	.0	.0	.0	.8	3.6	.9
Cell Phone	.9	.0	1.8	2.1	4.1	1.8
Family Friend	5.5	3.6	3.7	2.5	6.2	4.3
Other	4.5	2.1	3.0	4.2	4.2	3.6
None	46.5	51.1	42.0	43.2	33.2	43.3
Not Stated	.0	.0	.0	.0	.0	.0
Total	110.8	109.0	119.7	118.8	130.4	117.7

#### 10.4 POVERTY AND THE PHYSICAL ENVIRONMENT

There are a number of environmental issues that are critical to the sustainable development of Anguilla and can affect its living conditions. Effective management of its natural resources, including its coastal and marine resources, solid waste management and maintaining public health are key among these and must be addressed if socio-economic development in Anguilla is to become sustainable and beneficial to all groups in society. In order to effectively manage the country's coastal zone, the Government and people must tackle illegal sand mining and the incidence of overfishing. Ensuring proper solid waste disposal and exploring the possibility of reducing and reuse waste and addressing littering will mean a cleaner and safer country with fewer waste materials reaching the landfill. Moreover, adopting a disaster risk reduction approach to disaster management would mean that Anguilla would have to strengthen its disaster management system by introducing legislation and by the implementation of community-led programmes that educate and improve residents' responses to upset conditions.

In addition to these issues, the Assessment shows that there are some links between poverty and the environment. More than 60 percent of the poor and vulnerable live in rental housing and therefore have little control over the upkeep of their homes. Discussions during the IA revealed that some of this rental housing was below acceptable living standard, and that overcrowding can be a challenge.

Most of the housing occupied by the poor and vulnerable was built before 1970, that is, before the introduction of building standards. This suggests that most of the homes might have been highly vulnerable to natural disasters. Moreover, many of them, some 43 percent, do not know when their homes were built and therefore lack the information for making informed decisions to secure their safety in upset conditions. Pit latrines remain an important type of toilet facility for the poor, and while under ideal circumstances pit latrines are considered as an improved sanitation facility, they are not often maintained in a proper manner, thus increasing sanitation risk.

In sum, though the SLC has confirmed what has been noted in the IA, namely some commitment to abide by the Building Code, and to the use of concrete roofs as an anti-hurricane precaution, there does exist a problem of poor quality housing for large sections of the population. The large influx of people to be housed when the economy was booming put a strain on the existing housing stock and led to the skyrocketing of rental accommodation, with serious implications to the poor who might not have owned their dwelling units. The absence of any important state funding housing programme was also very evident. The findings from the SLC have to be modulated with information from the PPA and the IA in arriving at an assessment of physical conditions facing the population and the poor in particular.



## **CHAPTER ELEVEN - SELECTED CROSS-CUTTING FACTORS AND LIVING CONDITIONS**

This chapter examines selected cross-cutting issues that impact on living conditions and poverty in Anguilla. The data collected in the SLC and PPA have located households, groups and communities and their relative position in the geographic space of Anguilla. The factors that are responsible for any of these succumbing to conditions of poverty are varied and are often inter-related. Thus, evidence of poverty is usually the impact of cause and effect in a certain scenario.

Six critical issues are selected for discussion here:

- Tourism Policy and Belonger Development;
- Land, Real Estate and Housing;
- Labour, Immigration and Population;
- Education and Training;
- Gender; and
- Environment and Resource Exploitation and Management.

### **11.1 TOURISM POLICY AND BELONGER DEVELOPMENT:**

The main inhabited island of Anguilla is just 91 sq. kilometres. Its transformation from an economy based on fishing, remittances of migrant labour and semi-subsistence agriculture has been driven by its entry into international tourism. This thrust into tourism has been built largely without the involvement of any of the marques in international tourism.

Thus, a mix of local and foreign small scale entrepreneurship has been the foundation of tourism development. Having being recognised as a niche market at the higher end, the island was able to secure high income growth from the sector.

However, the need for even greater expansion of the economy has posed a challenge for policy formulation for the country, and may compromise a model in which the belonger entrepreneurs have been able to participate as the drivers of economic change. In seeking to expand the room stock, the Government has sought to encourage larger operators to put down hotels of much larger size than has been the norm on the island.

These establishments were under construction when the global economic crisis started to rear its head. However, the outlines of the impact of this new industrial strategy have already become evident. Firstly, there has been need to import hordes of foreign labour to construct the hotels.

Moreover, given the size of the domestic population and labour force, an increase in the room stock will require a large inflow of foreign labour on a permanent basis. The larger hotels will also increase the price of real estate. Moreover, to the extent that some Anguillians might succumb to a short term perspective, the temptation to realise high prices would drive many to sell their real estate holdings.

Clearly, the very nature of the society is likely to change with the coming into operation of the new hotel plant, and the Belonger population and entrepreneurs could find themselves in a subsidiary role in the future development of the country, with implications for the sense of control and direction that Belongers could exercise over their future. The quality of life will be impacted. In the course of the PPA, at least one community complained of ‘over-tourism’ development. There is a deep fear of economic and social marginalisation. The resolution of the conflict between demands of growing the economy through tourism-led development and the retention of some sense of control over the destiny of the nation creates challenges of consistency for the Government in satisfying the Belonger population.

## **11.2 LAND, REAL ESTATE AND HOUSING**

Land in Anguilla is a very scarce resource. As noted above, the expansion of the tourism sector has impacted the demand for land. There has been a long tradition of ownership with most people owning the land on which their homes are built. At the very least, there has often been the expectation that family land would be available for the construction of a home.

However, with the expansion of the economy and the heavy reliance that this has placed on imported labour, there has been an increase in the demand for rental accommodation. The high premium that this has put on real estate and on land and housing markets has worked negatively when viewed from the perspective of a large cross-section of the Belonger population that may lack land and other real estate.

In the course of the PPA, there were many complaints about the price of land and the lack of availability of affordable accommodation.

*“Can’t buy land, greedy people carrying up the prices.”*

*“The cost of housing is high, the apartments are not up to standard and the landlords don’t care.”*

*“We suffer just to pay rent.”*

*“The rents are increasing monthly and there is nothing we can say.”*

There was also evidence of overcrowding in some households.

The impact of the growth of tourism on the land and real estate markets might have led to a decline in living conditions for large sections of the society. Given the nature of the labour market and the large influx of non-nationals relative to Belonger labour, the latter have not been able to drive up the price of their labour such that they could secure higher incomes to treat with increased cost of accommodation, let alone secure land for homes in situations where they do not have access to family land or lack building lots for home construction.

The country is faced with an incipient housing crisis, which remains below the surface but is acute and will be exacerbated when the economy resumes on its growth path and labour from abroad returns to employment in Anguilla. Meanwhile, there has not been institutionalised any role for the state in the facilitation of housing for lower income groups in the society.

### **11.3 LABOUR, IMMIGRATION AND POPULATION:**

The estimated population of Anguilla is just over 15,000. In the expansion of tourism with hotel plant possibly reaching a room stock of 4000, some 8000 workers would be required. This establishes the fact that Anguilla's economic growth has to be premised on the import of labour.

However, the country is already at the stage of the demographic transition in which falling birth and death rates will lead to a slower growth of the belonger population than was the case in the middle of the last century. Thus, economic growth based on an expanding supply of labour immediately brings to the fore the population, labour and immigration policy for the country. In the PPA, a number of Belongers expressed strong views on immigration policy. Employers on the other hand, would have had an entirely opposing view, given their interest in keeping wages as low as possible.

The challenge for the society is in reconciling all the implications relating to each. In the first place, its history has been that of a colonial outpost of limited value to the British Crown and metropolitan economy. Anguilla is another case of a micro-state which in the colonial period, was a marginal colony where the population depended on whatever they could eke out of exiguous island resource, and from remittances sent by migrants to neighbouring economies.

Cayman Islands, Turks and Caicos, and British Virgin Islands are the other famous cases. None of these states supported plantation agriculture or any form of agriculture that could guarantee valued supplies to the metropolitan economy in the hey-day of the colonial period.

They remained at the margins of the Caribbean economy in the first centuries of colonial exploitation, and in the first half of the 20<sup>th</sup> century were locations from which seafarers and low level migrant labour were derived for other economies. They have been so small, that they spurned the idea of political independence from Britain since, surely for the first half of the 20<sup>th</sup> century, there was nothing to suggest that they could be anything but grant-in-aid states, dependent on the British Treasury for their functioning.

Their entree into an expanding international tourism economy in the second half of the 20<sup>th</sup> century has radically transformed the nature of their participation in the international economy. In addition to the amenity resource of sun, sea and sand that these islands provide, they successfully created the institutional arrangements for participation in the earlier years in the Off-shore Financial Services Industry.

This transformation to a highly dynamic economy, though dependent on just two or three sectors has led to a fast pace of economic growth and to high incomes in some sections of these societies. This has led to these societies becoming destinations for international and regional migrants.

The Cayman Islands is the one case where an attempt has been made to create an institutional structure that reconciles the various requirements of labour demand. This approach has attracted the attention of the authorities in Anguilla, which is faced with a comparable problem of managing the demands of an expanding labour market with a small local population, which might be swamped by incoming labour.

In the Cayman Islands, there has been an attempt to develop immigration rules that allow the country to manage the growth of its population, having regard to the fact that given small size, rapid labour force growth can be achieved only through high immigration that may reduce the Belonger population to a minority, with all the attendant social tensions that derive from this.

One of the implications of this approach is the need to set strict limits to the length of time that an immigrant can remain in the country. In the Cayman Islands, there is a “roll-over” rule which effectively breaks continuous residence in the country which may qualify an immigrant for permanent residence.

Thus, most immigrants are required to leave and although they may come back for new contracts, the break ensures that they do not achieve the residency requirement to qualify for permanent residence and eventually for citizenship.

Another implication of this rule is that labour costs are effectively raised since firms are required to secure a fresh supply of labour from time to time, given that the domestic labour force cannot fill the positions available. In the case of Anguilla, the institutional structures being built around its immigration rules seem to list in the direction of that of the Cayman Islands.

On the one hand, adoption of the Cayman approach in raising labour costs and thus the price of services and products in Anguilla will reduce the competitiveness of Anguilla vis-à-vis competing locations. There is not much that allows it to differentiate itself as providing a superior tourism product, for example in the context of the wider Caribbean. There is a major challenge in the development of coherence in policies with regard to labour markets and to population which have hardly been adumbrated in any official document.

Meanwhile, there are challenges in assimilation of the inflows from the Dominican Republic, many of whom have the right to be in Anguilla as descendants of Anguillians who migrated there at the time when the island was a sending country. The authorities in Education have made provision for primary school children with ESL, but not yet at the secondary level. However, there does not seem to be very much in the agencies responsible for community and social development, to treat with the problem of assimilation. The difficulties of assimilation are reflected in the comments of immigrants, many with family links to Anguillians:

*“We are not here as parasites as a lot of people think.”*

*“We have the same surnames but they treat us like dirt, like beggars.”*

*“The locals and we are no different... we are from the same families.”*

*“Even though we are from the same blood lines, we are disliked, laughed at and cursed.”*

#### **11.4 EDUCATION, TRAINING, PERFORMANCE AND PRODUCTIVITY:**

The Government of Anguilla, like other Caribbean governments, has invested heavily in education, and has provided universal access to primary and secondary education. In respect of Tertiary education, many qualifying nationals have been sent abroad on scholarship and there is incipient infrastructure being laid to allow for some level of tertiary in the country.

In the course of the IA, reference was made to a relative indifference to educational performance on the part of many students. An entitlements syndrome might explain this attitude to educational performance. In that regard, education serves mainly for certification, rather than as human capital investment with the possibility of pushing the production possibility curve outward.



By and large, though, there was a general acceptance that education opened possibilities, although costs of participation could be high to the household. Comments in the PPA attest to this:

*“Education is the primary factor to help move out of poverty and enjoy a good quality life.”*

*“Education does not bring anyone out of poverty, it puts you in poverty.”*

*“The increased cost of uniform, shoes, text books and other school supplies and to provide food every day would make people poor.”*

It was noted that more non-nationals than Belongers were diligent in accessing special part-time programmes offered by way of tertiary opportunities locally. In addition to this deficiency in educational commitment, there was also the problem of male underperformance in the educational system that has afflicted Anguilla as other Caribbean countries.

In such circumstances, it is going to be difficult to maximise the participation of the Belonger population in the highest echelons of professional and technical cadres, required in the running of the country.

An environment that encourages the notion of entitlement from the mere fact of one’s Belonger status is not propitious for the development of a high productivity orientation among the local population. The agency responsible for Public Administration identified the low response of the Belonger population to educational opportunity and to self-advancement and the indifferent productivity norms among Belonger public servants. The fact that there is no evidence of output and performance based budgeting in the public service was hardly conducive to any change in the paradigm.

## **11.5 GENDER**

As is the case elsewhere in the Caribbean, there are gender roles defined in the society of Anguilla which differentiate the responsibilities of women and men and structure the relationship between them in households, communities and the society at large. Males are expected to be the primary workers and providers to the family, while women are expected to discharge the nurturing function in the household as well as in selected roles in communities. Beliefs about masculinity and femininity affect gender relations and impact on sexual relations, mating patterns and fertility.

Gender relations within the family are characterized by male domination, and this is so even when and if they are not making major contributions to the livelihood of the household. Consequently, in spite of their lesser inputs into household income, they are still the ones with privilege, authority, power, and control.

*“Whatever I say is the law.”*  
*“Everything I say they have to do.”*

As a result in several households women have little, if any power or authority and limited input in decisions that affect their lives. For example, information obtained in the PPA show that women are victims of gender based violence including verbal and physical abuse and threats to kill.

*“Women are still being mistreated physically.”*  
*“There is still a great deal of physical abuse by men.”*

However, while some of these women might want to leave the relationship because they have no economic autonomy, they have no alternative but to stay because they depend on men for their survival.

The labour market both in its formal and informal configuration is segmented along gender lines, and this contributes to the gender dimension of poverty that is reflected in the differential life chances of females and males and in female headed households vis-à-vis male headed households. The SLC established labour market segmentation.

At the same time, data from the PPA provided evidence that in male-headed households, as well as in other types of households, men shirk their responsibilities. So that while women are also often engaged in formal sectors of the labour market and while they contribute to the finances of the households they also have full responsibility for care of family members and for maintenance of the home.

*“Husbands only contributing minimal finances to the household.”*  
*“The men we married are not shouldering their responsibilities of taking care of the home.”*

Given the segmentation of the labour market on gender lines, women are often limited to particular functions and dominate particular sectors that may be subject to greater volatility. Thus, given the nature of the tourism sector and their predominance in that industry they are being affected more by seasonality and volatility of employment. Women are also dominant in the areas like domestic service that have the lowest level of labour protection.

In the course of the IA, it was noted, that boys were more likely to frequent the Blowing Point Youth Centre than girls. The Centre operates as a home-work centre in an area that had been susceptible to problems especially among its male youth. Although there was no attempt to separate on gender lines, the nature of the intervention of Blowing Point Youth Centre displayed some degree of gender sensitivity, in securing volunteers that could counsel boys and young men.

The attempt by the Department of Gender Affairs to promote the opening of opportunities in non-traditional fields to women will in time be likely have an impact on the labour market and eventually on the lives of women and children. While this might open opportunities for women to obtain employment in the more lucrative jobs, for example in construction, given existing entrenched ideas about men's work and women's work, it could create conflict and problems within the workplace as well as on gender relations within households. It is still a moot point the extent to which the Department has been successful in creating a paradigm shift in thinking, let alone in equitable treatment of men and women in the workplace.

### **11.6 ENVIRONMENT, RESOURCE EXPLOITATION AND MANAGEMENT:**

Anguilla is a typical SIDS. It is characterised by a brittle environment. In recent years, there have been problems of serious beach erosion. This has been exacerbated by sand mining. There is evidence that on-land activities, especially as a result of the expansion of tourism, has resulted in worsening coral bleaching around the island, leading to a decline in the stock of some species of fish and to greater exposure of the coast line to erosion.

The sustainability of the fisheries sector has been threatened thereby undermining a traditional industry which might have offered the possibility of Anguilla continuing to create income and employment in the sector. The field of Environmental Management is of vital and strategic importance to Anguilla.

However, it lacks personnel in this area and has to rely on technical expertise from abroad to develop policy and to engage in implementation of relevant approaches to sustainable development.

Moreover, in the circumstances of such a small country, it might be possible to inculcate among the citizenry a commitment to the protection of the environment that safeguards the country and its citizens from the challenge associated with the use of the commons, in which individual self-interest leads to the loss of a resource that is of immense value to the collective, in conditions where it is difficult or impossible to apply pay-for-use methods.

However, much depends on political leadership in creating this conservation ethic among the population. Interestingly, it is the effort built around students in a secondary school that seems to be making the largest contribution in this socio-psychological thrust - Albena Lake Hodge Comprehensive School (ALHCS) Environmental and Conservation Club - the Environmental Club.

In sum, the discussion shows that there are a number of cross-cutting issues that require a sensitive intervention strategy on the part of the Government and other stakeholders in dealing with critical areas of living conditions of the people of Anguilla. The most recent past has demonstrated that although Anguilla might have seemed to manage a substantial reduction in poverty and indeed to have raised living standards substantially, its economic and social situation can change drastically, in a context where the country displays limited internal capacity to withstand shifts in the global economy. The examination of some of the cross-cutting issues demonstrates the challenge to sustainable development and to overcoming vulnerability.



## CHAPTER TWELVE - SUMMATIVE OVERVIEW OF LIVING CONDITIONS

The CPA conducted in the first part of the decade of the 21<sup>st</sup> century in Anguilla suggested that while the country had made considerable strides in the last decades of the 20<sup>th</sup> century, there still remained pockets of poverty. The CPA of 2002 noted that although a poverty level of 23 percent was estimated, this was lower than in most places in the Commonwealth Caribbean. Moreover, the country had made advances in housing, education, health, access to water and electricity, all of which had transformed the lives for many citizens on the island, in a very short time span, having regard to the state of such facilities in the 1960s when the islanders sought to cut administrative bonds with the state of St. Kitts and Nevis.

The report of 2002 referred to the high level of material comforts that were very much part of the lives of even poorer people in Anguilla: refrigerators, stereos, television sets, telephones and even vehicles were part of the asset structure of many of the poorer people in the country. The two surveys are not exactly comparable. However, there does seem to have been a reduction of poverty, a priori. In respect of indigence, where comparability is methodologically acceptable, there has been a reduction. On the other hand, the estimated poverty line in 2002 was twice the level of the estimate for 2008/09. Table 12.1 provides summary indicators for the two surveys.

**TABLE 12.1: ANGUILLA SUMMARY INDICATORS 2002 AND 2008/09**

Indicator	2002	2008/09
Poverty Rate	23%	5.8%
Indigence	2%	0.0%
Poor Households	20%	4%
Poverty Gap	6.9	1.06
Poverty Gap Squared	3.2	0.24
Gini Coefficient	0.31	0.39
Poverty Line	EC\$7,930	EC\$ 16,348

The 2002 CPA listed the following among the primary causes of poverty:

- Inadequate wages;
- No or little income-earning potential;
- Failure of the publicly provided safety net to serve vulnerable groups such as those afflicted by inability to earn
- Male absenteeism;
- Teenage pregnancy and teen motherhood;
- The latter two leading to family instability.

These are clearly factors that contribute to poverty. However, it is useful to separate ultimate causes from proximate causes. The most recent study has identified a number of factors that would have contributed to poverty at the time of the conduct of the research.

However, the global crisis has had far-reaching dimensions, and while the CPA was conducted prior to the crisis, the shape of income distribution in the society and the underlying social structure of Anguilla, which have been captured in the CPA allow us to project the predisposing factors that might have led to exacerbation of poverty in the more recent past, subsequently to the measurement exercise of the CPA.

The rest of this chapter examines some of these factors, and their impact on living conditions.

## **12.1 VULNERABILITY AND POVERTY**

In more recent years, it has become acceptable to estimate not only the percentage of the population that is poor, but also the percentage that is vulnerable, based on the raising of the poverty line by at least 25 percent, as indicative of what might happen if there were a sudden collapse in national income as result of environmental challenges like hurricanes or severe weather episodes, or as a result of the collapse of earnings from abroad.

The vulnerability of Anguilla as one of the smallest of SIDS has been apparent in the experience of the last three years. Just prior to the conduct of the SLC for the CPA, Anguilla experienced over-full employment. While wages might have been low, many could secure two or more jobs, which allowed them to make ends meet.

The crisis in the international economy led immediately to a fall in stop-over visitors and to a decline in the hotel and tourism sector. The crisis affected also the Financial Services sector. It is estimated that the economy contracted by some 24 percent, and Anguilla had the

dubious distinction of having its economy suffer the most precipitous decline among the Eastern Caribbean States in the last few years of the first decade of the 21<sup>st</sup> century.

The closure of a number of construction projects led to the departure of many of the Caribbean nationals who had come to Anguilla as a favoured destination country in the Commonwealth Caribbean, and were forced to return to their country of origin. The presence of a large number of non-nationals working and earning income in the economy of Anguilla, and the sudden decline in the main traded goods and services sector, led to a decline in the revenue of the Government and in its current expenditure. The non-traded goods and services sectors were immediately impacted. Persons who relied on the rental of accommodation to immigrant tenants saw their incomes suddenly collapse.

Thus, although estimated poverty was just under 6 percent before the crisis, it is likely that poverty levels would have risen to the calculated vulnerability level and above, in short order. Estimated vulnerability is not an academic exercise, but is indicative of the real poverty situation in the country. Poverty would easily have risen therefore to 17.7 percent or higher than the estimated level for vulnerability in the immediate pre-crisis period.

The challenge for the country is the planning for such a high level of vulnerability both at the level of the private citizen and of the Government. This means that the national population has to commit to a high level of personal savings, in addition to the Government maintaining huge reserves, and more so foreign reserves. In such conditions, the country can more readily adjust to economic and environmental vulnerability. Moreover, an adaptable national population and labour force would be better able to adapt when faced with a downturn. In the absence of such capacity, poverty is likely to be evinced immediately among the lower income groups in the society.

## **12.2 DEBT MANAGEMENT, TAXATION, PUBLIC SERVICES AND INFRASTRUCTURE**

The member states of the OECS are committed to achieving certain ratios in their debt profile and to simplification of their tax system. Commitment to the reduction of the debt and to systems of taxation that are high in yield without creating disincentives to production and expansion of income provides a good platform for the country to secure funding for some of the major infrastructure needed to provide quality living conditions for the citizens of the country.

Being a highly vulnerable country in respect of its eco-system, Anguilla needs to invest in expensive infrastructure, including sea defences, and with the onset of sea rise and global warming, has to improve the quality of its infrastructure. The cost of public infrastructure relative to population size, makes Anguilla a high cost country in terms of its infrastructure



management. The country may need to contract substantial debt to upgrade its infrastructure in the face of environmental threats.

Taxation and revenue are the obverse of expenditure. In effect then, the greater the level of efficiency of government in its operations, the larger the quantum of public services that can be supplied and/or the lower the rates of taxation necessary to provide a certain level of service. In the course of the PPA and of the IA, there were observable levels of underperformance in the delivery of a number of services. Anguilla has experimented with user charges in health and also the delivery of potable water.

However, there is ambivalence over the reliance on the use of user charges, including in the area of health care, as against reliance on a tax expenditure process. In the first case, it is possible, as has been demonstrated by the Cayman Islands, to provide high quality services, and to rationalise services through the user charges, while still protecting the poor and vulnerable by exemptions to those below a certain level of income. In the alternative approach, there may well be undersupply of services and yet high cost delivery because of inefficiency and bureaucratic ineptitude, under conditions where there is no pressure to achieve value for money in the delivery of services. This means effectively that the country has to raise, through taxation, a larger quantum of revenue to supply some set level of services.

There may be need, whether services are to be supplied by reliance on a tax expenditure process or on user charges, for there to be some adaptation to the value for money approaches in the delivery of public services so as to raise the level of productivity and to orient the system to a results and outcome base, rather than expenditure based budgeting which invariably requires higher levels of taxation, a priori, for the delivery of services. It may well be that the needs of poorer people are better served in systems that are oriented to efficiency norms, and in which they are exempted from any payments or costs once they can establish that they lack the means.

Thus, the tax yield has to be underpinned with a model of expenditure that maximises the delivery of public services in terms of quantity and quality, and at the same time, provides for allocations to deal with protection against environmental threats.

### **12.3 LEVELS OF EDUCATION AND EDUCATIONAL UPGRADING**

The human capital stock of the Belonger population has been inadequate to the requirements of an economy in the transformation process. Thus, many high level professional and technical posts have had to be filled by non-nationals. This extends even to skilled and semi-skilled cadres. As the demand for skilled and higher level personnel expanded, the country has had to rely on imported labour. The investment in education and

training of nationals has closed the gap in some areas of the labour market. However, in a rapidly expanding economy and a labour force fed by imports from elsewhere, there are many Belongers who find themselves consigned to lower level functions because of their lack of relevant educational qualifications and skills.

This has translated into low relative income and earnings in some fields, with the result that they have to resort to multiple employment to make ends meet and to raise their income in a high cost economy. Those who are unable to meet this challenge are likely to be among the poor, as the data from the SLC demonstrate: the majority of household heads in the lowest quintile had no formal educational certificates, and the majority of those in the poorest quintile were engaged in activities in which formal entry requirements might have been non-existent, eg Elementary Occupations and Craft and Related. Upgrading of the Belonger work-force, therefore, has to be a factor in poverty reduction, in so far as this would allow them to secure a higher percentage of the better quality jobs as the economy resumes expansion.

As is the case elsewhere in the region, various political administrations in Anguilla have been committed to expanding educational opportunity. The Government has sought to ensure that children of immigrants whose native tongue is not English, have access to ESL. It might not yet have extended this to the secondary level and in respect of children with disabilities, there are still gaps in the quantum and quality of provision of facilities. There is also the more recent initiative to encourage the expansion of early childhood education.

However, the official stance on educational upgrading and access, has not been complemented in all sections of society with a high commitment to take advantage of opportunity. Thus there are large sections of the population where there seems to be poor commitment to high level achievement in the educational system. This was alluded to in the IA, with non-nationals being more committed to seeking and taking advantage of opportunities in the emerging post-secondary training and education infrastructure.

The Blowing Point Youth Facility has been a counter to a trend among the youth in the society. Generally then, the tepid commitment to high educational achievement is not propitious to the preparation of the population for the knowledge driven economy of the 21<sup>st</sup> century and would result in the Belonger population remaining second rate in terms of international competition, and becoming reliant on nationality entitlement rules to secure preferment to employment in the higher echelons of the labour market in their own country. This is not conducive to high productivity, and thus, to international competitiveness of the national population.

## **12.4 POPULATION, IMMIGRATION, LABOUR POLICY AND ASSIMILATION**

The continued growth and expansion of a very small country like Anguilla cannot be propelled by the population of Belongers alone. The base is too small to supply the skilled personnel and professional cadres that can drive the process of development and transformation: indeed the faster the rate of growth, and transformation, the more likely is it that the country will need to depend on critical skills and professional expertise from personnel from abroad.

In the circumstances, there is need for coherence in labour policy with immigration and population policies: a draft policy was developed, but it is not clear that the relevant legislative provisions were enacted. There has not been in existence a Work-Permits Committee charged with implementing a clearly defined policy. There do exist rules relating to residence requirements for the attainment of citizenship in the state. However, there is little by way of a formal population policy.

Given the fact that the country will continue to have to rely on non-nationals in supplying the requirements on the labour market, and given that some percentage of people entering the state, on completion of their contracts of employment may elect to stay, there is need for the society to develop a capacity for assimilation of new citizens. The failure to recognise this challenge is likely to lead to immense inter-group tension and even open conflict in years ahead. Meanwhile, groups like the Dominicanos bear an acute sense of hurt in the society in which their consanguine or blood relatives reject them. This was evident in the IA and the PPA.

On the other hand, one cannot ignore the enormity of the task of creating a welcoming environment in circumstances where the Belonger population that has been accustomed to a relative homogenous society from time immemorial. They are now required to accommodate to diverse cultures of immigrants who in number are likely to make them suddenly, a minority in the country of their birth. This is notwithstanding the fact that Anguillians of a generation ago had to rely on emigration, at least on temporary migration, to improve their individual life chances. There is need for the state and civil society organisations to address this complex challenge of assimilation.

Clarity is needed on the measures to manage any increases in the standing population, consistent with the selected economic growth path of the island. While the capacity to send large numbers back to their place of residence may seem to be an enormous convenience, there are among those repatriated many with skills that are critical and will be difficult to compensate for in the short term and in the recovery phase when economic conditions improve. Moreover, with many seeing themselves as temporary residents, they are unwilling to maintain savings and to undertake investments, even though their incomes

may allow discretionary injections into the local economy. The optimal population issue cannot be avoided without cost to the economy and society, as dynamic as it has to be in the context of Anguilla.

### **12.5 DRUGS AND GANGS:**

Anguilla has not escaped the problem of the spread of drug abuse that has afflicted most of the Caribbean in the last three decades. Marijuana from intra-regional sources, and cocaine from South America are evident in the underground economy. All of the islands of the Caribbean are being used by the international drugs cartels as a transshipment zone for product destined to the markets of the North Atlantic. Local collaborators are often paid with product and with guns.

Conflict over the domestic markets might be contested by gangs that have emerged in Anguilla. One end of the island might be a no-go zone for youth and others at the other end of the island. It has been established that gang activity extends even into the prisons. While the formation of gangs might not necessarily have been associated with the spread of drug use in the society, Anguilla has witnessed an increase in both of these problems. It was remarked in the PPA, as follows:

*“Activities involving gangs, crime, violence, and use of illegal substances are now prevalent.”*  
*“Crime is on the rise, increase in burglaries, gang-related incidents and violence and abuse of alcohol and drugs.”*  
*“There is an increase in crime among youth.”*  
*“Gangs pressuring students to take sides.”*  
*“Because of gang violence we can’t go to certain villages.”*  
*“The west can’t come to The Valley and vice versa.”*

In this regard, Blowing Point Youth programme stands out as a model to be emulated in other communities on the island, in the face of the increase in youth-at-risk. Although there have been initiatives by the religious organisations, these seem largely to be directed at their flock, and may have limited impact on the communities in the country where social problems are emerging among the youth.

Some of the residents involved in the PPA suggested that many children and young people were growing up without their parents being present to provide adequate socialisation, given that most had to engage in more than one job to make ends meet. Many children in poorer homes were left unattended for much of the time.

*“Parents work more than one job so they spend little time with their children.”*  
*“I can’t be a proper parent I have to leave the children for long hours unattended to go to work.”*

There might not be as yet evidence of ‘dons’ or drug barons earning high incomes from participation in the underground economy. However, failure to nip in the bud this underground economy will allow for its corroding commitment to self-development through education, training and involvement in the formal economy, especially among young men in the society. In the absence of effective measures, the country runs the risk of allowing participation in the underground economy to be seen as the mechanism for escaping poverty and for economic mobility for some sections of the society.

## **12.6 ENTREPRENEURSHIP**

The growth and development of the economy depends critically on its private sector. However, private sector growth can be driven by foreign and domestic entrepreneurs. Reliance on the former reduces the country to a dependence on the extent to which non-nationals recognise that there is profit to be made in enterprise in Anguilla. There are attendant risks, with domestic capital seeing itself displaced by non-nationals. On the other hand, reliance on domestic entrepreneurs might be limited in their vision of possibilities, thereby failing to create a vibrant and competitive economy, that can yield foreign exchange, and create income and employment.

The achievement of the appropriate balance is the subject of industrial and commercial policy of the Government. The National Bank of Anguilla and the Chamber of Commerce have addressed this challenge, perhaps in oblique ways. However, the lack of entrepreneurship means that the country might find itself not being able to realise its full potential: actual output can diverge from potential output. In other words, the country might be forced to tolerate a higher level of poverty than might otherwise be necessary. Moreover, in conditions of severe economic downturn, dearth of entrepreneurship creates a challenge in the country being able to recover quickly, thereby exacerbating structural poverty.

## **12.7 JOINING THE DOTS**

The SLC established that poverty continues to exist in Anguilla, even though the country has eradicated indigence. The PPA has unearthed concerns about poverty and living conditions among the population. The IA has established that there are a number of organisations involved in providing services to the vulnerable, and in mediating resources that contribute to the quality of life in the country. In the section that follows we seek, in tabular form, to document some of this information collated from the various sources, allowing for the eventual triangulation of much of the data that have been collected. The three sources of data complement one another in many areas, and help to paint an overall picture of living conditions in Anguilla.

Table 12.2 lists the number of agencies that were identified by people in their communities in the PPA, and the type of services which they provide. Area Seven has the largest number of organisational initiatives identified, and the developmental focus was the one most regularly identified. While it might have been the case in earlier years, that most interventions were in respect of the supportive function, developmental initiatives have risen in prominence. Across the communities, however, there are some organisations that seemed to have figured prominently in the contribution that they make: the Red Cross, the Scouts & Guides and Church Youth Groups.

**TABLE 12.2: COMMUNITIES, TYPES AND MOST BENEFICIAL ORGANIZATIONS**

Areas	Development	Preventative	Remedial	Supportive	Most Beneficial
Area Two	8	2	1	2	Sports Clubs
Area Three	5	1	2	2	Youth Groups, Women's League
Area Four	3	3	3	3	Church Groups, Schools
Area Five	2	4	6	7	Red Cross,
Area Six	2	1	1	1	Churches, Foul Farm
Area Seven	16	5	7	10	Church Youth Groups
Area Eight	5	1	1	1	Red Cross, Scouts & Guides

Table 12.3 shows some of the problems that have surfaced by area in the PPA. The presence of gangs, the incidence of alcoholism, and other forms of drug abuse are universal across the communities. Gangs and their involvement in the drug trade are a problem that is now endemic across the Caribbean and Anguilla is not immune. Problems within the family are evident in the form of teenage pregnancy, incest, child abuse, and domestic violence. Tables 12.4 – 12.9 are drawn from the IA and seek to identify the primary focus of the agencies and institutions, their key actions in the improvement of the quality of life of Anguillians, as well as a score for their performance in that regard.

A few are excellent in their area of operations and relative to the resources at their disposal – in respect of the economy, the Financial Services Commission and the Department of Statistics; in infrastructure the Lands and Surveys Department, and the Anguilla Electricity Company, in respect of the Anguilla National Trust, and the ALHCS; in the field of Social Development and Welfare, the Social Security, the Blowing Point Youth Development Centre, the Arijah Children's Foundation, Soroptimist International of Anguilla, the Pathfinders and the Asociacion de Dominicanos. Table 12.10 provides the triangulation of all of the information from the various components of the study.

TABLE 12.3: SOCIAL PROBLEMS IDENTIFIED BY AREA

Problems	Area Two	Area Three	Area Four	Area Five	Area Six	Area Seven	Area Eight
Gangs	x	X	x	x	x	X	x
Alcoholism	x	X	x	x	x	X	x
Drugs	x	X	x	x	x	X	x
Crime	x	X	x	-	x	X	x
Stealing	x	X	x	x	x	-	-
Violence	x	X	x	x	-	-	x
Prostitution	x	X	x	-	-	-	x
Teenage pregnancy		X		x			x
Incest	-	-	x	-	-	-	x
Child abuse	x	-	x	-	-	-	x
Domestic violence	x	-	x	-	-	-	-
Indiscipline & delinquency	x	-					
Drop outs			x	-			x

**TABLE 12.4: ECONOMIC SECTORS - ASSESSMENT OF INSTITUTIONAL EFFICACY**

No.	Name of Organisation	Primary Focus	Key Actions for Improving Quality of Lives for Anguillians	Score
1.	Ministry of Finance	Developmental	Responsible for economic and social policy-making which includes the provision for welfare, social protection and the nature of the interventions to treat with the poor and vulnerable.	3.5
2.	National Bank of Anguilla	Developmental	Provides consumer loans in addition to mortgages and financing for property development. The Bank also provides loans to SMEs in the services and distributive sectors.	3
3.	Anguilla Chamber of Commerce	Developmental and Supportive	Provides support for its membership through advocacy, the provision of information to new businesses entering or setting up in Anguilla, and through training programmes; mounts workshops; assists in marketing and has been involved with fishers in the promotion of an export market.	3.5
4.	Anguilla Financial Services Commission	Developmental and Regulatory	Acts as the regulatory body for the financial services sector, ensuring standards are observed consistent with demands of OECD.	4
5.	Statistics Department	Developmental	Sole authority for the conduct of surveys whose outcomes inform social and economic policy.	4
6.	Department of Agriculture	Supportive and Developmental	Mounted programmes with the purpose of educating the population on new technology, approaches, and techniques to farming; has a thrust of targeting younger people into the sector and has provided marketing support which has resulted in the reduction in the importation of vegetables. The Department is also responsible for environmental maintenance.	3
7.	Fisheries Department	Developmental and Regulatory	Seeks to ensure the development of a viable fishing industry and the management of fisheries resources.	2.5
8.	Anguilla Tourist Board	Developmental	Provides marketing for the island as a tourist destination.	3
9.	Anguilla Hotel and Tourism Association	Developmental and Supportive	Provides information, marketing support, training, and advocacy for its membership.	3



**TABLE 12.5: INFRASTRUCTURE, HOUSING AND UTILITIES - ASSESSMENT OF INSTITUTIONAL EFFICACY**

No.	Name of Organisation	Primary Focus	Key Actions for Improving Quality of Lives for Anguillians	Score
1.	Ministry of Infrastructure, Communications, Utilities, Housing, Agriculture and Fisheries	Developmental and Regulatory	Responsible for regulation and policy making related to infrastructural developmental and public utilities; also responsible for standards in all public infrastructure.	3
2.	Lands and Surveys Department	Developmental	Responsible for land management on the island.	4
3.	Anguilla Water Department	Developmental	Ensures a reliable source of potable water to the population and develops policy direction for the water sector.	2.5
4.	Anguilla Electricity Company (ANGLEC)	Developmental	Provides a supply of electricity to the population.	4

**TABLE 12.6: ENVIRONMENTAL MANAGEMENT AND DISASTER MANAGEMENT – ASSESSMENT OF INSTITUTIONAL EFFICACY**

No.	Name Of Organisation	Primary Focus	Key Actions For Improving Quality Of Lives For Anguillians	Score
1.	Department of Environment	Regulatory and Developmental	Responsible for the provision of policy development as well as the coordination of environment management activities.	3
2.	Environmental Health Unit	Regulatory and Preventative	Responsible for the collection and disposal of waste, promotion of and education on public health, food safety, enforcement of laws, disaster preparedness, occupational health and safety and investigation of complaints.	3
3.	Department of Physical Planning	Developmental and Regulatory	Responsible for approval and compliance of physical planning activities.	3
4.	Department of Disaster Management	Preventative and Remedial	Seeks to ensure that the population is prepared in the event of any natural disaster and to mitigate the effects of disasters.	3
5.	Anguilla National Trust	Preventative	Promotes the preservation of Anguilla's cultural, natural, historical, archaeological and social heritage through public education, protected areas management, habitat monitoring, and historical heritage development and management.	4
6.	Albena Lake Hodge Comprehensive School (ALHCS) Environmental and Conservation Club – the Environmental Club	Preventative	Promotes environmental awareness of the population.	4

**TABLE 12.7: HUMAN RESOURCE DEVELOPMENT - ASSESSMENT OF INSTITUTIONAL EFFICACY**

No.	Name of Organisation	Primary Focus	Key Actions for Improving Quality of Lives for Anguillians	Score
1.	Ministry of Education	Developmental and Regulatory	Provides education at the primary and secondary level and regulates the pre-primary sector.	3
2.	Anguilla Community College	Developmental	Offers training programmes related to the hospitality sector in addition to technical subjects.	3
3.	Health Authority	Preventative, Supportive and Remedial	Provides primary and secondary health care services; offers some level of assistance for accessing services at the tertiary level; mounted public campaigns to promote physical activity.	3
4.	Western Health Division	Preventative, Supportive and Remedial	Has responsibility for the delivery of primary health care and the community nursing service.	3
5.	Anguilla Mental Health Association	Supportive	Advocates on behalf of members of the population with mental health problems.	3.5
6.	National AIDS Coordinator	Preventative and Supportive	Seeks to educate and promote the awareness of the population on HIV/AIDS; offers testing, medication and counselling.	3
7.	Labour Department	Regulatory	Guided by the Labour Department Act in the conduct of its work which includes oversight of industrial relations matters, occupational health, labour inspection and ensuring adherence to ILO Conventions.	3
8.	Department of Public Administration	Developmental and Regulatory	Seeks to address matters relating to the staffing of the public service of the island.	3
9.	Department of Library Services	Developmental	Seeks to ensure the provision of information services to the population.	3.5
10.	Department of Information Technology and E-Government Services	Developmental	Provides appropriate information technology systems to the Government which entails review, procurement, management, maintenance and training related to the use of technology systems.	3
11.	Teachers Union	Developmental and Supportive	Bargains and advocates for the rights of teachers both at public and private schools.	3
12.	Anguilla Hotel and Allied Workers Union	Developmental and Supportive	Advocates for the rights of workers in the Sector.	2.5

**TABLE 12.8: SOCIAL DEVELOPMENT AND WELFARE - ASSESSMENT OF INSTITUTIONAL EFFICACY**

No.	Name of Organisation	Primary Focus	Key Actions for Improving Quality of Lives for Anguillians	Score
1.	Department of Social Development	Developmental, Supportive and Remedial	Caters to the social needs of poor and vulnerable members of the population through its various social assistance programmes.	3
2.	Department of Gender Affairs	Developmental and Regulatory	Ensures compliance with Conventions signed by the British Government; regulates women's groups in addition to those affiliated to faith based organisations; and promotes training opportunities for women in areas from which traditionally excluded.	3
3.	Department of Culture	Developmental and Supportive	Promotes cultural expression through its work in resource mobilisation for cultural groups.	2.5
4.	Department of Youth	Developmental	Promotes youth development through various initiatives and programmes.	3
5.	Department Sports and Recreation	Developmental	Promotes the development of sport on the island.	3.5
6.	Social Security	Developmental and Supportive	Offers protection to members of society in terms of sickness and maternity benefits, old age and invalidity benefits, funeral grants, survivor's grants in addition to the payment of non-contributory pensions.	4
7.	Blowing Point Youth Development Centre	Developmental, Supportive and Remedial	Promotes community development and more so youth development through the various programmes it mounts which include tutoring, homework assistance and outreach programmes which focus on reading, arts and craft and culture.	4.5
8.	Anguilla National Youth Council	Developmental	Assists youth on the island thereby contributing to youth development.	3
9.	Women's League of Anguilla	Developmental and Supportive	Engages in outreach programmes with the vulnerable on the island.	3.5
10.	Methodist Church of Anguilla	Developmental and Supportive	Provides comfort to its membership and spread the word of God to other members in society.	3
11.	Church of God Holiness	Supportive	Provides social, spiritual, and moral support to indigent and vulnerable members in the community.	3
12.	Arijah Children's Foundation	Supportive	Assists children with special needs.	4
13.	Soroptimist International of Anguilla	Developmental and Supportive	Provides a day care facility, HIV/AIDS and breast cancer awareness out reach programmes and assistance to students for completion of high school studies.	4
14.	Anguilla Community Foundation	Developmental	Offers social programmes at the community level with a youth, geriatric and health focus.	3.5
15.	Miriam Gumbs Senior Citizens Home	Supportive	Provides residential elderly care, however the home can only accommodate 16 persons.	3.5

No.	Name of Organisation	Primary Focus	Key Actions for Improving Quality of Lives for Anguillians	Score
16.	Scouts	Developmental	Provides counselling to the youth, training in computation skills, sports, music and leadership.	3.5
17.	Anguilla Girl Guide	Developmental	Serves the community through the provision of moral guidance, personal development and homework assistance.	3.5
18.	Anguilla Girls Brigade	Developmental	Seeks to promote national service through the various out reach projects undertaken.	3.5
19.	Cub Scouts	Developmental	Promotes youth development through the various programmes mounted.	3.5
20.	Optimist Club and Cub Scout	Developmental	Facilitates youth development periodically offers assistance to the elderly.	3.5
21.	Seventh Day Adventist Church Pathfinders Club	Developmental	Seeks to realise the holistic development of young persons through its social, physical and mental programmes.	4
22.	Anglican Young People Association	Developmental	Promotes the development of children and young persons through counselling, motivational and career sessions.	3.5
23.	Dominican National Association	Developmental	Through Dominican nationals living in Anguilla, the Association seeks to promote the development of Dominican culture.	3
24.	Asociacion de Dominicanos	Developmental	Promotes the process of assimilation of nationals of the Dominican Republic in Anguilla and also to build a better image of the society.	4

TABLE 12.9: NATIONAL SECURITY AND HUMAN JUSTICE - ASSESSMENT OF INSTITUTIONAL EFFICACY

No.	Name of Organisation	Primary Focus	Key Actions for Improving Quality of Lives for Anguillians	Score
1.	Attorney General's Office	Regulatory and Preventative	Provides a legal system promoting the development of society such that there is fairness and equity, and justice for all.	3
2.	The Police	Preventative and Supportive	Provides for the observance of the rule of law and enforcement of law against those who perpetrate illegal acts.	3
3.	H.M. Prison	Supportive and Remedial	Provides custodial care of prisoners and promotes their rehabilitation.	3.5
4.	Probation Department	Supportive and Remedial	Seeks ease of re-entry of ex-inmates into society.	3
5.	Fire and Rescue	Preventative and Supportive	Protects community from hazards of fires and accidents, and seeks to rescue victims of such risks.	3
6.	Department of Immigration	Regulatory and Preventative	Seeks to manage inflows of visitors and workers entering the country and to ensure that immigration rules are observed.	3

TABLE 12.10: ANGUILLA 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"> <li>• Poverty rate estimated at 5.8% and the annualised Poverty Line is estimated at EC\$ 16,348.</li> <li>• Vulnerability rate estimated at 17.7% (Annualised Vulnerability Line estimated at EC\$20,484.</li> <li>• Indigence rate estimated at 0.0%.</li> <li>• Annualised Indigence line estimated at EC\$ 2,602.</li> <li>• The districts of South Hill, Blowing Point, Sandy Ground, North Side, The Quarter, East End and Island Harbour all had no recorded incidence of poverty.</li> <li>• Children (persons aged 0-14) and youths (persons aged 15-24) together account for 40.1 percent of the poor.</li> <li>• 8.2 percent of all males were deemed to be poor, compared to 3.6 percent of all females.</li> <li>• The Gini Coefficient of inequality is 0.39.</li> </ul>		
Perceptions of Poverty	<ul style="list-style-type: none"> <li>• 44.1% of household heads felt that conditions had worsened when compared to the previous year.</li> <li>• 10% of household heads in the poorest quintile rated themselves as being poor.</li> </ul>	<ul style="list-style-type: none"> <li>• There were mixed views on the presence of poverty in Anguilla which are highlighted in the quotes below:  <i>“Anguilla has no poverty.”</i>  <i>“You can’t see the poverty, it covered down.”</i>  <i>“It have a lot of people here poor.”</i>  <i>“People here are better off.”</i> </li> </ul>	

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Employment/ Unemployment	<ul style="list-style-type: none"> <li>Overall 1.5% of labour force participants were unemployed.</li> <li>The unemployment rate in the poorest quintile was 2.5% and for quintile II the unemployment rate was 3.2%.</li> <li>Of those who are employed, 6.4% are deemed to be poor (the working poor).</li> <li>The male unemployment rate is 1.3% and female unemployment rate is 1.7%.</li> <li>In the lowest quintile, 14.7% were engaged in elementary occupations.</li> <li>82.0% of the labour force worked for 40 hours or more per week: 92.2% in the lowest quintile and 77.8% in the highest quintile.</li> </ul>	<p>Suggestions and recommendations made by participants that in their view would help to reduce poverty and improve living conditions in the country related to employment/ unemployment include:</p> <ul style="list-style-type: none"> <li>Provision of more job opportunities and more jobs;</li> <li>Revision of the minimum wage; and</li> <li>The introduction of unemployment benefits.</li> </ul> <p>As they noted:</p> <p><i>“A lot of persons need a job.”</i></p> <p><i>“Not having enough money.”</i></p> <p><i>“Cannot save any money.”</i></p> <ul style="list-style-type: none"> <li>The notion of the working poor is exemplified in the following quote:</li> </ul> <p><i>“Living from pay cheque to pay cheque.”</i></p>	<ul style="list-style-type: none"> <li>Traditional barriers within the labour market are being removed with female workers being employed on job sites within the construction industry and several women heading several Departments within the Public Service.</li> <li>Influx of foreign labour with migrants usually working for lower wages and in poor working conditions.</li> </ul>
Education	<ul style="list-style-type: none"> <li>School enrolment was near universal with 95% of 5-9 year olds and 100% of 10-14 year olds enrolled in schools respectively.</li> <li>The literacy rate of persons 15-24 years old is 90%.</li> <li>45.3% and 48.7% of female and male heads of households respectively had no educational certification.</li> </ul>	<p>Several participants saw the value of education as demonstrated in the following quotes:</p> <p><i>“Education is key to enjoying a good quality of life.”</i></p> <p><i>“To get a college education to become independent and self-reliant.”</i></p> <p>Some participants also raised the fact that the education system was not adequately preparing students for the world of work:</p> <p><i>“Schools not turning out people for the workforce.”</i></p> <p>Some parents struggled with providing school books for their children:</p> <p><i>“The cost of school books is too high.”</i></p> <p><i>“My girls are twins so sometimes I can get away with buying one book for the two of them.”</i></p> <p><i>“I go out and get used books for them.”</i></p>	<ul style="list-style-type: none"> <li>There exists a Continuing Education Programme for teenage mothers.</li> <li>The Ministry of Education currently does not provide pre-primary level education. It does however act as regulator at this level and also provides training for teachers at this level.</li> <li>High enrolment rates.</li> <li>There is need for the formalisation of the teaching of English as a second Language.</li> <li>Absence of school feeding programmes at schools.</li> </ul>

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
		<p><i>"Many of our children go to school without books because we can't afford them."</i></p> <p>Some parents had hopes of completing/ furthering their education:</p> <p><i>"I was a teenage mother and did not complete secondary school but I still have hope of completing my education."</i></p> <p><i>"Now that my daughters are older I am doing evening courses at the UWI satellite College and working towards an Associate Degree."</i></p> <p>Participants identified some needs related to education and they were as follows: Cheaper text books; Keep same text books longer; Vocational and technical skills training centre; Cater for individuals with varying abilities; Library and resource centre; and Computer courses.</p>	
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> <li>Females were also more likely to report being ill than males: 45.1% of all females reported being ill compared to 34.2% of all males.</li> <li>21.1% of males and 25.8% of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers.</li> <li>29.4% of those who reported having a chronic lifestyle disease belonged to the highest quintile; 16.2% of chronic disease sufferers belonged to the poorest quintile.</li> <li>Of all males with chronic diseases, 10.2% belonged to the poorest quintile, while 33.9% belonged to the fifth quintile.</li> <li>Among women with chronic diseases 24.7%</li> </ul>	<p>The experience of some participants related to health and disease are as follows:</p> <p><i>"Plenty people can't afford health care."</i></p> <p><i>"For those without transportation it is difficult to get to public health facilities."</i></p> <p><i>"If I were to consider that I have no health care then yes I am poor."</i></p> <p><i>"Just getting sick could tip the balance and I could end up in the poor house."</i></p> <p><i>"Being poor is sending you out of your head."</i></p> <p><i>"High blood pressure, sugar, obesity, stress and nervous attacks."</i></p> <p><i>"Health care so expensive, sometimes we can't pay for it."</i></p> <p><i>"I do more than one job to help with paying the</i></p>	<ul style="list-style-type: none"> <li>Presence of five clinical sites in the three health districts on the island, providing primary and secondary services.</li> <li>Chronic diseases comprise the majority of the case load at health centres.</li> <li>Deficient dietary selection and lack of school meals service contributing to obesity in children.</li> <li>Presence of a Mental Health Association which advocates on behalf of those with mental health problems.</li> <li>National AIDS Coordinator in place which provides testing, medication, counselling in addition to promoting awareness and education of HIV/AIDS.</li> <li>Grey area between Health Authority and Ministry in discharge of responsibilities to population.</li> </ul>

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
	<p>belonged to the poorest quintile while 26.7% belonged to the highest quintile.</p> <ul style="list-style-type: none"> <li>Public health centres were the first place visited for medical attention by 31.6% of respondents.</li> <li>94.3% of respondents were satisfied with treatment they received.</li> </ul>	<p><i>bills, that helps but sometimes I so tired I can hardly walk.</i></p> <p><i>"We cannot take the number of test the doctor order."</i></p> <p><i>"I don't have insurance I just pray to stay healthy."</i></p> <p>Health Authority deemed ineffective.</p> <p>Suggestions by participants for improving health include:</p> <ul style="list-style-type: none"> <li>Better medical facilities;</li> <li>Proper medical services;</li> <li>Lower cost of medication; and</li> <li>Free health care for the elderly.</li> </ul>	
Disability	No Data in SLC	<p>Though several persons who had some disability noted that it has affected every aspect of their lives:</p> <p><i>"It has affected me financially, socially and emotionally."</i></p> <p><i>"My living standard has dropped. I am not living how I used to."</i></p> <p><i>"Sometimes you feel that you have no friends."</i></p> <p>Some had come to accept their condition, and noting that having a disability does not mean that they no ability:</p> <p><i>"At first I used to feel unhappy because I could not do things for myself, but since I accepted my condition I feel happy."</i></p> <p><i>"I have no problem, I have accepted my condition."</i></p> <p><i>"I thought it was all over but I met those who worse than me."</i></p> <p><i>"We are not helpless."</i></p>	<ul style="list-style-type: none"> <li>The Arijah Children's Foundation provides assistance to parents of children with disabilities.</li> </ul>



Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
		<p><i>“My foot amputee but my brain and hands not amputee.”</i></p> <p><i>“I have many ideas, I do a little sewing and knitting.”</i></p> <p><i>“I am good at the computer.”</i></p> <p>While others felt that they were forgotten and taken advantage of:</p> <p><i>“Government does not know it has handicapped people.”</i></p> <p><i>“Government should have a vehicle for persons with disabilities.”</i></p> <p><i>“Albert Lake is the only business place that makes provision for handicapped people. They have a wheelchair facility.”</i></p> <p><i>“A special line should be available at banks for people with disabilities.”</i></p> <p><i>“People with disabilities are treated differently.”</i></p> <p><i>“Relatives and other people take everything from you and put you in the Old People’s home.”</i></p> <p><i>“Sometimes they chuck up a ramp, don’t build it with an elevation and then it is too steep.”</i></p>	
Remittances	<ul style="list-style-type: none"> <li>Remittances accounted for 0.74% and 20.2% of all income to households in the first quintile and second quintiles respectively and 2.6% of household incomes overall.</li> </ul>	A few participants at the Participatory Poverty Assessment research activities did confirm that they depended on remittances as a survival/coping strategy.	

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Physical Living Conditions	<ul style="list-style-type: none"> <li>The majority of dwellings had outer walls made of concrete/concrete blocks: (92.7%).</li> <li>Even the majority of the poor (81.3%) lived in dwellings with outer walls made of concrete/concrete blocks.</li> <li>77.4 percent of households reported that their roof was made of concrete while 17.8 percent reported that their roof was made of sheet metal.</li> <li>Pit latrines were used by 3.4 percent of all households with 5.9 percent of the poorest households using pit latrines.</li> <li>Gas/LPG was used almost universally for cooking by households: 93.6 percent.</li> <li>4.4 percent of households had a supply of water seven days per week.</li> <li>88 percent of the population had access to electricity from a public source, with as much as 85.9 of households in the poorest quintile having access to electricity from a public source.</li> <li>Most homes: were built in the period 2000 or earlier (80.3%); only 4.3 percent of households reporting that their dwelling was built during the period 2001 to 2007.</li> <li>When the number of household members increases by 1, the odds of the household being poor increase by 105%.</li> </ul>	<p><i>“Having to live in a house with a leaking roof.”</i></p> <p><i>“Can’t afford to pay bills.”</i></p> <p><i>“We don’t have enough room.”</i></p> <p><i>“The house very bad, it want fixing.”</i></p> <p><i>“The children need somewhere to rest their head comfortable.”</i></p> <p><i>“If I could finish the house...”</i></p> <p>The experience of some participants with utilities are as follows:</p> <p><i>“The cost of electricity too high.”</i></p> <p><i>“Power outages take place during the day but ANGLEC don’t give you back money for all those power surges we have each week.”</i></p> <p><i>“Water bills too high.”</i></p> <p><i>“Water is too high I had to disconnect it.”</i></p> <p>Due of the high cost of renting, some young people commented on the difficulty they experienced in finding affordable housing:</p> <p><i>“I have been looking for an affordable apartment.”</i></p> <p><i>“Rent is too expensive.”</i></p> <p><i>“House rent too high.”</i></p> <p><i>“When I see an apartment and would like to get it the price is so very high I can’t take it because I can’t afford two bedrooms for US\$800.00-US\$1,400 monthly.”</i></p>	<ul style="list-style-type: none"> <li>Absence of low income housing programme.</li> <li>ANGLEC has an almost universal reach to all areas in the Anguilla.</li> <li>Deficiencies in the delivery of potable water due to pilfering and leakages.</li> </ul>

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Crime/Substance Abuse	<ul style="list-style-type: none"> <li>Overall, 3 percent of individuals reported having been victims of crime.</li> </ul>	<p>Alcoholism, drugs and gangs are present in every area and residents see these as the most prevalent and serious social problems facing them:</p> <p><i>“Increased alcoholism among youth.”</i></p> <p><i>“Men are always drinking.”</i></p> <p><i>“Alcoholism is evident, both young and elderly engage openly in this activity.”</i></p> <p><i>“There is a big problem with gangs.”</i></p> <p><i>“Gang markings are visible.”</i></p> <p><i>“Drive-by shootings from the Eastern section of the island against the Western section.”</i></p> <p><i>“People don’t feel safe in the community anymore.”</i></p> <p><i>“With the escalation of crime I do not feel safe.”</i></p> <p><i>“We are in prison in our homes.”</i></p> <p><i>“The prisons are full of drug offenders but they don’t receive no rehabilitation, so when they come out they pick up where they left off.”</i></p>	<ul style="list-style-type: none"> <li>There has been an emergence of gangs in Anguilla.</li> <li>Upsurge in crime, with young people under the age of 25 being the main perpetrators.</li> <li>The Probation Department seeks the successful re-integration of offenders into society.</li> </ul>
Teenage Pregnancy	<ul style="list-style-type: none"> <li>31.8 percent of females between the ages of 15-49 reported having had their first child when they were between the ages of 15-19.</li> <li>The percentage of females having their first birth during their teenage years declined as socio-economic status improved from 36.3% in the lowest quintile to 15.9% in the highest quintile.</li> <li>There were no females who reported to have had their first child under the age of 15 years.</li> </ul>	<p>Teenage pregnancy, incest, molestation, and physical and sexual abuse of children were identified in several of the areas:</p> <p><i>“Teenage pregnancy is being sported like a diamond ring.”</i></p> <p><i>“Some girls end up pregnant and leave school without getting a proper education.”</i></p> <p><i>“Some male teachers are involved with the girls.”</i></p> <p><i>“Young girls going with older men.”</i></p>	<ul style="list-style-type: none"> <li>Several agencies noted that teenage pregnancy was a problem being faced by society.</li> </ul>

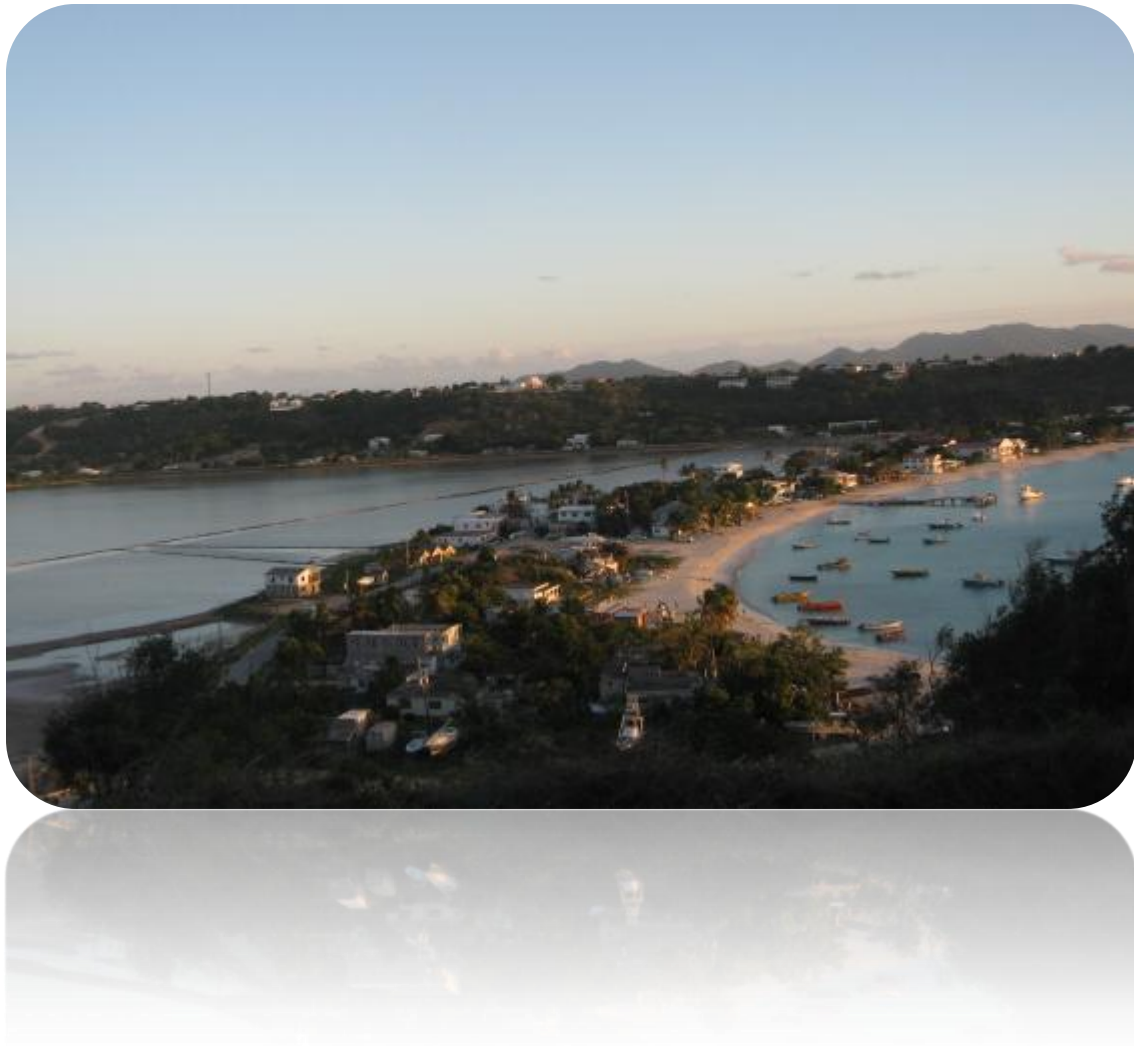
Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Gender Inequity	<ul style="list-style-type: none"> <li>The male unemployment rate is 1.3% and the female unemployment rate is 1.7%.</li> </ul>	<p>Women found themselves reliant on men for survival because of differences in labour market conditions.</p> <p><i>“Totally dependent on the man for a dollar.”</i></p> <p><i>“Everyone knows that I credit food and have to beg my boyfriend for money to pay.”</i></p>	<ul style="list-style-type: none"> <li>Traditional barriers within the labour market are being removed with female workers being employed on job sites within the construction industry and several women heading several Departments within the Public Service.</li> </ul>
Natural disasters and environmental management	<ul style="list-style-type: none"> <li>n/a</li> </ul>	<p>Many of the areas, villages and/or communities are situated either along or near the coast, and residents in several of these identified a number of factors that contribute to coastal degradation. Among these are:</p> <ul style="list-style-type: none"> <li>Destruction of reefs and therefore of marine life;</li> <li>Endangering of sea creatures like lobsters because of catching underdeveloped lobsters or lobsters with eggs;</li> <li>Beach erosion as a result of uncontrolled sand mining. Within the last twenty years Windward Point Bay and Sile Bay have totally disappeared as a result of sand mining. Other beaches have also been so damaged; and</li> <li>Clearing of vegetation from beaches. This has left them exposed and damaged by tropical storms and hurricanes.</li> </ul>	<ul style="list-style-type: none"> <li>The Department of the Environment engages in the provision of policy development and the coordination of environment management activities in Anguilla.</li> <li>The Department of Disaster Management seeks the integration of disaster management into national development planning.</li> </ul>
Democracy and governance	<ul style="list-style-type: none"> <li>n/a</li> </ul>		
Economic, social and structural change and poverty	<ul style="list-style-type: none"> <li>Both the percentage poor and the percentage indigent have fallen (the former was 23.0% in 2002 and 5.8% in 2009; the latter was 2.0% in 2002 and 0.0% in 2009).</li> </ul>	<ul style="list-style-type: none"> <li>Social Welfare Department and Faith Based NGOs instrumental in the provision of assistance</li> <li>Complaints voiced in some communities about lack of respect and of sensitivity of officials in Social Development and Welfare Departments in dispensing assistance to poorer people.</li> </ul>	<ul style="list-style-type: none"> <li>The Department of Social Services seeks to upgrade service delivery from days of ‘poor relief’.</li> </ul>

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Causes of poverty	<ul style="list-style-type: none"> <li>As the number of household members increases by 1, the odds of the household being poor increase by 105%.</li> </ul>	<p><i>"I raise up poor."</i>  <i>"I grow up in a poor family."</i>  <i>"I come from a poor generation, poverty come down on them."</i>  <i>"Father went away, we lived in an old house in a cane field."</i>  <i>"My mother had nineteen children."</i></p>	<ul style="list-style-type: none"> <li>The Department of Social Development responsible for identifying causes of poverty and developing responses.</li> </ul>
Current policies and programmes in social protection	<ul style="list-style-type: none"> <li>Government social assistance accounted for 4.6% of incomes to households in the first quintile and 1.6% of household incomes overall.</li> </ul>	<p><i>"Government make decisions they think we need but they need to ask us."</i>  <i>"Decisions are made for one set of people, the wealthy."</i>  <i>"Fair opportunities for all."</i>  <i>"Government don't care about us."</i>  <i>"No one looking after our interests."</i></p>	<ul style="list-style-type: none"> <li>The Department of Social Development and The Social Security Board offers programmes that allow for social protection.</li> </ul>

In sum, the country continued to make strides in the improvement of the quality of life of the population. There was an improvement in some areas of the physical infrastructure. In spite of the challenge from the OECD, the country was able to maintain and improve its presence in the international financial services sector, thereby supporting economic expansion. However, drugs, gangs and crime were emerging threats, and as the economy expanded before the crisis, the absence of a housing programme in the midst of a large influx of workers led to the emergence of poor living conditions. The increase in rents effectively reduced the incomes and standard of living of Belongers at the bottom of the income pyramid, who lacked their own housing accommodation.

The social services provided by Government were barely coping with some of the emerging problems, and in the area of health care, there was confusion in respect of entitlements for primary and secondary care services. While the educational system had expanded, there might have been problems of commitment of sections of the population in taking advantage of the improved conditions.

Finally, given gender differentials as a result of labour market segmentation, the down-turn in the economy would have hurt women first, and thus would have impacted on female-headed households first. There is little in the delivery of social services and in the allocation of transfers that displays gender sensitivity in the face of economic crisis.



## CHAPTER THIRTEEN - POVERTY REDUCTION AND ADJUSTMENT

This most recent poverty assessment exercise in Anguilla was conducted at the time when the economy was growing with construction activity booming as new tourism plant was being constructed in the light of good prospects in terms of demand. Anguilla was being targeted by a number of high end hotel operations with some reconfiguration of its product to cater for a larger number of tourists, but still at the upper end of the market. Over-full employment was reflected in the recourse to a large number of non-nationals in construction, and the reality of Belongers finding more than one job to work at any point in time.

Buoyancy in economic performance created no sense of urgency in respect of special efforts to reduce poverty, since growth in employment seemed capable of taking care of any pockets of poverty beyond those whose circumstances required direct public assistance. There were other social problems, which might not have related to poverty in the first instance, even though they could contribute to poverty eventually: the CPA of 2002 identified drug abuse among the youth, teenage pregnancy, and poor parenting.

Whatever might have been measured poverty at the beginning of the first decade of the 21<sup>st</sup> century, Anguilla and its people had a sense of being able to cope generally.

*“There is no poverty in Anguilla. There is lots of work available.”*

This sentiment was captured in the PPA, and enjoyed some currency, including among some respondents identified in the IA.

An encouraging scenario in the economy in 2007 and 2008 has been radically altered by the global crisis. The recent experience of Anguilla demonstrates the nature of the difficulty for a mini-state, facing the reality of an integrated global economy to which it is connected and on which it depends for its life blood, with that connection mediated by just a couple of economic sectors. Often, it is through one sector alone, through which the country engages with the international economy. In the case of Anguilla, tourism and offshore financial services are the only sinews, and these have suffered constriction with the down-turn in the global economy. There has been a real-time impact on the domestic economy.

The unprecedented decline in the global economy and more so in the main markets for the services of Anguilla, reverberates with immediate effect on the revenues of the Government and on employment and on the incomes of substantial sections of the population. As the



country looks towards the end of the 2010, it can contemplate continuing difficulty, especially as the projections for the latter half of the year suggest lower recovery rates than originally anticipated for the World Economy, or even a second dip recession in the wake of the crisis in the Eurozone.

The Report on poverty at the beginning of the decade provided information on which the Government and other stakeholders acted. That study suggested that:

- Poverty was lower than it had been before, in terms of a longer historical sweep of the latter half of the 20<sup>th</sup> century;
- Severe poverty afflicted only 2 percent of the population;
- Even poor households enjoyed a reasonable standard of living, owned property, had access to education and health services, and had at least one person in employment;
- The country had a low level of income inequality relative to its neighbours;
- Lack of employment was not an important characteristic of poverty;
- A mix of different types of groups were afflicted by poverty – one parent families, the elderly living on their own, and the working poor; and
- A number of social issues impacted on wellbeing of sections of the society, including teenage pregnancy, domestic violence, male teenage drop-outs from the educational system, which problems could lead to future impoverishment.

The main causes of poverty identified then were reduced to inadequate wages, lack of earning potential due to age and disability or sickness in the face of inadequacy of the public safety net, male absenteeism leading to instability in the family, and teenage motherhood. It could not be argued that by the time that the current CPA was mounted, that such problems had abated.

Breadwinners in a number of households found it necessary to work at more than one job to make ends meet. The elderly with no social insurance could access public assistance, but, based on the comments in the PPA, beneficiaries complained of demeaning treatment in seeking such assistance. Teenage pregnancy and drop-outs especially of males in the school system pointed to continuing challenges to youth-at-risk. Male absenteeism in the household continued to create instability in the family.

The global economic downturn has led to a precipitous fall in the fortunes of this small country. Tourism arrivals in 2010 were much reduced on the level achieved in the middle of the last decade, and as compared to 2006 and 2007, when all the portents suggested a rapid expansion of the economy on the basis of a growing tourism sector. The credit crunch has

impacted on the source market in the North Atlantic countries: the Government has responded, and a new Master Plan is being developed for the sector, with technical support of the Caribbean Development Bank.

Given the heavy reliance of the economy on tourism, it is likely that measured poverty of 5.8 percent, and zero indigence in 2008/09, would have been breached immediately by the downturn. The vulnerability line might be a better indicator of what conditions are currently, and in the wake of the global economic slowdown. Thus, it is conceivable that poverty could have risen closer to 17.7 percent. The administration currently in charge of the Government has admitted to the country being faced with a major fiscal crisis, and this has led to tensions with the British Government.<sup>35</sup> A large section of the citizenry would already have felt the impact of the fiscal and economic crises.

Protection of the population from poverty in an economy like Anguilla requires that there be under the control of the state considerable reserves, in terms of foreign exchange holdings and in fiscal balances. This is not easily achieved, given the need to treat with other areas of vulnerability including the environmental threats.

Sea rise, global warming and increased frequency of hurricanes render it necessary to invest in highly expensive infrastructure for sea defences to control erosion. Poor environmental practices have made the country even more vulnerable. Removal of sand from beaches, and the destruction of reefs have exacerbated conditions for Anguilla, leaving it more exposed.

Restoration and restitution following some of human interventions are going to be costly exercises, let alone preparing for tsunamis, to which the region is not immune. Public buildings and other facilities have to be built and maintained at standards such that they can withstand a category 3 hurricane or worse.

The demands on government revenue in respect of long term planning and transformation, on the one hand, and discharging the routine responsibility for running the state, and for treating with economic vulnerability facing the country and its citizenry, on the other hand, place a huge burden on the fisc. The most recent experience demonstrates the enormity of the task of sustainability in the revenue base. In the sections that follow, there are outlined some of the measures that need to be adopted, and the time frame of the likely horizon of the initial initiative – short term (S) or medium term (M). Medium term measures might require considerable planning initially, or legislation, or the establishment of institutions in the short-term.

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<sup>35</sup> There has been difficulty securing approval for the Annual Budget, given the massive deficit. See discussion of dire circumstances at: <http://www.anguillaguide.com/article/view/8294/1/135>

### **13.1 POVERTY REDUCTION IN A NEW DECADE**

The apparent fall in poverty and the decline in indigence over the middle of the last decade cannot allow for complacency given the sudden reversal in the macro-economic conditions of the country. The Government and other stakeholders in Anguilla need to address the systemic issues, having regard to the fact that, in the final analysis, it is the capacity of the small state to arrive on the path to sustainable development that would determine how well the country can protect its population from vulnerability to poverty, and to pull out of poverty those who have succumbed. The task then is to increase the capability of the country in developing its physical and economic infrastructure such that it can deal with all threats – fiscal, economic and physical – and still maintain a long term trajectory of growth and transformation to provide an improved quality of life for all of its citizens.

### **13.2 ECONOMIC DIVERSIFICATION**

Countries with miniscule populations like Anguilla face the most acute problems among the SIDS. The recent experience of the global economic recession illustrates the nature of the challenge. There has been a rapid deterioration of the fiscal capacity, in the face of the decline in tourist arrivals and as a result of reduced economic activity. Decline in tourist arrivals translates quickly to a reduction in the revenue from the Accommodation Tax.

Not only would revenues have fallen, but a large number of Belongers would have lost their jobs as hotel operations closed, and a number of Belongers who previously earned income from rental accommodation to migrant workers, faced the prospect of no-takers as their tenants returned to their islands of residence. Lower economic activity means effectively less to be sourced from Customs Duty and Stamp Duty.

Given its small size, it is inexorable that Anguilla will be subject to high vulnerability to global forces, which can be reduced only by its diversification of its internal economic structure to the best of its ability. One approach is to diversify within the respective growth sectors. This will involve a shift in the direction of the thrust of its tourism sector, tour guiding and related services, like dive operations. The diversification of the market sources to the Far East is already a step in that direction, but would need to be supported by language training and by the rapid immersion of service providers in an understanding of the culture of arrivals from these newer sources. There remains the challenge of air travel from that side of the world. The development of niche agriculture like hydroponics for domestic food requirements and for floriculture, also linked to the tourism sector, is another promising area as one of the guest establishments has already demonstrated.

In respect of the financial services sector, the country will do well to seek to provide a wider range of services, on the one hand, and to develop capabilities in other fields, which its capacity in real time delivery of services has allowed it. Having achieved the capacity for

online registration of companies for clients in any part of the world, there is need to examine in what other areas this capability can be deployed to the advantage of the country and its work-force. There may well be other niche markets in which Anguillians might be able to harness capabilities that have derived from the capacity created in the operations of the Financial Services Sector.

There is also the development of commercial fisheries. Citizens in an earlier time – prior to the mid 20<sup>th</sup> century - earned their incomes from subsistence farming and from fishing. The skills acquired in fishing provide an exposure that is conducive to their engaging in other pursuits in the marine area. Raising fishing to an important commercial activity requires formal preparation of young people of the island, with their attending institutions that offer programmes in fisheries. There is also the field of aquaculture perhaps of a speciality nature. Aquaculture around the farming of conch and lobster is something that can be explored: these are two types of fisheries that can command potentially high returns, and represent a special niche market. Fish processing operations are a likely off-shoot of this initiative, with domestic and even external market possibilities.

Also, the unique marine environment of Anguilla can be an attraction in itself for research into brittle ecological environment. The monitoring of such an environment might encourage the presence of research establishments from across the world.

While there may not be a large number involved in the establishment and running of such research services, there can be a sustainable income to the country in attracting specialised personnel in research and development in this area. Their presence can drive new economic activity, in addition to making demands on the existing commerce and distribution services. Indeed, Anguilla may succeed in hosting an international centre for research and training in a field where its unique amenity resource provides the opportunity.

The long tradition in boat building offers the possibility of a formal industry – the building of pleasure craft on the island for high-end clients in the rest of the world. The fact that the island is not viewed as a location for large scale yachting services, does not preclude the possibility of niche markets that the country can capture in this area as well.

All of the foregoing represent an extension into fields of activity related to those in which the country is currently involved. They fall under the rubric of niches in related activities, for the most part. The international demand may be driven by factors that may be subject to less volatility than the present industries. They allow for some diversification and may not require large numbers in any field, which is the challenge that Anguilla faces, and will continue to face, requiring that most of its activities have to be viable, highly differentiated

from mass production systems, and thus commanding market space on that basis alone, and must be possible with small numbers of personnel.

There are other fields that can be explored and which fall outside of those identified above. Invariably, this would involve the use and application of knowledge. The Belonger population has to be well geared to capitalise on the intellectual and scientific output of the rest of the world, for the most part.

This requires a commitment to learning on the part of its people and to the continuous updating of information, that is available in real time. Creativity will be a factor here in the capacity of the Belonger population to utilise information and knowledge in building new activities, and/or creating an environment in which some number from the rest of the world can join them in providing new output of goods and services from the Anguillian economic space. In spite of the smallness of its population base, Anguilla cannot escape seeking to engage in the knowledge infrastructure that is the fundament of economic sectors in the 21<sup>st</sup> century.

In effect, and in the final analysis, the capacity of Anguilla to reduce poverty and to protect its population from vulnerability, depends on its economic viability, which for a miniscule SID, requires that it engages with the global economy at a level where it can secure good returns on its effort, thus allowing its population generally to secure an equitable reward as part of international society. The thrust of its poverty reduction strategy is sustainable development founded on a sensitive industrial strategy.

The following focus on some of the other initiatives that are required in managing the economy and society to protect the population from poverty and vulnerability.

### **13.3 PROMOTION OF DOMESTIC ENTREPRENEURSHIP**

Anguilla has a small population base. In periods of rapid growth of its economy, there is evidence that a range of business opportunities arises, which the Belonger population is ill-equipped to seize, more because of the absence of a culture of business, rather than because of the small numbers of people. Thus, in the field of business and enterprise, the majority population has a sense of marginalisation in the control of a rapidly expanding private sector.

This creates a strong sense of alienation among the Belonger population, especially in the face of groups that might enter the country with the support of strong business networks that are so well-equipped that they can corner particular business opportunities ahead of the Belonger population, and once established, effectively exclude the entry of Belongers.

Meanwhile, the growth in public sector employment encourages the view among young people that the channel for economic and social mobility resides in employment in the public services of the country. This type of acculturation effectively excludes Anguillians from participation in the transformation of the economy of their country and relegates them to a back-seat, or to a secondary status, in which private sector development relies mainly on others coming from abroad.

Programmes to encourage an orientation to business have to be an essential part of the curriculum, surely at the secondary school level, especially since few Belongers would grow up in homes in which family business is responsible for income and employment of breadwinners. (See Table 13.1)

**TABLE 13.1: PROMOTION OF DOMESTIC ENTREPRENEURSHIP**

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Promote transformation process through wide involvement of Belongers in the creation of Enterprise	S	Concerted programmes in secondary schools and through such agencies like National Bank of Anguilla and Chamber of Commerce	Ensure an increasing number of Belongers are oriented and equipped to start and grow competitive enterprise Ensure more young people contemplate careers in business	Ministry of Finance and NGO community	Anguillians oriented with culture of business	Reports of Ministry of Finance and National Bank

Information from the PPA shows that several women are engaged in micro businesses, although they do not call it that. There is need to explore measures to encourage and support their efforts, with due consideration for their care giving role, their sometimes low levels of education and lack of financial resources to “grow” the business.

### 13.4 DIASPORIC FUNDS

As with other islands of the Caribbean, the country has had a long history of external migration, in which many in the population regard a sojourn abroad or even permanent emigration as the natural path to economic and social mobility. Most households therefore, are a part of an international family, with close relatives living in different parts of the world (mainly in the North Atlantic). Many of these relatives have built substantial savings in their country of residence. With appropriate mechanisms and institutional structures, these resources can be mobilised for investment back-home and can be brought ‘in-shore’ from abroad to aid the process of development (Table 13.2). Thus, more resources can be accessible for development, with the provision of the appropriate institutional arrangements.

**TABLE 13.2: MOBILISATION OF FINANCIAL RESOURCES INCLUDING DIASPORIC FUNDS**

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Expand resources for national development	M	Development of institutional means to increase savings	Expansion of Investible Resources	Ministry of Finance with agreement of ECCB	Higher savings with accretion of Diasporic Funds	Ministry of Finance and ECCB

### 13.5 OVERCOMING EDUCATIONAL UNDER-PERFORMANCE

The expansion of educational opportunity has been a major priority of government administrations from the achievement of self-rule. Universal secondary access was achieved sooner than in other parts of the Commonwealth Caribbean. More recently, attention has been given to the development of facilities on the island for post-secondary and tertiary education and training. There is need to commit the entire population to expansion of its knowledge base, through client friendly arrangements that allow for life-long engagement in learning and self-upgrading (See Table 13.3). This would raise the educational base of the labour force, and allow for greater competitiveness of the people.

**TABLE 13.3: KNOWLEDGE BASED ECONOMY**

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Develop knowledge based society	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 educated society and labour force	Ministries responsible for Education, and Community Development

Poor women as well as poor men are an important part of the country's human resource base. They have a great deal of knowledge gained from their experience, and from their efforts and strategies for coping and survival. This needs to be acknowledged and built on. At the same time they need to be encouraged and given opportunities to upgrade their education and improve their knowledge base not only through formal but also through adult non-formal education, possibly at the community level.

### 13.6 POPULATION POLICY AND IMMIGRATION

Anguilla is faced with the challenge characteristic of micro-states. To trigger sustainable growth and transformation of the economy, there is need for a larger labour force than is provided by its natural population base. The entree of a relatively large number of non-nationals into the economic and social space of the country creates anxiety among the Belonger population of marginalisation, and, among workers, of being robbed of employment opportunities or of being subjected to lower rates of pay because of the availability of foreign workers prepared to accept lower wages. At the higher end of the labour market, there is a range of personnel that cannot be sourced from the domestic population.

In the case of Anguilla, the shift from a subsistence or low equilibrium economy in the 1960s to a dynamic growing economy in the late 20<sup>th</sup> century took place against the backdrop of a long tradition of external migration to achieve mobility. Many Anguillians in the past saw their economic advancement in terms of residency and work abroad at some time over their life-cycle. Thus, there is a large diaspora, relatively, including those who settled in the Dominican Republic in the first half of the 20<sup>th</sup> century.



The island has experienced a demographic transition in the more recent past of falling mortality rates and even more quickly falling birth rates, such that there is all of the evidence of ageing taking place. In such circumstances, there is need for coherence in labour and immigration policy in the context of an overall population policy. Clearly, the demands of the economy require that the population not grow solely on the basis of natural increase in the Belonger population.

As an Overseas Territory of Britain, its legislation relating to naturalisation has to be contextualised against the British Nationality Act. Britain, as a member of the European Union, follows a relatively transparent and coherent model in which an immigrant can eventually qualify for citizenship. The Overseas Territories in the Caribbean generally prefer a more restrictive model, having regard to the size of their populations and the need for a larger labour force than their natural population can provide.

One approach is the Cayman model, but this is very expensive in so far as there is need for constant cycling of new arrivals who come knowing that they have a finite period in the country. It is a moot point whether there can be full labour commitment to a society and an economy when one knows that there is a legal limit to one's presence, and the social and official norms are concerned to jettison the worker on the termination of the contract.

The authorities in Anguilla may instead agree to a certain number of immigrants, who might be allowed to qualify for citizenship following a period of residence. While there has been official recognition of the problem, some attempt to introduce a coherent policy, it appears that there is ministerial fiat in the award of work-permits, rather than a review process, with a Committee in place to implement policy.

This is not conducive to a sense of transparency and consistency in policy. Moreover, while there seems to be a listing in the direction of the Cayman model, with a population of less than 20,000, of whom no more than two-thirds would be adults available for work, it would be remarkable that employers can find enough nationals to train as understudies for but a minority of the crucial personnel providing technical and professional skills to the economy of Anguilla.

Given that the rate of natural increase is unlikely to provide to Anguilla with the size of labour force that it needs, there is need to recognise that immigration will continue to be a factor in its future growth (Table 13.4). Moreover, with people entering from different parts of the world, and from the region, formal processes of assimilation need to be put in place, such that prospective citizens are better prepared to participate actively in their new country, which while respecting their native culture, requires of them a certain commitment to observe the norms and values of the host society.

**TABLE 13.4: DEVELOPMENT OF POPULATION POLICY WITH CONSISTENCY WITH IMMIGRATION AND LABOUR POLICY**

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Ensure stable population growth in keeping with demands of an economy set to grow and to diversify	S-M	Creation of coherence in immigration policy given that natural increase is inadequate to ensure labour force needs of Anguilla	Ensure stable population increase with clear recognition of the role of immigration as one factor in growing the population and labour force	Department of Labour and Immigration, Attorney General's Office, Department of Statistics	Coherent population and immigration policies, consistent with the development of the country	Reports of the Chief Minister's Office

### 13.7 PHYSICAL PLANNING AND DEVELOPMENT CONTROL

Anguilla is characterised by fragile ecosystems. Physical planning for a low lying island with limestone buffs and sand dunes on a coral base in its 91 square mile area requires considerable sensitivity to the implications of built development on this fragile environment.

The growth of tourism and, with that, a vibrant real estate market, there is pressure from the developers and real estate agents to secure approvals for building on parcels of land that should be protected, given the implications of building in some locations. Given its small land space and the rapid pace of development witnessed in recent years, there have been many conflicts over land use. This can be expected to continue when the economy returns to growth.

It is important at this juncture to enact the necessary legislation that would help protect the fragile Anguillian environment and to develop a national physical development plan that would guide development in the future (See Table 13.5). There have been cases of the Cabinet of the country granting approvals contrary to recommendations of the Physical Planning Agency, with eventual disastrous results. Given the perception that special pleading can sway the decision-making process, even in the face of scientific information that warns against certain decisions, it is likely that individuals who deem themselves to be influential, would pursue self-interest that may conflict with societal interest. Moreover, there is still a limitation in the existing legislation which restricts the capacity of the Department in stopping unauthorised development.

**TABLE 13.5: PHYSICAL DEVELOPMENT AND DEVELOPMENT CONTROL**

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Strengthen legislation relating to Development Control and Protection of the environment	S	Physical development and development control informed by need to protect a very brittle environment	Ensure that physical development complies with best practice and is informed by scientific information on the ecology and environment of Anguilla	Departments of Physical Planning, and the Environment	Physical planning legislation, National Physical Development Plan, Physical Planning and Development Control observing best practice and contributing to sustainable development	Reports of Departments of Physical Planning and the Environment
Ensure development control arrangements consistent with protection of the fragile ecological structure of the country	S	Restore where possible to correct for sand-mining and removal of coral, and other human interventions that have contributed to environmental damage	Ensure maximum effort to repair and contain effects of human intervention, including dune restoration, and beach restoration	Departments of Physical Planning and the Environment	Restoration or protection of ecologically sensitive locations	Reports of the Department of Physical Planning, and the Environment
Support National Trust	M	Promote history and culture of Anguilla in school system and through the mass media	Develop across the society an appreciation of the uniqueness of Anguilla and promote pride and commitment in protecting its amenity and historic resources	National Trust, other state agencies and NGOs	Population committed and involved in protecting environment and National Trust	National Trust

There is need for strict adherence to development control founded on Science and up-to-date information, given that mistakes have an enduring and irreversible impact on the country. There is also the need to recognise societal interest in the 'commons' provided by the amenity resources of Anguilla, which requires a collective responsibility in its protection.

Moreover, in areas where there is a possibility of rectification based on sound scientific information, it is necessary for an initiative on the part of the Government in driving the process and undertaking the appropriate investment. For example, beach erosion has been precipitated by sand mining and by destruction of coral. The Department of the Environment, supported by the relevant legislation and in collaboration with relevant agencies has to be properly resourced to address such problems and undertake retro-fitting where this is possible and practical.

### **13.8 ENVIRONMENTAL PROTECTION**

The environment of Anguilla must be protected in order to sustain its beauty and capacity well beyond this present generation. This would require the commitment from both its Government and people to support initiatives to strengthen the institutional environmental framework, including the development of GIS system that allows for detailed mapping of the country's natural resources. Promoting and strengthening community-led environmental monitoring and protection system is another critical activity that could maximise effort and time in the face of the country's limited resources as well as help booster national and civic pride and commitment to Environment Anguilla (See Table 13.6).

This would also mean increasing support for the work of the NGOs, such as Anguilla Environmental Club, Blowing Point Youth Development Centre and Concerned Citizens Group, and continued collaboration with regional and international environmental organisations. Establishing a community-based waste management programme in built up areas where littering and garbage disposal is a critical issue should provide impetus for a cleaner Anguilla, and provide lessons for future community-led environmental management endeavours.

Climate change and environmental protection requires that appropriate environmental data be collected and effectively managed in a format which makes it readily available and user friendly. Strengthening environmental data collection and management system of the Department of Environment and Department of Physical Planning and the GIS system of both are a priority.

**TABLE 13.6: ENVIRONMENTAL PROTECTION**

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Protection of sensitive environments, and the 'commons' of the island – the coral reefs that ring the island	S	Establish the National Advisory Environmental Committee	Effective collaboration among State, private and NGO environmental agencies	Department of Environment	National Advisory Environmental Committee established	Reports of National Advisory Environmental Committee
	S	Establish a community-based community waste programme	Reduce littering in built up areas and increase civic pride in affected communities	Department of Environmental Health	Community waste management system established	Reports of the Department of Health, newspaper articles
	S-M	Strengthen environmental protection and monitoring systems	Increase conservation and protection of targeted fragile ecosystems and improve data collection	Department of Environment	Protection and Monitoring of targeted ecologically sensitive areas increased  Data collection system improved	Reports of the Department of the Environment, National Trust and environmental NGOs
	S-M	Strengthen GIS systems of the Departments of the Environment and Physical Planning	Improve GIS mapping capabilities	Departments of Environment and Physical Planning	GIS systems fully implemented	Reports of the Departments of the Environment and Physical Planning
	S-M	Establish an integrated water resources management system	Improve management of the country's water resources and promote conservation and improved use of water	Department of Environment	Water resources unit established  Water resources data collection and management system established	Reports of the Departments of the Environment and Environmental Health and the Water Authority, NGOs
	S	Enact new Disaster Management Legislation	Strengthen the disaster management framework	Office of the Attorney General	Disaster management framework improved	Legislation

Because of the multidisciplinary nature of the environmental management it would also be important to have a coordinating committee that meets regularly and reports and take decisions that would foster cooperation and reduce duplication and areas of conflict among the various disciplines. The call for the reestablishment of the National Advisory Environmental Committee is seen as sound one.

At present, the function of water resources management falls between stools with neither the Water Authority, nor the Departments of Environment and Environmental Health having full responsibility for it. Developing a structure that would give the Department of Environment the overall responsibility for water resources management policy and decision-making would be important in a country with limited rainfall and where potable water is scarce a commodity. This, along with the work of the Department of Environmental Health, would help to guide and establish an effective regulator of the work of the Water Authority, private water contractors, developers and the operations of desalination plants. Critical to the success of such an approach is strong and effective collaboration among the State agencies with responsibility for water.

Anguilla is vulnerable to a range of hazards, both natural and man-made, which can threaten its sustainable development and the well being of its people. Despite the work done by the recently established Disaster Management Department, there is need for the enactment of a comprehensive disaster-related legislation. Some emphasis should be placed on integrating risk reduction into development planning, and on planning for climate change and sea-level rise which would have adverse effects on relatively flat small island states, like Anguilla.

### **13.9 LOW INCOME HOUSING**

What has been a traditional society with access to land almost guaranteed through inheritance rules among a stable population, has had to adapt to a more commercial approach to property and land. In the century following the end of slavery, family formation would have been easily accommodated through traditional arrangements of sharing of lots, or of accessing same through relatives or through purchase in relatively small market place for real estate in a semi-subsistence society.

The influx of labour in the latter half of the 20<sup>th</sup> century and the growth of tourism have created a demand for rental accommodation and for land generally and have imposed market rules on housing accommodation. The net result is that there is a growing number of Belongers who do not have access to good housing accommodation and cannot afford what is available in the market place. As much as 30.9 percent of the poor had out-houses or pit latrines, and there were complaints about living conditions in the course of the PPA. The influx of migrant workers has allowed also Belongers to increase their involvement in

housing rental business. However, the quality of some rental housing has been reported at times to be sub-standard and has lowered living conditions among the migrant population.

Given that the country has to rely on imported labour as soon as the economy returns to some level of growth, the State can no longer refrain from involvement in the promotion of housing for lower income groups in the society. There may be need even for the provision of incentives for building of certain types of accommodation units that can be accessible to nationals and to workers coming to the country. Clearly, on an island dominated by tourism, it would be counterproductive not to address housing conditions for poorer people and foreign workers coming into the country (See Table 13.7).

**TABLE 13.7: LOW INCOME HOUSING**

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Develop housing for lower income groups unable to secure decent housing at current prices	M	Provide resources in terms of land and built units for rental accommodation and for sale at basic prices for persons eligible on the basis of income for such indirect subsidy	Ensure decent accommodation for lower income Belongers and for workers entering the country	Ministry responsible for housing	Population adequately housed, irrespective of status	Ministry responsible for Housing
Establishment of a minimum rental housing standard	M	Develop rental housing standards	Improve rental housing conditions and ensure quality housing stock to withstand upset conditions	Department of Physical Planning	Rental housing standards developed and implemented  Population provided with adequate rental housing  Maintain living conditions in Anguilla	Legislation, Reports of the Department of Physical Planning

### 13.10 STREAMLINING OF DELIVERY OF SOCIAL SERVICES

There are a number of social services available to the population and, in particular, to vulnerable groups. However, there is a lack of collaboration among them which conduces to inefficiency in service delivery. (Table 13.8 outlines initiative to address this).

In the course of the PPA, there were complaints that clients felt demeaned in seeking assistance from some of the relevant agencies. There are also gaps in some services, and where these are being provided by NGOs, there is little evidence that there is a State agency engaged in complementing where this may be necessary.

Thus, while the extremely successful Blowing Point Youth Initiative needs to be replicated, there is no evidence that this is being done, and surely not by any state agency engaged in the delivery of social services. Meanwhile, there are issues that need to be addressed more effectively – the job-link programme for youth just out of prison, reduction of drug abuse, formation of gangs and gang violence, home-work centres, and care services for children of parents who have to work at more than one job. There is also the fact that in the absence of conditional transfers and other measures, there is the risk that some of those receiving assistance would make themselves wards of the State.

**TABLE 13.8: REVAMPING SOCIAL SERVICES DELIVERY**

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Revamp delivery of social services to reach vulnerable	S	Create capacity within the agencies involved in social delivery to reach the population, as required  Collaboration among agencies involved in the delivery of social services	Protect the poor and vulnerable  Ensure efficiency in the delivery of social service across the range of agencies	Departments responsible for the delivery of social services and community development, in collaboration with relevant NGOs	Vulnerable groups receiving attention commensurate with needs  Social Safety Net with better targeting and with conditional transfers to induce appropriate behaviour and practices among beneficiaries	Departments responsible for Social Services, Welfare and Community Development



Poor women are a vulnerable group, so too are poor households. However, these are not homogeneous. It is therefore important that social services be targeted to identify and meet the specific needs of poor women and of poor households, especially poor female headed households. A more detailed approach to identification and assessment of needs of particular vulnerable groups would go a long way to ensuring that adequate responses are made and that the available services have the desired effect of reducing their vulnerability and helping them to improve the conditions under which they are living.

### **13.11 ARRESTING GROWTH OF AN UNDER-GROUND ECONOMY**

There is enough evidence that an underground economy is developing in Anguilla. With parents working at more than one job and with the decline in the role of the extended family and community in the socialisation process, there is an increase in the number of youth at risk. Gangs have emerged, and even in the prisons, it has become necessary to take account of their existence in the management of inmates.

The experience elsewhere in the Caribbean warns against complacency. There is need for a level of intervention through robust interdiction, on the one hand, and initiatives through community development, youth development services and social services generally, in the resocialisation that needs to be undertaken in some communities (See Table 13.9). Indeed, family services are an area crying out for an intervention, to address such issues as poor parenting, the provision of home work-centres, child care services for working parents, and care services for elderly persons whose relatives cannot provide for them, many of which complement the roles of women.

Another side of the intervention has to be complemented by effective policing, which includes community policing on the one hand, but such measures that can guarantee that drug abuse and drug running and gang violence are not allowed to spread given that they feed on themselves, making things worse over time, and rendering interventions more difficult and complex. The Blowing Point model has to be examined for the lessons that can be universalised across Anguilla.

**TABLE 13.9: CONTAINING THE GROWTH OF THE UNDERGROUND ECONOMY**

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Reduce or eliminate Underground Economy	S	Sustained programme at community level to redirect youth to alternative paths to livelihood.	Reverse influence of underground economy as preferred option for earning livelihood	Departments responsible for Community Development, Social and Family Services	Fewer residents involved in drug-peddling Services for youth at risk in communities, including home-work centres and child care services	Reports of Departments responsible for Community Development, Social Services, and Family Services
		Robust policing narco-trafficking	Protect communities from succumbing to drug abuse and to gang violence	Police Service	Safe communities free of violence and gang warfare	Reports of Police Service on seizure of drugs

### 13.12 GENDER EQUITY

The existence of gender inequalities is an issue that is in need of urgent attention and draws attention to its presence in households, in gender relations, in the labour market, in care giving and in education. (See Table 13.10).

The data show that within many households men dominate, women have little power or authority and are usually not involved in decisions that affect their lives. Moreover, several relations are conflictual and gender violence appears to be endemic but there is an absence of facilities like safe houses for women and children who are victims. Within many households too, along with their prescribed gender role as care giver and nurturer, women either have sole responsibility or some responsibility for contributing to financial needs of the family. On the other hand, some poor men are unable to play their role as breadwinner and provider. However, because they see household chores as women's work, several are unwilling and/or refuse to help in the house. In many households women are therefore at a disadvantage.

TABLE 13.10: GENDER EQUITY

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Elimination of Labour Market segmentation	M	Opening up of training and educational opportunity irrespective of Gender	Gender Equity	Department responsible for Labour, and Gender Affairs	Men and women participating equally across sectors and occupations in keeping with interest and skills	Department responsible for Labour and for Gender Affairs
Inculcate orientation of respect for women and children among men	S	Education of men and women on mutual respect, and on avoidance of violence in management of disputes Gender training	Protection of women and children in abusive situations	Departments responsible for Gender Affairs and Family Services	Elimination of violence against women	Reports of Departments responsible for Gender Affairs and Family Services
Protection of male youth from drug abuse and improvement in educational performance	M	Interventions to improve self-concept especially among male youth and to commit them to seek to realise their full potential	Youth generally and male youth in particular well integrated psychologically around societal values of achievement and development	Department responsible for Youth and NGO community	Male youth committed to realise their full potential	Department responsible for Youth

There is gender segmentation of the labour market which continues to see women employed in “women’s” low, skilled and low paid activities and this has serious implication for women who are single parents and heads of households and their ability to obtain

enough money to provide for their families. On the other hand some poor men are still able to find employment in areas like construction that pays higher wages. At the same time, more women are unemployed than men.

There is also the challenge of male under-performance in the educational system, which has implications for human resource development and competitiveness of the society. Male youth are more vulnerable to drug abuse, and eventually to the resulting problems like schizophrenia and other mental disorders. The interventions need to be seen as a point of departure for the relevant socio-psychological frame of reference.

The above is necessary and should lead to some reduction in gender inequalities. However larger issue is the existence of gender blind policies and programmes that do not acknowledge or address issues of gender inequity, inequality and discrimination. If MDG 3 is to be achieved, then the national development policy as well as policies and plans for all sectors must include strategies to remove the inequalities. However for this to happen a review of existing policies, plans and programmes must be done and gender analysis and gender planning exercises undertaken. This will require that policy makers, planners, and programme developers be exposed to extensive and intensive gender training.

### **13.13 PROMOTION OF WELLNESS**

It has been established that there are cases among children of serious obesity and more disturbingly, of diabetes. Obesity is on the rise in the general population and there is increasing incidence of chronic diseases. There is need for the Ministry of Health to go much beyond the provision of health education to the promotion of wellness through the marketing of health, nutrition and exercise (Table 13.11).

The Department of Sport can collaborate by ensuring at the community level, there are well targeted programmes to enlist participation at all levels of the population: there will be need for both active and passive recreation, both geared to treat with the citizen, irrespective of age. The Ministry of Education can be an important contributor through a School Feeding Programme.

**TABLE 13.11: PROMOTING WELLNESS**

Goal	Time Frame	Strategy	Purpose	Implementing Agency	Output	Methods of Verification & Monitoring
Commit society to wellness and personal responsibility to maintaining good health	M	<ul style="list-style-type: none"> <li>Marketing and Public Education on wellness</li> <li>Promotion of good nutrition and exercise appropriate to age and circumstances</li> </ul>	Ensure population fully understanding of modalities of ensuring wellness	Ministries of Health, Education and Sport and relevant NGOs	Reduction in obesity in society, and control of chronic diseases	Ministries responsible for Health, Education and Sport

### 13.14 CONCLUSION

For most of the first decade of the new millennium, Anguilla experienced economic buoyancy on a scale that suggested all the portents of successful transformation of this small economy and society. The CPA conducted in the first years of the decade did identify poverty and indigence, which were not alarming by the standards of the Commonwealth Caribbean. While it might have been accepted in official circles that there were problems of living conditions for some sections of the population, it would have been easy to come to the view that in conditions of rapid increases in economic activity and over-full employment for most Belongers, any poverty problem could be easily licked. Indeed, the CPA conducted in 2007/09, suggests that poverty could have fallen and indigence had been overcome: there was no one so poor that health was being threatened by lack of resources for basic nutrition.

Other poverty disposing factors might not have been fully addressed, nor were they evaporating with improved economic performance. Risks to youth from a growing culture of drug abuse remained intractable. Teenage pregnancy still remained a problem. Male underperformance in educational system had endured. There were some interesting interventions, a few by the NGO community. The Blowing Point Youth Initiative demonstrated new possibilities with the youth. Some of the religious organisations impacted positively, at least among their flock. A new organisation had arisen to treat with the social challenge that disability among children posed in the society. There had emerged as well a youth group that focuses on inculcating a sense of responsibility in the protection of the environment.

The global economic crisis of 2007/2008 quickly revealed the underlying weakness of the economy of Anguilla, which as a miniscule SID, can experience severe volatility in its economy when the one or two sectors on which it relies goes into precipitous decline. Economic recovery has faltered in the North Atlantic countries which remain the source market for Anguilla's economic drivers. There is every indication that more recent level of poverty is better captured by the earlier estimate of vulnerability. The country is gripped by an acute fiscal crisis.

This study concludes that, in the final analysis, there is need to seek sustainable economic development on a platform that involves exploring for small but productive niches among existing economic activities, at the same time as the human resource base is built across as wide a swathe as possible. In this way, its people would secure an improved knowledge base of education and training, which would eventually allow them to create new sectors and activities in which they can be involved productively, in their engagement with the international economy.

Given the small size of its population, Anguilla is unlikely to avoid having to adopt a population strategy that involves some inflows of immigrants to become settlers. The continued growth of its economy requires a larger labour force base than can be secured from natural increase. The assimilation of new citizens has to be recognised as an ongoing requirement.

In the final analysis, poverty reduction in Anguilla is less about reorganising its social safety net, as important and critical as that is, and more about creating an economic base that can protect the population on an island that is highly vulnerable on all the important dimensions.

