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Halcrow Group Limited
In association with
Decision Economics (Canada)
Willms and Shier (Canada)
DPU, University College London (UK)
AND
The National Assessment Team of Dominica

Halcrow Group Limited
Vineyard House 44 Brook Green London W6 7BY
Tel +44 (0)20 7602 7282 Fax +44 (0)20 7603 0095
www.halcrow.com

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Country Poverty Assessment: Dominica

Executive Summary

I.1 Objectives and Approach

This study of poverty in Dominica is one of a series of Country Poverty Assessments (CPAs) undertaken throughout the Caribbean since 1995. Its primary objectives are:

- To identify the extent, severity, characteristics and causes of poverty in Dominica
- To evaluate the effectiveness of current policies and programmes in terms of their impact on the poor and vulnerable groups of the population
- To make recommendations for future policies and programmes to contribute to the reduction of poverty on the island.

The CPA has been a joint undertaking of a National Assessment Team (NAT) including members from government and non-Government organisations, and a Team of Consultants (TOC) appointed by the Caribbean Development Bank. NAT / TOC workshops were held at key junctures of the study to ensure that methodology, requirements, responsibilities, findings and conclusions represented the views of both groups.

The CPA involved four principal components:

1. A review of available reports and statistics
2. A sample household survey (the Survey of Living Conditions - SLC) collecting information on household expenditure and incomes, general housing and household characteristics, personal demographic and employment information.
3. A series of Participatory Poverty Assessments (PPAs) in seven communities representing different social and economic characteristics.
4. A series of meetings and discussions to identify current programmes related to the reduction of poverty and the provision of assistance to vulnerable groups.
I.2 The Definition of Poverty

Poverty is defined in this report on the basis of indigence lines (based on minimum food requirements) and poverty lines (minimum food requirements plus an element of non-food expenditure) derived according the CDB’s methodology. The indigence line is EC$ 2,000 (US$740) per adult per year and the poverty line is EC$3,400 (US$1,260) per adult per year.

Current definitions of poverty are more wide-ranging than those based on income alone. They include consideration of, inter alia, living conditions, access to health and education, and less easily defined notions such as vulnerability, voicelessness, powerlessness, and lack of opportunity. The general concept of ‘well-being’ has been used in this study to bracket these non-income aspects of poverty.

In general, there is a high correlation between lack of income and lack of well-being. However this is not always the case – some people and households living below the poverty line may not feel insecure or threatened. Conversely, others may experience lack of well-being resulting from factors such as family disruption, teenage pregnancy, crime, drug abuse even though their income puts them above the poverty line. This poverty assessment does not confine itself to an assessment of income poverty alone but also addresses other issues that can affect well-being.

I.3 Population

The current population of Dominica is just under 72,000, little changed from 1981. The prime reason for this lack of growth is the high level of emigration. Around half of Dominica’s households have at least one close family member living overseas. Around 40% of migrants reside in other Caribbean countries and a similar proportion in the USA; most of the remainder live in Great Britain. Emigrants are mainly adults (male and female) in the prime working age groups of 20-34 years. Emigration has long been a major factor in the demography of the Caribbean. In Dominica’s case, added impetus has been provided by the collapse in its prime agricultural sector and the lack of significant growth in other sectors (e.g. tourism, offshore banking) which in other islands have reduced emigration and, in some cases, led to net immigration.

The static population also results from a sharp (40%) decrease in the number of live births in the last 10 years.
Just under 40% of the population lives in and around the main towns of Roseau and Portsmouth. Dominica also boasts the one remaining concentration of the indigenous Carib ethnic group in the Caribbean, who account for 4% of the population.

I.4 Economic and Social Conditions

Production of bananas, long the mainstay of the economy, has declined from 60-70,000 metric tons in the late 1980s/ early 1990s to under 30,000 tons in 2000 due both to the impending loss of preferential European markets (following the World Trade Organization rulings) and destructive hurricanes and storms in 1989 and 1995. There are now less than 1,200 banana producers compared over 6,600 in 1990. Agriculture as a proportion of GDP decreased from 25% in 1996 to 17% in 2001 and its position as the country’s dominant sector has been taken by government services. Tourism contributes 10-12% of GDP but over 30% of foreign exchange earnings - three times the current earnings from bananas.

During the 1990s, GDP growth was maintained partly due to steady government spending. However the economy contracted by around 4% in 2001 so that GDP is currently at the same level, in real terms, as it was in 1997. Nominal GDP (at factor cost) per capita in 2001 was around EC$8,400 (US$3,100). Government finances also deteriorated sharply giving rise to an unsustainable fiscal situation. Total government debt is now almost equal to GDP compared to a ‘prudent’ level of 60% and 25% of government revenue goes to debt servicing. These factors have combined to create an unemployment level of 26% and, although unquantifiable, a substantial degree of under-employment..

The Government passed an emergency budget for 2002/3 with a small reduction in recurrent government expenditure but a large cut in capital spending – from EC$120 million to EC$45 million. The budget included a 4% ‘stabilisation levy’ on all incomes over $9,000 per annum. Notwithstanding these measures, the budget deficit is projected to remain unchanged at around EC$40 million in the coming year and further austerity measures may be needed.

The Government is curently negotiating with the International Monetary Fund for financial support.

Despite the precarious economic situation, the country has maintained almost 100% primary school enrolment and has achieved a doubling of secondary school enrolment since 1991. Primary schools rolls are however falling (by 18% in 10 years) due to the decrease in the number births; this trend is likely to continue.
The health situation is also favourable with free immunisation and a decentralised network of clinics. Health indicators are good: infant mortality is low (18 per 1000) and life expectancy is very high (77 years); the incidence of low birth weights is around 9%. Waterborne and infectious diseases have disappeared apart from sporadic, and localised, outbreaks of gastro-enteritis. The major health problems are diabetes and hypertension – traditionally afflictions of the more affluent.

Housing on the island is generally of a reasonable standard with wood as the predominant construction material for walls. Access to basic infrastructure is widespread: safe water (91% of households), electricity (88%). Over 50% of households have flush toilets and 28% have pit latrines. Ownership of many modern consumer goods is substantial: telephone (69% of households), TV (69%), refrigerators (74%), washing machines (42%) and vehicles (25%).

I.5 Poverty in Dominica

1.5.1 Current Situation
Poverty in Dominica is high in comparison to most Caribbean standards – around 29% of households and 40% of the population. Around 10% of households are indigent, i.e. very poor. Poverty exists in urban and rural areas. Three quarters of poor households are in rural areas where 1 in every 2 households is poor. The remainder are to be found in the main towns of Roseau and Plymouth. Poverty amongst the Caribs is much higher: 70% of the Carib population are poor and almost half are indigent although they constitute under 10% of all poor households.

Statistically, poverty trends cannot be ascertained with any confidence owing to the lack of comparable surveys in previous years. However, previous studies indicate that poverty was already severe in the mid 1990s. In all likelihood, poverty has increased in the last few years due to the continued decline in the economy accompanied by a pronounced deterioration in government finances.

Aside from the concentration in rural areas (where households previously providing labour to the banana plantations have fared worst), poverty disproportionately affects children: 70% of poor households have children as against only 44% for not poor households; around half Dominica’s children live in poor households. Although there is little statistical relationship between poverty and single parenthood, the elderly, gender, health, disability and young motherhood., most indigent households exhibit one or more of these characteristics together with an almost total absence of family support.
In comparison to not poor households, poor households in Dominica are characterised by much higher unemployment rates (40% as against 16%) and lower educational levels amongst adults (27% of poor households have an adult with secondary education compared with 45% of not poor households). The frequency of overcrowding is also far higher in poor households as are the proportions of poor households (especially in rural areas) without indoor bathing or cooking facilities.

The poor have adopted a variety of survival strategies:

? seeking employment overseas and in Roseau
? undertaking multiple jobs that are usually menial, poorly paid and insecure;
? increased reliance on support from family members living in Dominica and overseas;
? increased reliance on support from government, NGOs, churches, neighbours and friends;
? non-payment of utility bills, increased use of public facilities, subsistence food production.

Despite these strategies there is growing evidence, especially in rural areas, of households living hand to mouth and vulnerable to any need for emergency finance.

The situation is not, however, completely bleak:

? Over 2/3rds of poor households have at least one person working;
? three-quarters of 15-19 year old children from poor households have attended secondary school – much higher than in previous years;
? the health situation amongst the poor is generally good with low levels of infant mortality, low birth weights, infectious diseases and malnutrition. Life expectancy is high;
? piped water and electricity are available to the great majority of the poor and not poor populations. Ownership rates for assets such as refrigerators, TVs and telephones approach or exceed 50% amongst poor households;
? while the incidence of poverty is substantially higher in rural areas, rural households do have more opportunity than urban households to grow their own food and are more likely to live in closer-knit, more cohesive communities which provide a high degree of mutual support;
a large proportion of poor and not poor households benefit from income received from family members resident in Dominica and overseas. Many also receive meals and other assistance from neighbours and friends. Non-income support for many needy families is also high – many elderly and single parents with children live in extended families. Without this income and non-income support, the levels of poverty and, especially, indigence would be significantly greater.

1.5.2 The Causes of Poverty in Dominica

The primary cause of current poverty in Dominica is the shrinking economy which has led to high levels of un- and under-employment and reduced incomes for many of those still in employment. While this situation has been building up in rural areas over several years as banana cultivation has collapsed, it is a more recent phenomenon in urban areas as other sectors have stagnated and government expenditure is being curtailed.

The analysis also revealed other factors that contribute to the current level of poverty and loss of well-being, especially amongst the indigent (the severely poor):

- The ‘abandonment’ of the elderly to fend from themselves – a situation often exacerbated by sickness or disability;
- Increasing pressures on men, some of whom resort to flight (within Dominica and to other countries), crime, alcohol, drugs and violence;
- Increasing pressures on women to obtain employment while still shouldering child rearing and domestic duties, often single-handedly - under half the households with children have two resident parents;
- Teenage pregnancy (although this is a long-standing problem).

Resulting from the above, it would appear that the cohesiveness of communities is being eroded. Informants note the growing reluctance to participate in community activities, increasing delinquency and drug abuse among young men, and the emergence of status distinctions and social separation.

On a positive note, whilst the conditions of the indigent are sub-standard by any criteria, attitudes amongst the relatively poor are more optimistic. They speak of good infrastructure, housing and natural environment, adequate supplies of water, excellent access to health and education, and a tradition of well integrated, self-supporting communities. Many strongly decry the idea that they are poor indicating a clear lack of correlation, in this instance, between income poverty and well-being.
Overall, the current poverty situation, although grave, is not dire – overall health remains good, the great majority of children are being educated, food is plentiful, the majority of households have access to safe water, and significant social unrest or crime is not a current issue. The situation is certainly not comparable to that existing in some Caribbean countries (e.g. Guyana and Haiti).

### 1.5.3 Outlook for poverty Reduction

The short and medium term outlook for poverty reduction is not good. There is little prospect of a recovery in the agricultural sector in the short term. Tourism and manufacturing are both stagnant. Foreign assistance will be increasingly conditional on fiscal prudence. Government expenditure to maintain existing physical and social infrastructure and social safety nets will be heavily constrained with little potential for their expansion. Dominica is also highly vulnerable to destructive hurricanes.

In this situation, poverty is likely to increase until the economy recovers. Increasing poverty will further threaten the local family and community-based support networks that are so important at present. Prolonged un- or under-employment is also an acknowledged cause of family breakdown, crime and social unrest that can lead families into a cycle of poverty from which it is difficult to escape.

In addition to the above conditions, which are specific to Dominica, the country is affected by regional and international social trends that may lead to increased poverty in the future. The most important of these are:

- A youth subculture, especially among adolescent males, is perceived to be increasingly oriented towards a complex of early school leaving, unemployment, idleness and drug/alcohol abuse;
- Reproductive health patterns of unprotected sex, continuing teenage pregnancy/early child-bearing and the looming threat of HIV/AIDS are all likely to contribute to future poverty;
- Reduced support for elderly parents from their adult children.

The overall implications of this analysis are that:

- an increase in poverty in Dominica appears inevitable;
- every effort must be made to stimulate job creation and to maintain the existing physical and social infrastructure the economy;
concerted policies and programmes are needed to address a range of social issues (not all related to the economic situation) which can lead to future impoverishment.

I.6 Poverty Reduction Programmes

Dominica is fortunate to have almost universal provision of primary education, health care and basic infrastructure (water, electricity and roads). These are general programmes that benefit poor and not poor alike. Dominica also a wide range of programmes, operated by government and a variety of NGOs that, directly or indirectly, address virtually all the identified issues relating to poverty and its reduction. Taken together, these programmes are comprehensive in three ways:

? They involve activities that are developmental (i.e. that seek to directly increase economic activity), supportive (i.e. that address the needs of poor and vulnerable groups) and preventive (i.e. that target social issues that could lead to future impoverishment);

? They cover relevant productive and social sectors;

? They target communities, households and individuals including the most vulnerable sub-groups of the poor – the elderly, disaffected youth, the disabled, drug abusers, the indigent, households with family problems.

If there is one area where effectiveness is lower, it is amongst those programmes dealing directly with employment creation. This is not surprising as this is probably the hardest task of all requiring a successful mix of investment, entrepreneurial spirit, local opportunities and market demand. It is however the most critical in the current economic context.

The social sector programmes are, in the majority of cases considered, by beneficiaries and providers, to be effective, whether on a large or small scale. Several are innovative. In education alone, there are four major pro-poor programmes (School-feeding, the Education Trust Fund, the Textbook scheme and Christian Children Fund activities). Informed opinion is that these still do not fully cater to current demand. These programmes are widely seen as fundamental to maintaining high enrolment levels and educational standards.

Public Assistance is received by some 2,000 beneficiaries (much less than the population in households categorised as indigent) and the amount provided is well below the indigence line and is thus inadequate to provide a minimum diet let alone any other expenditure, such as utilities, health or education costs.
The demand for all these programmes will increase until the economy recovers. In all probability, there will also be an increase in poverty-related social problems (e.g. family breakdown, disaffected youth, drugs and crime, the elderly having to fend for themselves). This is at a time when government finances are being squeezed and NGOs are experiencing financial cutbacks from both international and domestic sources. In these circumstances, it will be difficult to maintain existing programmes let alone expand them or develop major new initiatives. The emphasis will thus need to be on:

- Developing innovative approaches to economic development and job creation;
- Maintaining existing programmes and maximising their effectiveness by improved targeting;
- Increasing links between Government and NGOs so as to reduce overlaps and concentrate resources on ‘best practice’ examples of current programmes;
- Developing resource-efficient programmes targeted at increasing family and social responsibility, safe sex, parenting skills and the like;
- Formulating robust proposals to secure overseas funding, both in the private and public sectors.

1.7 Legal and Human Rights Aspects of Poverty

The review of the governance, legal and human rights aspects of poverty in Dominica reveals a mixed picture. The country is a democracy with a generally low level of criminal activity and no evidence of human rights abuses. The constitution contains a number of provisions designed to enshrine the human rights of the population. There are however a number of shortcomings with the legal system which have a detrimental impact on the poor and the vulnerable:

- There is no legal basis for Public Assistance and current, unofficial criteria exclude a large number of indigent persons from receiving it.
- The laws related to child protection are fragmented.
- The system of court-enforced child maintenance is inadequate.
- The magistracy is bogged down with a huge backlog of cases.
- The upper level for small claims to be heard by the magistracy is too low.
There is no legal aid system, essentially excluding the poor from access to the legal system.

Other important lacunae are:

- The land registration system is archaic, incomplete and could act as a constraint to development.
- There are no programs explicitly directed at meeting the United Nations Conventions on Human Rights or at monitoring and reporting compliance.
- Despite the existence of environmental protection legislation, rural poverty is leading to problems of deforestation and soil erosion in some areas.

### 1.8 Towards a Poverty Reduction Strategy for Dominica

#### 1.8.1 General Considerations

As part of its negotiations with the International Monetary Fund, the Government is preparing a Poverty Reduction Strategy Paper (PRSP) that will provide a macro-economic and policy framework for future funds from international and bilateral lending agencies. The PRSP is likely to have four principal objectives:

- The promotion of economic growth and job creation.
- The betterment of the conditions of those currently in poverty and helping them to achieve a sustainable livelihood through a combination of direct income support and other measures.
- The development of the skills and health conditions that will enable current and future households to achieve and maintain a sustainable and fulfilling life.
- The elimination or reduction of potential causes of future impoverishment.

#### 1.8.2 Priority Programmes

Given the preparation of a longer term PRSP, proposals generated by this study have concentrated on short-term poverty reduction actions based on the following criteria:

1. Proposals should promote economic growth and job creation; or

2. Proposals should maintain proven existing programmes with a direct or indirect impact on poverty reduction; or
3. New initiatives should not require substantial additional government expenditures unless they can be externally funded.

The proposed priority actions are summarised in the Table 1. Projects that are ongoing with committed finance have been excluded¹.

**Table 1. Priority Poverty Reduction Actions**

<table>
<thead>
<tr>
<th>Category</th>
<th>ACTION</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Development/ Job Creation</td>
<td>Diversification of agriculture into new areas of production such as high quality fruits and vegetables for the regional market</td>
<td>Absolutely essential as agriculture is considered to offer the highest level of job creation in the short and long term.</td>
</tr>
<tr>
<td></td>
<td>Creation of Micro and Small Business Development Centre</td>
<td>Every attempt must be made to identify, promote and support small business development by expanding assistance beyond existing credit programmes to include marketing, management and other areas identified by operators.</td>
</tr>
<tr>
<td></td>
<td>Establish tourism sector forum</td>
<td>Tourism sector operators must work together and with Government to develop new initiatives and products if the growth potential of this sector is to be realised.</td>
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<tr>
<td></td>
<td>Identify and market potential sites for hotel development</td>
<td>Efforts need to be made to attract medium/ large scale hotel operators to the island.</td>
</tr>
<tr>
<td>Maintenance of Existing programmes</td>
<td>Maintain immunisation programme and distribution of primary health care facilities.</td>
<td>These programmes are the foundation of Dominica’s favourable health situation.</td>
</tr>
<tr>
<td></td>
<td>Investigate feasibility of graduated health charges</td>
<td>The introduction of graduated health charges would reduce financial pressures on the provision of health care.</td>
</tr>
<tr>
<td></td>
<td>Secure participation in OECS Drug Procurement Programme</td>
<td>Would result in reduced costs of drugs.</td>
</tr>
<tr>
<td></td>
<td>Maintain government pro-poor education assistance programmes</td>
<td>Without these programmes, enrolment amongst poor households will decrease leaving children ill-equipped to develop a sustainable livelihood in the future.</td>
</tr>
<tr>
<td></td>
<td>Review distribution of primary schools</td>
<td>Reducing the number of small primary schools could result in cost savings.</td>
</tr>
<tr>
<td></td>
<td>Establish committee on educational assistance programmes</td>
<td>Rationalisation and improved targeting of these programmes is likely to be essential given the current financial situation. NGOs and GOCD officials should work together to achieve this.</td>
</tr>
<tr>
<td></td>
<td>Prioritise maintenance of water supply and road networks</td>
<td>The water and road networks must not be allowed to deteriorate. Maintenance expenditure needs to be ‘ring-fenced’.</td>
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</tbody>
</table>

¹ E.g. BNTF, CIDA Legal Aid project, the National Shelter Development Project, improvements to Melville Hall airport, fisheries complexes in Roseau and Marigot.
<table>
<thead>
<tr>
<th>Category</th>
<th>ACTION</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reinstatement of standpipes</td>
<td>Access to safe water must be safe-guarded. A substantial proportion of the population relies on standpipes for their supply.</td>
<td></td>
</tr>
<tr>
<td>Establish committee on assistance programmes for vulnerable groups</td>
<td>Rationalisation of these programmes is likely to be essential given the current financial situation. NGOs and GOCD officials should work together to identify and support those deemed to represent ‘best practice’..</td>
<td></td>
</tr>
<tr>
<td>HIV/AIDS/Teenage Pregnancy Awareness Programme</td>
<td>These are trans-Caribbean issues which can have a devastating social, economic and human impact if they are not checked.</td>
<td></td>
</tr>
<tr>
<td>Increase provision of vocational/technical education in secondary schools</td>
<td>Not all pupils are suited to an academic education. The work force of the future will need a wide range of skills.</td>
<td></td>
</tr>
<tr>
<td>Introduce course in life skills education</td>
<td>Lack of these skills is seen as a major cause of single parenthood and family breakdown, both of which lead to poverty.</td>
<td></td>
</tr>
<tr>
<td>Review operation of welfare system.</td>
<td>The current level of PA is too low. Many indigent families are ineligible under current criteria. There is no legal basis for PA.</td>
<td></td>
</tr>
<tr>
<td>Initiate research into adolescent and young adult males</td>
<td>This is a growing problem that needs to be addressed forthwith.</td>
<td></td>
</tr>
<tr>
<td>Prepare funding proposal for a facility for young offenders</td>
<td>The current absence of such facilities impedes the rehabilitation of young offenders.</td>
<td></td>
</tr>
<tr>
<td>Improve operation of child maintenance system</td>
<td>Child support is crucial to the financial health of single parents. The current system is ineffective.</td>
<td></td>
</tr>
<tr>
<td>Reform magistracy operations</td>
<td>At present, the magistracy is barely functioning due to insufficient resources and an excessive backlog of old cases.</td>
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</tr>
<tr>
<td>Establish task force to review legal framework for families and children</td>
<td>Current laws are fragmented, often inconsistent.</td>
<td></td>
</tr>
<tr>
<td>Examine housing land delivery</td>
<td>Land for housing low income families is lacking in several communities.</td>
<td></td>
</tr>
<tr>
<td>Environment</td>
<td>Maintain integrity of national parks and forests</td>
<td>Dominica’s environment is too valuable an asset to be allowed to deteriorate.</td>
</tr>
</tbody>
</table>

1.8.3 Implementation, Monitoring and Resourcing

(a) Implementation

It is anticipated that the recommendations contained in this report will be incorporated into the PRSP that is now in preparation by the Ministry of Finance. The PRSP will serve as GOCD’s overall development strategy, policies and programmes for the years to come. It is considered that most of the actions proposed in this report could be implemented over the next two to three years as, for the most part, they do not require substantial expenditure and could be accomplished by current personnel as part of their normal duties. Several other proposed actions involve the maintenance of existing programmes but increasing their
effectiveness through rationalisation and improved targeting; others are aimed at securing assistance from overseas donors.

Successful implementation will require:

? The involvement of many government and NGOs with considerably strengthened inter-agency co-ordination and co-operation.

? The establishment of inter-sectoral ad hoc committees to tackle key social issues such as unsafe sexual practices, male adolescent under-achievement and assistance to vulnerable women and children.

? A willingness to set priorities and re-evaluate existing programmes leading to their rationalisation and improved targeting.

? The preparation of thorough and convincing proposals for external funding agencies.

? Commitment at the highest level of government to these processes.

? Assistance from international donors.

(b) **Monitoring**

Monitoring of the social and economic evolution of the island as a whole and of the poor in particular is essential. Effective monitoring is best achieved through the identification of relatively few, easily obtainable, key indicators rather than attempting to maintain an up to date database of detailed information. It is also best achieved by making full use of existing data routinely collected by government agencies and NGOs rather than by continually undertaking sample household surveys that are resource hungry. It is therefore recommended that the proposed inter-agency committees and working groups should, as part of their remit, develop a limited number of key poverty-related indicators that can readily be derived from the information that they routinely compile.

(c) **Resourcing**

With regard to the funding of priority actions, the following should be noted:

? There is little requirement for capital expenditure;

? Several involve the maintenance/ re-orientation of existing programmes that are already part of the government’s recurrent expenditure;

? All others involve the preparation of proposals, reviews, workshops that have negligible expenditure implications as they would be carried out by government/ NGO officers as part of their duties. These activities are aimed at increasing cost effectiveness.
Proposals that are likely to result in significant expenditure are the diversification of agriculture, the HIV/AIDS awareness campaign, and projects to reduce environmental degradation.

Widening eligibility to, and increasing the level of, Public Assistance is unlikely to be implementable in the short-term.

(d) **External Assistance**

Dominica is already fortunate in the extent of financial and technical assistance received from overseas both to government and NGOs from a wide variety of sources – international and regional lending organisations, bilateral agencies and charities. There is every likelihood that assistance will continue to be received provided that:

- Funding proposals are framed explicitly within the context of the PRSP
- Funding proposals are clearly targeted, show clear benefits in terms of economic growth and/or poverty reduction and are supported by government and beneficiaries alike.

In this context, it is considered that external assistance should be sought for:

- Financing of agricultural diversification initiatives – the number one priority
- Financing of expertise in tourism marketing and small business development
- Drafting of welfare legislation
- Review of health care financing
- Given the Caribbean-wide concern about issues such as unsafe sexual practices, adolescent male under-achievement, the following projects should be part of an OECS or CARICOM initiatives:
  - HIV/AIDS/Teenage Pregnancy Awareness Campaign
  - Investigations into the needs and aspirations of young men.
  - Development of a curriculum for life skills education.

Existing pro-poor education programmes are partly supported by external finance. Even with substantial rationalisation, GOCD will have difficulty maintaining these programmes, let alone expanding them to accommodate current and future demand. In this situation, programme assistance from international donors will be essential in maintaining and improving the conditions of the poorest families in Dominica. Every attempt should be made to increase this assistance.
Projects related to the sustainable use of natural resources are favoured by many donor agencies. Best practice from ongoing projects on the island should be synthesized and developed into proposals for their replication.

I.9 Concluding Remarks

At first sight, these proposed priority poverty reduction actions may appear modest in scope – there is little capital expenditure, many of the programmes are ongoing and have a range of committed government and non-government agencies to implement them.

But these proposals do not constitute a modest programme. Government fiscal ability is declining just as the demands on existing pro-poor programmes are increasing. Poverty reduction in Dominica in the short and medium terms therefore represents a major challenge that will require:

- Increased co-operation between government and NGOs.
- Allocation of government funding that plays to the respective strengths of existing programmes whether operated by Government or NGOs.
- Reduction in government expenditures not shown to be effective in terms of either economic growth or poverty reduction.
- The increased involvement of local communities and the public in decision-making
- Assistance from international donors.

Above all, it will require commitment at the highest level of government to carry out these changes. The recent budget address has started this process; preparation of the PRSP with its participatory requirements will continue it. Implementation of the proposed actions will be the next stage in the process of putting Dominica on the road to long-term sustainable development.
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Acronyms

AGR  Annual Growth Rate  
AID  Agricultural Industrial and Development Bank  
BERP  Basic Education Reform Project  
BGA  Bureau of Gender Affairs  
BMC  Borrowing Member Country (within the Caribbean Development Bank)  
BNI  Basic Needs Index  
BNTF  Basic Needs Trust Fund (funded by CDB)  
BVI  British Virgin Islands  
CALLS  Centre where Adolescents Learn to Love and Serve  
CAREC  Caribbean Epidemiology Centre  
CCF  Christian Childrens’ Fund  
CDB  Caribbean Development Bank  
CDGA  Ministry of Community Development and Gender Affairs, Dominica  
CEDAW  Convention on the Elimination of All Forms of Discrimination against Women  
CEE  Common Entrance Exam  
CERD  United Nations Convention on the Elimination of all forms of Discrimination  
CFNI  Caribbean Food and Nutritional Institute (CFNI)  
CESD  Community Education and Skills Development  
CIDA  Canadian International Development Agency  
CPA  Country Poverty Assessment/s  
CRC  International Convention on Civil and Political Rights  
CXC  Caribbean Examination Council  
DBMC  Dominica Banana Marketing Corporation  
DFID  Department for International Development United Kingdom  
DPPA  Dominica Planned Parenthood Association  
DR  Dominican Republic  
D-REP  Dominica Rural Enterprise Project (funded by CDB)  
DSS  Dominica Social Security
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>ECS</td>
<td>Eastern Caribbean Dollars (there are approximately ECS2.7 to US$1.00)</td>
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<td>ECCB</td>
<td>Eastern Caribbean Central Bank</td>
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<tr>
<td>EPU</td>
<td>Education Planning Unit</td>
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<tr>
<td>ETF</td>
<td>Education Trust Fund</td>
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<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>GDP/GNP</td>
<td>Gross Domestic Product/ Gross National Product</td>
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<td>GEF</td>
<td>Global Environment Fund</td>
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<tr>
<td>GIS</td>
<td>Geographic Information System</td>
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<td>GOCD</td>
<td>Government of the Commonwealth of Dominica</td>
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<td>HDI</td>
<td>Human Development Index</td>
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<td>Hhold/ HH</td>
<td>Household(s)</td>
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<td>HIL</td>
<td>Household Indigence Line</td>
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<tr>
<td>HIV/AIDS</td>
<td>Human Immuno-deficiency Virus/ Auto Immune Deficiency Syndrome</td>
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<tr>
<td>HPL</td>
<td>Household Poverty Line</td>
</tr>
<tr>
<td>ICCPR</td>
<td>International Covenant on Civil and Political Rights</td>
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<td>ICESCR</td>
<td>International Covenant on Economic, Social and Cultural Rights</td>
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<tr>
<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<tr>
<td>IICA</td>
<td>Inter-American Institute for Cooperation on Agriculture</td>
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<tr>
<td>ILO</td>
<td>International Labour Organisation</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<td>JSP</td>
<td>Junior Schools Programme</td>
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<td>MFB</td>
<td>Minimum Daily Cost Food Basket</td>
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<td>MoEYA</td>
<td>Ministry of Education, Ports and Youth Affairs</td>
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<td>NAT</td>
<td>National Assessment Team – Dominica</td>
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<td>NFD</td>
<td>National Foundation of Dominica</td>
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<tr>
<td>NGO</td>
<td>Non-Government Organisation/s</td>
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<td>NHE</td>
<td>National Health Expenditure</td>
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<td>OECs</td>
<td>Organisation of Eastern Caribbean States</td>
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<td>OYQ</td>
<td>Operation Youthquake</td>
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<td>PA</td>
<td>Public Assistance</td>
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<td>PAHO</td>
<td>Pan America Health Organisation</td>
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<td>PPAs</td>
<td>Participatory Poverty Assessments</td>
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<tr>
<td>Acronym</td>
<td>Description</td>
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<tr>
<td>PRGF</td>
<td>Poverty Reduction Growth Facility</td>
</tr>
<tr>
<td>(I)PRSP</td>
<td>(Interim) Poverty Reduction Strategy Paper</td>
</tr>
<tr>
<td>SERVOL</td>
<td>Service Volunteered for All</td>
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<tr>
<td>SSA</td>
<td>Social Security Authority</td>
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<td>SFP</td>
<td>School Feeding Programme</td>
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<td>SHI</td>
<td>School for the Hearing Impaired</td>
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<td>SLC</td>
<td>Survey of Living Conditions</td>
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<td>SPAT</td>
<td>Small Projects’ Assistance Team</td>
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<tr>
<td>STD</td>
<td>Sexually Transmitted Diseases</td>
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<td>STEP</td>
<td>Short Term Employment Programme</td>
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<td>SWD</td>
<td>Social Welfare Department</td>
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<tr>
<td>TBS</td>
<td>Text Book Scheme</td>
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<tr>
<td>TEFL</td>
<td>Teaching English as a Foreign Language</td>
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<tr>
<td>TOC</td>
<td>Team of Consultants</td>
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<tr>
<td>UNESCO</td>
<td>United Nations Education Social and Cultural Organisation</td>
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<tr>
<td>UNICEF</td>
<td>United Nations Childrens Education Foundation</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>WTO</td>
<td>World Trade Organisation</td>
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1 Introduction

1.1 Background
This study of poverty in the Commonwealth of Dominica (Dominica) is one of a series of Country Poverty Assessments (CPAs) undertaken throughout the Caribbean since 1995 following the Caribbean Development Bank’s decision to target more of the benefits from its development programme in the Borrowing Member Countries (BMCs) to the poor. Financial assistance has also been provided by the Department for International Development (DfID) of the United Kingdom, the Canadian International Development Agency (CIDA) and the United Nations Development Programme (UNDP).

To date, CPAs have been conducted in 10 of the 17 BMCs with 8 of them completed. This CPA is being undertaken in parallel with CPAs in the British Virgin Islands and Anguilla.

1.2 Objectives
This Country Poverty Assessment (CPA) Report for Dominica provides an examination of the economic and social conditions of the population of the country in 2002. The study has four primary objectives:

? To identify the extent, severity, characteristics and causes of poverty in Dominica.

? To identify factors such as economic and social policies, unemployment, and socio-cultural-legal characteristics which contribute to the generation, exacerbation or reduction of poverty in Dominica.

? To evaluate the effectiveness of current policies and programmes of Government Agencies and Non-Governmental Organisations (NGOs) in terms of their impact on the poor and more disadvantaged groups of the population.

? In the context of 3 above, to develop a programme of action which sets out strategies, policies and programmes to reduce poverty including some or all of the following: improvements in economic and social policy and programmes, changes to the institutional and legal frameworks, the identification of investment/infrastructure projects, and strengthening of NGO activities.

1.3 Study Approach
The CPA for Dominica has been a joint undertaking of a National Assessment Team (NAT) including members from government agencies (e.g. Ministry of Finance, Ministry of Education, Ministry of Health) and non-Government organisations (e.g. Small Projects’
Assistance Team (SPAT), Christian Children’s Fund (CCF), Dominica National Council of Women) and a Team of Consultants (TOC) appointed by the Caribbean Development Bank.

The CPA involved four principal components:

? A review of available reports, statistics and other data produced by government agencies and others.

? A Survey of Living Conditions (SLC) carried out in 953 households (4% of the total) in July and August 2002 by the Department of Statistics. The SLC collected information on household expenditure and income, housing, labour force, education, disability and other characteristics.

? A series of Community Surveys/ Participatory Poverty Assessments (PPAs) using participatory methods that included walk through surveys, focus groups, community meetings and case studies. These surveys were undertaken in 7 communities selected to represent different social and economic circumstances.

? An Institutional Analysis involving meetings and discussions with a wide range of government and non-government agencies involved in programmes related directly and indirectly to the reduction of poverty and the provision of assistance to vulnerable groups.

Workshops involving the NAT and the TOC were held in Dominica in April (Introductions and Study Objectives), May (Study Components, Methodology and Workplan), June (Concepts and Definitions of Poverty, the Measurement of Poverty, specific Dominican problems and issues), November (Presentation of Findings). Working Papers containing draft versions of Chapters 2, 4 and 5 of the CPA were submitted by the TOC to the NAT in mid-2002 for their review and comment. All aspects of the study with the exception of the preparation of the Final Report were completed between April 2002 and January 2003. In April 2003, presentations of the draft Final Report were made in Dominica at community meetings in Dublanc and the Carib Territory, and to government officials in Roseau. CDB attended the workshops in April and May 2002 as well as the April 2003 presentations. This Final Report incorporates comments (verbal and written) from the above presentations, an inter-agency meeting held at CDB’s offices in Barbados (also in April 2003), as well as two independent critiques commissioned by the CDB. Aside from providing critical inputs to the formulation of the recommendations, NAT members were responsible for the execution and analysis of the SLCs and the PPAs.

1 A 2-stage sample design was used. Details are provided in Volume 2
1.4 The Definition of Poverty and its Measurement

1.4.1 Definitions of Poverty

Literature on the nature and definition of poverty abounds to the extent that it is not possible for this or any other CPA to review this work in any detail. A realistic starting point can be provided by citing some of the definitions used:

‘The condition of being without adequate food, money, etc.’ – The Collins English Dictionary

‘(Having) an income which, even if adequate for survival, falls radically behind that of the community as a whole’ – J.K. Galbraith, 1962

‘(The) inability to attain a minimum standard of living’ – World Bank, 1990

‘(The) pronounced deprivation of well-being’ – World Bank, 2000

‘(The) deprivation of essential assets and opportunities to which every human being is entitled’ – Asian Development Bank, 1998.

At some risk of over-simplification, recent definitions of poverty are more all-embracing in nature, incorporating concepts such as voicelessness, powerlessness, vulnerability, lack of self esteem and lack of opportunity, rather than being confined simply to the inability to satisfy basic consumption requirements. For the purposes of this study, the concept of ‘well-being’ is considered to be a useful general term to bracket non-income aspects of poverty such as those described above.

1.4.2 Income and Non-Income Poverty

In general, there will be a high correlation between lack of income and lack of well-being – people and households with inadequate income are likely to be suffering from an increased vulnerability to changing economic and social circumstances, reduced income-earning potential, inadequate housing, lack of basic infrastructure (safe water, electricity, reasonable road access), susceptibility to household disruption due to domestic violence, teenage pregnancy, drug use, HIV/AIDS. The converse will also be true more often than not – not poor households are far less likely to be affected by loss of well-being.

However this correlation is far from total. On the one hand, low income communities or cultures (urban and rural) may not consider themselves to be poor (‘We are poor but we are not in poverty’) if they consider that their basic needs (food, utilities, employment, etc.) are being met and if they see their local community as supportive and non-threatening.

On the other hand, higher income households may experience a serious lack of well-being if they are affected by social problems of a general (e.g. endemic crime/ violence or racial discrimination) or intra-household (e.g. drug use, domestic violence and abuse as in suburban America or Europe) nature. Another way of looking at this group is that they are
sources of potential future poverty if current problems are not attended to, i.e. these problems could result in loss of income thereby causing the household to slip into income poverty.

Either way, any poverty assessment should not confine itself to an assessment based on income criteria alone but should address issues related to loss of well-being which are not always directly associated with income poverty.

1.4.3 Absolute and Relative Poverty

The Galbraith definition cited above is notable in that it introduces the notion of ‘relative’ as opposed to ‘absolute’ poverty. ‘Absolute’ poverty implies a standard below which the household could not survive in a healthy or satisfying way. In contrast ‘relative’ poverty is concerned with the inequality in incomes (or consumption) between different groups with no reference to the level of actual income.

There are advantages and disadvantages of both approaches. Approaches to poverty based on ‘absolute’ poverty are generally easier to conceptualise – all that is needed is an accepted definition of what is needed for a healthy and satisfying life. Poverty reduction strategies and programmes can then be targeted at ensuring that all families have the means (financial or otherwise) to achieve this minimum standard. Unfortunately specifying the minimum standard is easier said than done (see below). In addition, in developed nations where absolute poverty is low and most basic needs are met for the great majority of households, issues of equity and inequality become of increasing importance – factors which are not amenable to analysis or countermeasures if absolute criteria are adopted.

In consequence, many countries use relative standards (e.g. incomes below 50 or 60% of the national median) as the primary criterion of poverty. Such definitions provide an easier way of estimating the overall level of poverty. The relative approach also reflects a justified pre-occupation with inequality and an often instinctive reaction to make comparisons whether on a household, national or international level. But relative approaches to poverty assessment also have their problems:

- for instance, doubling everyone’s real income will produce no change in the level of poverty if a relative measure is used; and

- policies (e.g. highly progressive tax regimes) to bring about a significant redistribution of income (or wealth) do not figure highly on most political agendas.

As with the issue of income/ non-income poverty, poverty assessments need to ensure that key issues are not constrained by over-reliance on a particular type of indicator.
1.4.4 The Measurement of Poverty

Given the difficulties in defining poverty, it is no surprise that the measurement of poverty is also problematic. Most poverty assessments start with the derivation of a poverty line based on household income/expenditure. These generally, but not always, involve two elements: food expenditure and non-food expenditure. While the specification and costing of a minimum food basket to provide an adequate diet can be done reasonably objectively, the same cannot be said of non-food expenditures – expenditure for water and other utilities is essential as would be minimum amounts for health, education and transport but what about television, Christmas celebrations, holidays away from home? The difficulties in defining a minimum ‘basket’ of non-food expenditures has led to many countries adopting poverty lines based wholly or partly on relative measures which although easier to derive and apply, give rise to the conceptual problems described in the preceding paragraph.

The problem of measurement becomes more fraught if one attempts to introduce the more abstract notions related to well-being. There are measures of overall poverty such as the Basic Needs Index (BNI) or the Human Development Index (HDI) which give increased importance to non-monetary aspects of poverty, e.g. provision of basic infrastructure, life expectancy, access to education, infant mortality. However these measures also have their shortcomings:

? they are of limited use in countries, like Dominica, where the provision of basic infrastructure is high along with school enrolment and life expectancy;

? the HDI, in particular, is not computable at the household level; and

? they do not embrace the more abstract aspects of well-being such as vulnerability, powerlessness, lack of self-esteem and lack of opportunities.

Even if one could define and quantify well-being, there remains the issue of how to combine this measure with the measures of income poverty. These issues have yet to be resolved through research and/or consensus between the international agencies. Yet the measurement of poverty is critical if poverty reduction strategies, programmes and policies are to be designed, implemented and monitored.

In consequence, the World Bank, the Caribbean Development Bank and other agencies continue to rely on country-specific income/expenditure-based poverty lines as the starting-point for country poverty assessments with well-being seen as a characteristic of poverty rather than as part of its definition.

Interestingly, these issues may lead to a revision of the poverty line used in Great Britain from one based on relative criteria to one based on absolute criteria.
In this context, the need for comparability is paramount and the methodology for deriving the poverty lines for this study is the same as for previous CPAs with much of the ensuing analysis examining how socio-economic variables vary between poor and not-poor households defined on the basis of this poverty line. In contrast, the non-quantifiable aspects of poverty (i.e. those related to well-being) are addressed primarily through the qualitative research (i.e. the Community Surveys).

1.5 Report Structure

Chapter 2 of this Report provides a general overview of the historical, economic and social context of Dominica as it affects current and potential future levels of poverty in the country. Chapter 3, drawing primarily on the findings of the SLC and the Community Surveys/PPAs, provides information on the extent and characteristics of poverty in Dominica; the final Section of this chapter contains an overview of poverty in Dominica and an assessment of its main causes.

The results of the Institutional Analysis are presented in Chapter 4 with emphasis on existing government and non-government programmes which affect the poor and the vulnerable. Chapter 5 describes the results of our investigation into the legal and human rights aspects of poverty in Dominica. Finally Chapter 6 presents the first steps towards defining a poverty reduction strategy with associated policies and programmes for the country.

Volume 2 of this Report contains supporting material including additional tabulations, a description of the methodologies used to estimate the minimum food basket and to conduct the SLC and the principal survey instruments as well as an annotated review of the laws and statutes having a bearing on the poor.
2 Social and Economic Context

2.1 Geography
Dominica is the largest of the Windward Islands; it covers 289 square miles and has approximately 91 miles of coastline. Only 29 miles long and 16 miles wide, the island is situated on the inner volcanic arc of the Lesser Antilles.

This arc extends from the Trinidad-Grenada Passage in the south up to the Anegada Passage between the Virgin Islands and Anguilla. The islands of the Lesser Antilles are of volcanic origin. They have rugged mountains in the central areas and narrow coastal shelves and valleys.

Dominica is characterized by very rugged and steep terrain. The northern half is dominated by the cone of its highest mountain, Morne Diablotin (4,747 ft). Four of Dominica's mountains rise over 4,000 feet. A chain of seven other mountains extends from the island's center to the south. The topography is also characterized by a large number of ridges and deep, narrow river valleys. Flatter areas are restricted to the coastal areas of the north east and center of the island.

The geology of Dominica is similar to the other volcanic islands in the Lesser Antillean Archipelago. Volcanic activity is present in regions of the Valley of Desolation and Boiling Lake, Wotten Waven and the Soufriere. Coral limestone areas are almost nonexistent and are restricted to small outcrops and uplifted areas on the west coast.

Dominica boasts of a variety of natural attractions including numerous rivers and streams, deep river gorges, waterfalls, fumarole areas, a boiling lake (considered the world's largest) and four cold freshwater lakes, two situated more than 2,500 feet above sea level. Dominica’s rivers and lakes provide the island’s water supply as well as leisure attractions for local and international tourists.

The climate is humid tropical marine. It is characterized by little seasonal variation in temperatures and strong, steady trade winds. The island is among the wettest in the Caribbean and there are few months without some rain, especially in the interior. The amount of rainfall is however seasonal with the wettest months generally occurring between June and November.

Dominica's relatively high range of altitude, coupled with its rainfall, has given rise to a wide variety of vegetation. The undisturbed forests have been described as the most extensive in
the Lesser Antilles, while its rain forests are considered the finest in the insular Caribbean. Over 60% of the island is still under some form of natural vegetation.

Native flora includes over 1,000 species of flowering plants including 74 species of orchid and 200 ferns. Twenty-two endemic species of plants have been identified. Dominica has a relatively varied fauna and hosts the most diverse assemblage of wildlife in the smaller Eastern Caribbean islands, with birds and bats particularly represented. To date, 172 species of birds have been recorded and two endemic and endangered species of parrot - the Sisserou (Dominica's National Bird) and the Red-necked or Jaco Parrot. The twelve species of bat on the island are the only native mammals.

Several species of whales and dolphins are found in the waters around Dominica, which is fast positioning itself as the leading whale-watching destination in the region. There are several small coral reefs around Dominica with a variety of sponges, corals, soft coral and tropical fish. Molluscs and marine plants add to the marine bio-diversity of the island.

2.2 Historical Setting

Christopher Columbus named the island after the day of the week he spotted it - Sunday, 3 November 1493.

France laid claim to the island in 1635 and a few years later sent a contingent of missionaries who were driven off by Caribs. The French and English signed a neutrality treaty in 1660 agreeing to Carib possession of the island. Nevertheless, French settlers from the neighbouring French West Indies began establishing coffee plantations on Dominica toward the end of the century. France sent a governor in the 1720s and took formal possession of the island.

For the remainder of the 18th century, Dominica was caught up in the French and British skirmishes that marked the era, changing hands between the two powers several times. Under the Treaty of Paris, the French ceded the island to the British in 1763. The French tried to recapture Dominica in 1795 and again in 1805.

After 1805 the island remained firmly in the possession of the British, who established sugar plantations on Dominica's more accessible slopes.

Following the abolition of slavery, in 1838 Dominica became the first and only British Caribbean colony to have a black-controlled legislature in the 19th century.

The British administered the island as part of the Leeward Islands Federation until 1939, when it was transferred to the Windward Islands Federation. In 1967, Dominica gained
control over its internal affairs as a West Indies Associated State; in 1978, on the 485th anniversary of Columbus' 'discovery,' Dominica became an independent republic within the Commonwealth.

Hurricane David, packing winds of 150 miles an hour, devastated the island in August 1979, denuding vast tracts of forest, destroying banana crops and wreaking havoc on much of Roseau. Forty-two people were killed and 75% of the islanders' homes were destroyed or severely damaged.

2.3 Social Setting
2.3.1 Governance
Dominica has a Westminster-style parliamentary government. A president and prime minister make up the executive branch. Nominated by the prime minister in consultation with the leader of the opposition party, the president is elected for a five-year term by the parliament. The president appoints as prime minister the leader of the majority party in the parliament and also appoints, on the prime minister's recommendation, members of the parliament from the ruling party as cabinet ministers. The prime minister and cabinet are responsible to the parliament and can be removed on a no-confidence vote.

The unicameral parliament, called the House of Assembly, is composed of 21 constituency representatives and nine senators. The parliamentary representatives are elected by universal suffrage. The senators are appointed by the president – five on the recommendation of the prime minister and four on the recommendation of the opposition leader. Elections for representatives and must be held at least every five years, although the prime minister can call elections any time. Senators can be appointed at any time.

There are currently three main political parties: the Labor Party of Dominica, the United Workers Party and the Dominica Freedom Party.

Dominica's legal system is based on English common law. There are three magistrate's courts, with appeals made to the Eastern Caribbean Court of Appeal and, ultimately, to the Privy Council in London.

Local government consists of councils with the majority of representatives elected by universal suffrage. Supported by property taxation and government grants, the councils are responsible for the regulation of markets and sanitation and the maintenance of secondary roads and other municipal amenities. The island is also divided into 10 parishes, whose

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3 On occasion, disagreements have led to two nominations being made.
governance is unrelated to the local governments. The Carib territory has its own ruling council with a greater degree of autonomy (see Chapter 5).

2.3.2 Population

(a) Population Growth

The population of Dominica is currently around 71,700, virtually the same as in 1991 and little different from that in 1970 (Figure 2.1). In the last 10 years, the natural increase (the excess of births over deaths) was 9,300. During this period, the birth rate decreased from around 25 per 1000 in 1991 to 18 per 1000 in 2001; there has been little change in the death rate which remains around 8 per 1000. As a result, the current rate of natural increase is around 1% per annum although this can be expected to further decline as the actual number of births has decreased by over 40% from around 1,200 in 1990 to under 700 in 2000.

The fact that the population has hardly changed during the last 10 years despite the prevailing rate of natural increase indicates that there has been a high level of emigration; this is clearly shown in Figure 2.1 (see also paragraph (c) below).

Figure 2.1. Population Growth in Dominica, 1901-2001

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4 Includes around 500 residents in institutions who are excluded from subsequent tabulations and analysis.
Figure 2.2 shows the geographic distribution of the population in 2001. It is notable for its overwhelming concentration around almost the entire coastline and particularly along the more hospitable west coast. The dominance of Roseau is also apparent – around 4 times larger than the next biggest settlement.

The geographic pattern of population change within Dominica has been uneven (Table 2.1 and Figure 2.3). Significant population growth occurred in the area surrounding Roseau (ie. rest of St. George) as well as St. John and St. Paul. St. John contains Portsmouth, the second largest town after Roseau while St. Paul is located just north of Roseau. Areas showing the most pronounced declines are the city of Roseau, St. Andrew and St. Patrick. The Table shows that, apart from St. John, these are well established trends which also existed during the 1980s. In general, the areas where population has increased are in or adjacent to the main urban centres of Roseau and Portsmouth. The above average growth around Roseau, and particularly in St. Paul, most likely reflects the outward movement of new urban households. The decline in most other districts however also indicates some rural-urban migration.

Table 2.1. Population Change in Dominica, 1981 - 2001

<table>
<thead>
<tr>
<th>PARISH</th>
<th>POPULATION</th>
<th>Change (1991-2001)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>St. George</td>
<td>20,501</td>
<td>20,365</td>
<td>20,211</td>
</tr>
<tr>
<td>Roseau</td>
<td>16,713</td>
<td>15,853</td>
<td>14,847</td>
</tr>
<tr>
<td>Rest of St. George</td>
<td>3,788</td>
<td>4,512</td>
<td>5,364</td>
</tr>
<tr>
<td>St. John</td>
<td>5,412</td>
<td>4,990</td>
<td>5,897</td>
</tr>
<tr>
<td>St. Peter</td>
<td>1,601</td>
<td>1,643</td>
<td>1,518</td>
</tr>
<tr>
<td>St. Joseph</td>
<td>6,606</td>
<td>6,183</td>
<td>5,940</td>
</tr>
<tr>
<td>St. Paul</td>
<td>6,386</td>
<td>7,495</td>
<td>8,482</td>
</tr>
<tr>
<td>St. Luke</td>
<td>1,503</td>
<td>1,552</td>
<td>1,576</td>
</tr>
<tr>
<td>St. Mark</td>
<td>1,921</td>
<td>1,943</td>
<td>1,891</td>
</tr>
<tr>
<td>St. Patrick</td>
<td>9,760</td>
<td>8,929</td>
<td>8,477</td>
</tr>
<tr>
<td>St. David</td>
<td>7,337</td>
<td>6,977</td>
<td>6,789</td>
</tr>
<tr>
<td>St. Andrew</td>
<td>12,748</td>
<td>11,106</td>
<td>10,461</td>
</tr>
<tr>
<td>TOTAL</td>
<td>73,795</td>
<td>71,183</td>
<td>71,242</td>
</tr>
</tbody>
</table>

* Average Annual Growth Rate. Source: Preliminary Results of 2001 Census, Central Statistical Office
(b) Age Distribution

The age distribution of Dominica’s population in 2002 is shown in Figure 2.4 and summarised in Table 2.2. Points to note are the significant proportion of elderly (11%) and the very low proportion of young (under 5 year) children which confirms the declines in the number of births and the birth rate described in paragraph 2.3.2(a). Comparisons with 1991 data (see Fig. 2.4) show that the population has aged over the last 10 years with higher proportions in all age groups over 30 years.

The sex ratios do not present an entirely consistent pattern although the ‘excess’ of females over 64 years reflects the fact that females tend to live longer than males.

Table 2.2. Population by Age and Sex, 2002

<table>
<thead>
<tr>
<th>Age Group (years)</th>
<th>Male</th>
<th>Female</th>
<th>ALL</th>
<th>Sex ratio*</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-4</td>
<td>7.3%</td>
<td>8.4%</td>
<td>7.8%</td>
<td>87</td>
</tr>
<tr>
<td>5-14</td>
<td>22.9%</td>
<td>21.1%</td>
<td>22.0%</td>
<td>110</td>
</tr>
<tr>
<td>15-24</td>
<td>16.3%</td>
<td>16.3%</td>
<td>16.3%</td>
<td>101</td>
</tr>
<tr>
<td>25-44</td>
<td>28.0%</td>
<td>26.3%</td>
<td>27.1%</td>
<td>110</td>
</tr>
<tr>
<td>45-64</td>
<td>16.1%</td>
<td>15.5%</td>
<td>15.8%</td>
<td>106</td>
</tr>
<tr>
<td>65+</td>
<td>9.4%</td>
<td>12.4%</td>
<td>10.9%</td>
<td>75</td>
</tr>
<tr>
<td>All</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>101</td>
</tr>
</tbody>
</table>

* Males per 100 females

(c) Migration
The level of emigration over the last 10 years estimated from the SLC (around 10,000) is similar to that derived from the inter-censal change in population (paragraph 2.3.2 (a) above). Other relevant findings from the SLC are that:

- 55% of Dominican households have at least 1 close family member (spouse, child, parent or sibling) living overseas;
- over 30% of households have ‘lost’ family members to migration in the last 10 years;
- approximately 40% of migrants reside in North America and a similar proportion in other Caribbean countries; most of the remainder live in the UK;
- over three quarters of migrants are working overseas. Just over half the remainder are studying abroad;
- migrants are as likely, if not more likely, to be female than male (Table 2.2 shows higher sex ratios than expected for males in the 25-64 year age ranges);
A large proportion (around three-quarters) of migrants in the last 10 years were adults of prime working age (from 20 to 34 years); this is confirmed by the PPAs which found significant levels of out-migration of working age adults in all communities apart from Carib Territory.

Migration has been a continuing feature of Caribbean life over the last half century, almost always as a result of poverty and lack of employment. Without this safety-valve, it is difficult to see how most Caribbean islands could have coped with the population pressures on housing, land and services. Migration has also provided invaluable financial support to family members at home. Women as well as men have participated in this migration. However, migration also constitutes a brain drain, reduces support for elderly parents and, when men or women migrate without their families, there is often a negative impact on family life.

(d) **Ethnicity**

The Dominican population is predominantly (almost 80%) of African extraction. Just over 4% are Carib, the only concentration of indigenous peoples in the Antilles. Most of the remainder are mixed race.

(e) **Households**

Emigration and the declining birth rate have resulted in a substantial drop in average household size – from around 4 in 1991 to just over 3 currently. At present, 43% of households have either 1 or 2 persons, 32% have 3 or 4 persons, 17% have 5 or 6 persons, and under 9% have more than 6 persons. In consequence and in contrast to population, the number of households has increased by around 14% (from 21,000 to 24,000) over the last 10 years. One fifth of households have changed their residence in the last 5 years. The majority (75%) of these households have moved within the same parish, indicating limited migration to urban areas.

### 2.3.3 Health

The Ministry of Health has responsibility for primary and secondary health facilities and services. Most of the focus on health services is on preventive health care. Primary health care is provided through seven health centres (one for each health district) and 44 clinics located throughout the island. The seven health districts and the centres in each are used to structure, administer and manage health services within each district. Services are generally

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provided with no direct charge to the user with funding provided centrally. The range of care provided by clinics includes:

- Type I clinics offering care with district nurse services only; and
- Type II and III clinics /centres offering comprehensive services such as district health officers, midwifes and other support staff.

Type I clinics are located to serve, on average, 600 persons within a 5 mile radius of the clinic providing a large proportion of the population with localised primary health services.

Secondary health care is provided at the Princess Margaret Hospital in Roseau which has a capacity of 195 beds.

Table 2.3 provides some comparative health indicators for Dominica and other Caribbean countries. Dominica has a high life expectancy and the majority of households have access to safe water and excreta disposal. The number of physicians to serve the population is low although this is partly counter-balanced by the wide distribution of primary health care facilities.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Dominica</th>
<th>BVI</th>
<th>Anguilla</th>
<th>Barbados</th>
<th>Jamaica</th>
<th>USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Expectancy – Years</td>
<td>77.3</td>
<td>72.8</td>
<td>74.3</td>
<td>76.5</td>
<td>74.7</td>
<td>76.8</td>
</tr>
<tr>
<td>Rural pop w/access to safe water %</td>
<td>91</td>
<td>97.8</td>
<td>n.a</td>
<td>100</td>
<td>69</td>
<td>n.a</td>
</tr>
<tr>
<td>Rural pop w/access to excreta dis. %</td>
<td>80</td>
<td>96</td>
<td>n.a</td>
<td>100</td>
<td>92</td>
<td>99</td>
</tr>
<tr>
<td>National Health Expend p.c. $US*</td>
<td>198</td>
<td>n.a</td>
<td>336</td>
<td>421</td>
<td>76</td>
<td>3,858</td>
</tr>
<tr>
<td>National Health Expend % of GNP</td>
<td>6.6</td>
<td>3.9</td>
<td>5.1</td>
<td>6.6</td>
<td>5.4</td>
<td>13.1</td>
</tr>
<tr>
<td>Physicians per 10,000 pop.</td>
<td>4.93</td>
<td>11.5</td>
<td>17.5</td>
<td>12.8</td>
<td>13.6</td>
<td>26.5</td>
</tr>
<tr>
<td>Hospital beds per 10,000 pop.</td>
<td>35.9</td>
<td>n.a</td>
<td>30.6</td>
<td>74.1</td>
<td>21</td>
<td>5.2</td>
</tr>
</tbody>
</table>

Key n.a – Not Available * National Health Expenditure per capita


Table 2.4 provides information on key health indicators from 1995 to 2000. Whilst the key health indicators show that birth rate has steadily decreased by 11% between 1995 to 2000, the incidence of low birth weight babies, infant mortality and neonatal mortality (as a

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6 Dominica is reputed to have more centenarians per capita than any other country in the world. At the time of writing the world’s eldest resident is also Dominican.
percentage of total births) has varied over the same period; the low numbers involved make it
difficult to identify any established trends in these indicators. Over the last five years, the
proportion of births to teenage women has remained fairly constant at 15-17% of all births.
The Dominica Planned Parenthood Association (DPPA) considered that the overall trend in
teenage pregnancies is downward. This apparent contradiction is explained by the general
decline in the number annual births.

Table 2.4. Health Indicators, 1995-2000

<table>
<thead>
<tr>
<th>Indicator</th>
<th>95</th>
<th>96</th>
<th>97</th>
<th>98</th>
<th>99</th>
<th>00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Births</td>
<td>1502</td>
<td>1426</td>
<td>1340</td>
<td>1236</td>
<td>1293</td>
<td>1199</td>
</tr>
<tr>
<td>Crude Birth Rate</td>
<td>20</td>
<td>19</td>
<td>18</td>
<td>16</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Incidence of LBW (%) of Live Births</td>
<td>9.1</td>
<td>8.8</td>
<td>5.7</td>
<td>7.7</td>
<td>9.9</td>
<td>9.0</td>
</tr>
<tr>
<td>Live Births by Mothers 19 years and Under</td>
<td>214</td>
<td>215</td>
<td>228</td>
<td>187</td>
<td>207</td>
<td>182</td>
</tr>
<tr>
<td>Live Births by Mothers under 19 years old %</td>
<td>14</td>
<td>15</td>
<td>17</td>
<td>15</td>
<td>16</td>
<td>15</td>
</tr>
<tr>
<td>Deaths</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infant Deaths (less than 1 year)</td>
<td>24</td>
<td>24</td>
<td>18</td>
<td>18</td>
<td>30</td>
<td>21</td>
</tr>
<tr>
<td>Child Deaths (1 to 4 years)</td>
<td>7</td>
<td>6</td>
<td>2</td>
<td>2</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Crude Death Rate (/1000 Persons)</td>
<td>8</td>
<td>8</td>
<td>7</td>
<td>8</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Infant Mortality (/1000 Live Births)</td>
<td>16</td>
<td>17</td>
<td>13</td>
<td>15</td>
<td>23</td>
<td>18</td>
</tr>
<tr>
<td>Child Mortality Rate (/1000 Live Births)</td>
<td>5</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>0</td>
</tr>
</tbody>
</table>

1. Per 1000 Mid Year Population
2. Low Birth Weight under 2500 gms (under 5lbs 5oz)
3. Expressed as a % of total number of live births

It should also be noted that immunization coverage for young infants has reached 100% and
that prenatal and postnatal care and family planning services have become institutionalised.

Over the same period key causes of death have been heart disease, malignant neoplasms,
hypertensive disease, diabetes mellitus and other diseases of the respiratory system. A small
percentage of deaths (less than 0.2%) is attributed to communicable diseases such as
tuberculosis and typhoid. Major causes of mortality in children under 5 were prematurity,
congenital anomalies and respiratory distress. Malnutrition nor severe malnutrition\(^7\) has not
been recorded as a cause of death in children under 5 over the period 1995 to 2000.

\(^7\) Excluding foetal malnutrition.
The “Basic Country Health Profile Report” prepared by the Pan American Health Organisation in 2001 together with other national health statistics and reports outline the following with regard to health in Dominica:

- Under-nutrition among young children (under 5 years) is low – around 1% but obesity for the same age group has climbed to around 9%;
- A community consultation in the Carib Territory in 1999 identified the following health concerns – lack of potable water and poor solid waste disposal, violence, drug abuse, sexually transmitted infections (including HIV) and incest;
- Sexually transmitted diseases (STD) comprise nearly half (46%) of reported cases of communicable diseases each year and there is concern that there is significant under-reporting of STDs. The DPPA considered that, despite numerous campaigns, the use of condoms remains at a low level;
- Gastroenteritis for the under 5s varies from around 10% of reported communicable diseases to a high of 42%. The implication is that although the underlying rate is low, sporadic outbreaks do occur;
- The most common reasons cited for visiting health clinics are diabetes and hypertension. It is estimated that 4% of the population has diabetes and 18% has hypertension.
- Around one quarter of all urban households do not have an approved form of sewerage disposal. This figure rises to 60% in some west coast villages. Only about 55% of the population are served by a communal solid waste collection and disposal system.

Health expenditure ranks as the third highest consumer of government resources (1995 figures) with most expenditure skewed towards secondary health care. Only 5.5% of the total health care budget is recovered from direct user charges with the consolidated fund covering the remainder.

According to the National HIV/AIDS Strategic Plan 2003 to 2007 (UWI, September 2002) CAREC/CDC have estimated that the absolute numbers of HIV infections is 115 (for 2001). Government projections indicate that the number could be as high as 250 by 2003. The Health Information Unit has indicated that a steady increase in new cases each year has been observed particularly in the prime 25 to 44 year working age group. Although official numbers are low by Caribbean standards the Government is concerned that there is potential for an HIV/AIDS epidemic on the island which would have serious social, economic and development implications.
In general the health statistics and indicators are similar to those experienced in many westernised countries in that the incidence of malnutrition, communicable diseases and waterborne infections are low while the incidence of diabetes, obesity, hypertension and STDs, especially HIV/AIDS, are causing concern. There is also concern that inadequate sewage disposal and treatment has resulted in environmental health problems in some areas. Recent solid waste management and sewerage system improvement programmes have been implemented to address health and environmental concerns.

### 2.3.4 Education

Ministerial responsibility for education is conferred on the Minister of Education, Sports and Youth Affairs (MoESYA). The Education Act of 1997 sets out the governing principles of the education system. Similar to other Organisation of Eastern Caribbean States (OECS) four main levels of education exist – pre-primary, primary, secondary and tertiary. The system comprises a Chief Education Officer, Assistant Chief Education Officer, District Education Officers, Specialist Education Advisors and Specialist Units including the Education Trust Fund, Curriculum Development, Textbook Distribution Scheme, Education Planning, Measurement Evaluation and School Operations Unit. The church also plays a significant role in education – church schools (with and without public assistance) account for over 20% of primary school and nearly a third of secondary school enrolments.

Education is compulsory for students between the ages of 5 to 16. Public education is free however administration fees (for laboratory equipment, book loans and the like) are charged for each student. Travel to and from school is not free; furthermore, designated school buses only operate in the Carib Territory and the Cochrane/ Massacre area. Table 2.5 summarises the type, enrolment, and coverage of Dominica’s principal education facilities while Table 2.6 summarises key indicators of the educational system.

#### Table 2.5. Education Facilities and Enrolments 2001/2002

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
<th>Ages</th>
<th>Duration</th>
<th>Enrolment</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre School</td>
<td>82</td>
<td>3 – 4</td>
<td>2 years</td>
<td>2,231</td>
<td>Private</td>
</tr>
<tr>
<td>Primary</td>
<td>65</td>
<td>5 – 11</td>
<td>7 years</td>
<td>11,756</td>
<td>Private &amp; Public</td>
</tr>
<tr>
<td>Secondary</td>
<td>15</td>
<td>12 – 17</td>
<td>5 years</td>
<td>6,731</td>
<td>Private &amp; Public</td>
</tr>
<tr>
<td>Tertiary</td>
<td>2</td>
<td>17 &amp; over</td>
<td>2 years</td>
<td>754</td>
<td>Public</td>
</tr>
<tr>
<td>Total</td>
<td>164</td>
<td></td>
<td></td>
<td>21,805</td>
<td></td>
</tr>
</tbody>
</table>


Primary school enrolment is high and approaches 100%. Based on the SLC, no more than 2% of children aged 5 to 9 years do not attend school. The proportion is similar for those aged 10
No more than 5% of households stated that they contained a child aged 6 to 16 years who did not attend school. In the great majority of cases the reason was sickness.

Table 2.6. Key Education Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>1998/99</th>
<th>1999/00</th>
<th>2000/01</th>
<th>2001/02</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary school enrolment</td>
<td>% children aged 6-12 years</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>CEE Transition Rate %</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>52.0</td>
<td>58.3</td>
<td>72.1</td>
<td>74.2</td>
</tr>
<tr>
<td>Female</td>
<td>68.0</td>
<td>73.2</td>
<td>79.9</td>
<td>81.3</td>
</tr>
<tr>
<td>Junior Secondary Pass Rate %</td>
<td>Pass Grades I &amp; II</td>
<td>49.0</td>
<td>49.8</td>
<td>41.7</td>
</tr>
<tr>
<td>CXC Overall Pass Rate %</td>
<td>5+ Passes</td>
<td>52.6</td>
<td>55.2</td>
<td>59.0</td>
</tr>
<tr>
<td>Tertiary Enrolments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CDCC¹ Female</td>
<td>n/a</td>
<td>345</td>
<td>371</td>
<td>n/a</td>
</tr>
<tr>
<td>CDCC Male</td>
<td>n/a</td>
<td>256</td>
<td>248</td>
<td>n/a</td>
</tr>
<tr>
<td>DTTC² Female</td>
<td>n/a</td>
<td>26</td>
<td>20</td>
<td>n/a</td>
</tr>
<tr>
<td>DTTC Male</td>
<td>n/a</td>
<td>8</td>
<td>12</td>
<td>n/a</td>
</tr>
<tr>
<td>Teaching Staff – Primary</td>
<td>% Trained</td>
<td>60.6</td>
<td>61.2</td>
<td>61.6</td>
</tr>
<tr>
<td></td>
<td>Ratio Student/ TrT</td>
<td>36.2:1</td>
<td>35.1:1</td>
<td>32.9:1</td>
</tr>
<tr>
<td>Teaching Staff – Secondary</td>
<td>% Trained/Qualified</td>
<td>30.7</td>
<td>29.1</td>
<td>31.5</td>
</tr>
<tr>
<td></td>
<td>Ratio Student/ TrT</td>
<td>22.0:1</td>
<td>21.4:1</td>
<td>20.1:1</td>
</tr>
<tr>
<td></td>
<td>Secondary Female %</td>
<td>2.0</td>
<td>1.9</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td>Secondary Male %</td>
<td>3.4</td>
<td>3.1</td>
<td>2.5</td>
</tr>
<tr>
<td>Repetition Rates (Secondary) %</td>
<td>Female</td>
<td>7.7</td>
<td>7.8</td>
<td>7.8</td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>13.0</td>
<td>15.8</td>
<td>18.6</td>
</tr>
<tr>
<td>Drop Out Rates (Secondary) %</td>
<td>Female</td>
<td>2.0</td>
<td>1.9</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>3.4</td>
<td>3.1</td>
<td>2.5</td>
</tr>
<tr>
<td>Government Expenditure</td>
<td>As % of National Budget</td>
<td>17.04</td>
<td>17.39</td>
<td>14.93</td>
</tr>
<tr>
<td>Current Expenditure per Student as % of GDP per capita</td>
<td>Pre-School Level</td>
<td>0.2</td>
<td>0.6</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td>Primary Level</td>
<td>16.6</td>
<td>16.5</td>
<td>16.9</td>
</tr>
<tr>
<td></td>
<td>Secondary Level</td>
<td>19.5</td>
<td>19.3</td>
<td>21.1</td>
</tr>
<tr>
<td></td>
<td>Tertiary Level</td>
<td>42.2</td>
<td>41.9</td>
<td>29.9</td>
</tr>
</tbody>
</table>

Key: 1 Clifton Dupigny Community College; 2. Dominica Teacher’s Training College; n/a= not available.


The Common Entrance Exam (CEE) is used to determine which primary school students secure places in high school – those who pass proceed to traditional secondary schools while those who do not pass undertake a three year programme at a junior secondary school. Caribbean Examination Council (CXC) exams are undertaken by secondary students in Dominica in line with other OECS states. These exams, taken at the conclusion of secondary education, provide an indicator of education output in Dominica. By and large, both CEE transition rates and CXC pass rates are increasing. Secondary school enrolment has almost
doubled in the last 10 years as a result of a concerted policy to increase the availability of secondary school education. At present, around 78% of children progress from primary to secondary school; the comparable proportion 10 years ago was little more than 30%.

Around 650 students proceed to tertiary education in Dominica, 60% of whom are female. CEE transition rates are also appreciably higher for girls. This gender imbalance, which is being observed in several Caribbean countries, is seen as a matter of concern.

An Adult Education Division within the Ministry of Community Development and Gender Affairs offers a range of courses and outreach programmes, often at the behest of local communities. During 2000/01 the Adult Education Division undertook the following programmes:

- Adult Literacy – 326 adults participated in an island-wide literacy programme covering all levels;
- Junior Secondary Programme – 11 adults sat examinations in 2000 and 8 in 2001;
- Parenting Skills Programme – 345 parents graduated from this island-wide programme. There has been demand to expand this programme over the next few years;
- Health and Life Education – 37 persons graduated from courses held in two locations.

Specialist education is provided within two institutions – School for the Hearing Impaired and the Alpha Centre, which caters for children with mental disabilities. The government funded School for the Hearing Impaired has 5 teachers of whom 2 have some form of specialist teacher training; there are 27 students (1996/97). The Alpha Centre is run by a non-profit organisation funded partly by government grant, partly by donations; it has 50 pupils. The centre has 5 teachers, one of whom is a specialist.

2.4 The Economy
2.4.1 Current State of the Economy
Dominica is one of eight eastern Caribbean islands with a common central bank - the Eastern Caribbean Central Bank (ECCB) - and a common currency - the Eastern Caribbean (EC) dollar. The EC dollar has been pegged to the US dollar at a rate of EC$2.70 = US$1.00 since 1976.

As noted in the International Monetary Fund’s (IMF) country report on Dominica this currency union has helped Dominica maintain monetary discipline and price stability, but vulnerability to external shocks (hurricane, declining availability of concessional foreign financing and the phasing out of the European Union’s banana import regime) had a major negative impact on the country’s economic performance during the late 1990s (see Tables 2.7/8).
The Dominican economy is based on agriculture with small elements of tourism and manufacturing. The economic history of Dominica appears to have followed a series of monocrop booms and busts, from sugar to coffee to limes and vanilla to (now) bananas.

Agriculture has since the 1950s been heavily reliant on bananas, with export to the United Kingdom market under preferential arrangements. These preferential trade arrangements continued with the UK’s accession to the European Union (EU) under the Lome agreement; they essentially comprised a duty free quota plus a tariff quota imposed on Latin American bananas. Following concerted pressure by the USA on the World Trade Organization and despite a rearguard action by the EU, this trade regime was found to be discriminatory in 2001; this led to the dismantling of most aspects of the preferential arrangements\(^8\). This situation compounded the sharp fall in production following severe storms in 1995.

As a result, the economy has gone into a severe downturn. As the IMF noted in its 2002 Article IV Consultation report:

“Over the past several years the economy has been undergoing a difficult restructuring process associated with the retrenchment of the banana industry, which has resulted in sluggish growth of output and employment.... The economic situation deteriorated markedly in 2001, reflecting the increasingly difficult fiscal situation and the economic slowdown abroad. Preliminary data indicate that real GDP declined by more than 4% in 2001 following stagnation in 2000, as banana production fell further and the manufacturing, construction and tourism sectors all registered lower activity.”

Table 2.7 presents Gross Domestic Product (GDP) data for the period 1996 – 2001. Nominal GDP (at factor cost) per capita in 2001 was approximately EC$8,400 (US$3,180).

These GDP data show agriculture contributing just over 17% of GDP in 2001, down from approximately 20% in 1996. Otherwise, the distribution of output among sectors has remained stable over the past six years.

---

\(^8\) The interested reader is referred to [www.bananalink.org.uk](http://www.bananalink.org.uk) for a detailed description of the WTO/ EU dispute.
Table 2.7. Gross Domestic Product By Economic Activity (at Factor Cost, EC$ millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>106.99</td>
<td>107.58</td>
<td>110.27</td>
<td>114.12</td>
<td>112.54</td>
<td>103.32</td>
</tr>
<tr>
<td>Crops</td>
<td>87.82</td>
<td>86.73</td>
<td>88.36</td>
<td>91.66</td>
<td>90.10</td>
<td>80.61</td>
</tr>
<tr>
<td>Livestock</td>
<td>7.51</td>
<td>7.94</td>
<td>8.07</td>
<td>8.19</td>
<td>8.27</td>
<td>8.35</td>
</tr>
<tr>
<td>Forestry</td>
<td>3.48</td>
<td>3.53</td>
<td>3.56</td>
<td>3.59</td>
<td>3.62</td>
<td>3.66</td>
</tr>
<tr>
<td>Fishing</td>
<td>8.18</td>
<td>9.38</td>
<td>10.28</td>
<td>10.68</td>
<td>10.55</td>
<td>10.70</td>
</tr>
<tr>
<td>Mining &amp; Quarrying</td>
<td>4.85</td>
<td>5.09</td>
<td>4.63</td>
<td>4.90</td>
<td>5.02</td>
<td>4.92</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>39.43</td>
<td>42.29</td>
<td>50.81</td>
<td>49.30</td>
<td>54.44</td>
<td>47.24</td>
</tr>
<tr>
<td>Electricity &amp; Water</td>
<td>23.60</td>
<td>26.21</td>
<td>29.24</td>
<td>33.49</td>
<td>34.63</td>
<td>35.84</td>
</tr>
<tr>
<td>Construction</td>
<td>48.49</td>
<td>47.66</td>
<td>46.27</td>
<td>48.96</td>
<td>50.19</td>
<td>49.15</td>
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<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>62.30</td>
<td>65.39</td>
<td>67.72</td>
<td>70.20</td>
<td>72.58</td>
<td>71.71</td>
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<tr>
<td>Hotels &amp; Restaurants</td>
<td>14.76</td>
<td>15.20</td>
<td>15.50</td>
<td>16.16</td>
<td>15.39</td>
<td>14.90</td>
</tr>
<tr>
<td>Transport</td>
<td>54.46</td>
<td>53.36</td>
<td>55.53</td>
<td>57.56</td>
<td>56.51</td>
<td>53.87</td>
</tr>
<tr>
<td>Road Transport</td>
<td>28.22</td>
<td>28.64</td>
<td>28.35</td>
<td>28.36</td>
<td>29.60</td>
<td>27.44</td>
</tr>
<tr>
<td>Sea Transport</td>
<td>21.64</td>
<td>19.98</td>
<td>22.63</td>
<td>24.08</td>
<td>22.03</td>
<td>21.65</td>
</tr>
<tr>
<td>Air Transport</td>
<td>4.60</td>
<td>4.74</td>
<td>4.55</td>
<td>5.12</td>
<td>4.88</td>
<td>4.78</td>
</tr>
<tr>
<td>Communications</td>
<td>39.48</td>
<td>44.57</td>
<td>49.46</td>
<td>52.12</td>
<td>47.84</td>
<td>44.18</td>
</tr>
<tr>
<td>Banks &amp; Insurance</td>
<td>61.57</td>
<td>59.79</td>
<td>65.73</td>
<td>68.72</td>
<td>70.11</td>
<td>71.62</td>
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<tr>
<td>Real Estate &amp; Housing</td>
<td>18.48</td>
<td>19.12</td>
<td>19.88</td>
<td>20.27</td>
<td>20.88</td>
<td>21.30</td>
</tr>
<tr>
<td>Government Services</td>
<td>100.93</td>
<td>103.83</td>
<td>112.87</td>
<td>116.51</td>
<td>121.69</td>
<td>128.37</td>
</tr>
<tr>
<td>Other Services</td>
<td>8.11</td>
<td>8.47</td>
<td>9.07</td>
<td>9.45</td>
<td>9.50</td>
<td>9.72</td>
</tr>
<tr>
<td>Less Imputed Service Charge</td>
<td>45.96</td>
<td>43.86</td>
<td>51.93</td>
<td>52.11</td>
<td>53.98</td>
<td>55.60</td>
</tr>
<tr>
<td>TOTAL</td>
<td>537.49</td>
<td>554.70</td>
<td>585.05</td>
<td>609.65</td>
<td>617.34</td>
<td>600.53</td>
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<tr>
<td>GROWTH RATE</td>
<td>7.35</td>
<td>3.20</td>
<td>5.47</td>
<td>4.20</td>
<td>1.26</td>
<td>-2.72</td>
</tr>
</tbody>
</table>

Key:  R – Revised
      P – Preliminary

Source: ECCB/CSO Dominica
Table 2.8 presents GDP data in constant dollar terms, that is, without inflation. These data more clearly indicate that the Dominican economy has been essentially stagnant over this six year period. Total real GDP in 2001 has dropped back to the level achieved in 1997. The general difficulties in the economy are reflected in the 2001 declines in output especially in agriculture, manufacturing (to its lowest level over the six year period), and transport and communications.

Table 2.8. Gross Domestic Product in Constant 1990 prices (EC$ millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>87.74</td>
<td>86.43</td>
<td>84.71</td>
<td>82.90</td>
<td>81.98</td>
<td>72.63</td>
</tr>
<tr>
<td>Crops</td>
<td>69.89</td>
<td>67.99</td>
<td>66.00</td>
<td>63.73</td>
<td>62.81</td>
<td>53.23</td>
</tr>
<tr>
<td>Livestock</td>
<td>7.02</td>
<td>7.13</td>
<td>7.24</td>
<td>7.35</td>
<td>7.42</td>
<td>7.49</td>
</tr>
<tr>
<td>Forestry</td>
<td>3.27</td>
<td>3.32</td>
<td>3.35</td>
<td>3.38</td>
<td>3.41</td>
<td>3.44</td>
</tr>
<tr>
<td>Fishing</td>
<td>7.56</td>
<td>7.99</td>
<td>8.12</td>
<td>8.44</td>
<td>8.34</td>
<td>8.46</td>
</tr>
<tr>
<td>Mining &amp; Quarrying</td>
<td>3.57</td>
<td>3.71</td>
<td>3.36</td>
<td>3.49</td>
<td>3.56</td>
<td>3.39</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>29.44</td>
<td>30.18</td>
<td>35.26</td>
<td>29.16</td>
<td>31.63</td>
<td>26.95</td>
</tr>
<tr>
<td>Electricity &amp; Water</td>
<td>15.52</td>
<td>16.68</td>
<td>18.23</td>
<td>19.18</td>
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<td>20.19</td>
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<td>Construction</td>
<td>35.66</td>
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<td>34.86</td>
<td>35.55</td>
<td>33.90</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>52.94</td>
<td>54.26</td>
<td>55.65</td>
<td>57.02</td>
<td>58.45</td>
<td>56.69</td>
</tr>
<tr>
<td>Hotels &amp; Restaurants</td>
<td>11.03</td>
<td>11.25</td>
<td>10.80</td>
<td>11.26</td>
<td>10.63</td>
<td>10.19</td>
</tr>
<tr>
<td>Transport</td>
<td>43.09</td>
<td>42.99</td>
<td>44.52</td>
<td>45.12</td>
<td>44.20</td>
<td>41.32</td>
</tr>
<tr>
<td>Road Transport</td>
<td>24.16</td>
<td>24.52</td>
<td>24.27</td>
<td>24.28</td>
<td>25.13</td>
<td>22.87</td>
</tr>
<tr>
<td>Sea Transport</td>
<td>15.22</td>
<td>14.65</td>
<td>16.59</td>
<td>16.92</td>
<td>15.35</td>
<td>14.81</td>
</tr>
<tr>
<td>Air Transport</td>
<td>3.71</td>
<td>3.82</td>
<td>3.66</td>
<td>3.92</td>
<td>3.72</td>
<td>3.64</td>
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<tr>
<td>Communications</td>
<td>39.42</td>
<td>44.50</td>
<td>49.38</td>
<td>55.59</td>
<td>53.16</td>
<td>49.09</td>
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<td>52.80</td>
<td>50.56</td>
<td>54.62</td>
<td>58.31</td>
<td>58.46</td>
<td>59.76</td>
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<td>Real Estate &amp; Housing</td>
<td>14.76</td>
<td>14.91</td>
<td>15.20</td>
<td>15.50</td>
<td>15.66</td>
<td>15.81</td>
</tr>
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<td>Government Services</td>
<td>72.16</td>
<td>74.23</td>
<td>78.33</td>
<td>78.51</td>
<td>82.00</td>
<td>85.64</td>
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<td>5.50</td>
<td>5.61</td>
<td>5.83</td>
<td>6.01</td>
<td>5.98</td>
<td>6.01</td>
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<tr>
<td>Less Imputed Service Charge</td>
<td>40.69</td>
<td>39.06</td>
<td>46.25</td>
<td>46.44</td>
<td>47.37</td>
<td>48.79</td>
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<td><strong>TOTAL</strong></td>
<td><strong>422.94</strong></td>
<td><strong>431.30</strong></td>
<td><strong>443.24</strong></td>
<td><strong>450.47</strong></td>
<td><strong>453.54</strong></td>
<td><strong>432.78</strong></td>
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<tr>
<td><strong>GROWTH RATE</strong></td>
<td>3.08</td>
<td>1.98</td>
<td>2.77</td>
<td>1.63</td>
<td>0.68</td>
<td>-4.58</td>
</tr>
</tbody>
</table>

Key:  R – Revised
      P – Preliminary

Source: ECCB/CSO Dominica, August 26, 2002
2.4.2 **External Trade**

Dominican merchandise exports comprise largely bananas and soap products. Banana exports declined from US$18.5m in 1996 to US$11.7 in 2000 – a decrease not compensated for by the increase in other agricultural exports from US$4.1m to US$6.2m over the same period. Soap exports declined over the five year period from US$17.4m to US$13.4m although exports of other manufactured goods (predominantly from the same factory) increased by almost the same amount - from US$12.8m to US$17.5m. The decline in banana exports is reflected in the decline in the United Kingdom’s share of Dominican exports from 34.5% in 1996 to 25.6% in 2000. CARICOM countries now take the largest share (57.5% in 2000) of Dominica’s exports.

**Table 2.9. Merchandise Exports and Imports, 1998-2002**

<table>
<thead>
<tr>
<th>Category (in US$ m)</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001 Preliminary</th>
<th>2002 Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Merchandise Exports</td>
<td>63.2</td>
<td>55.0</td>
<td>55.6</td>
<td>45.8</td>
<td>48.0</td>
</tr>
<tr>
<td>Merchandise Imports</td>
<td>116.4</td>
<td>123.3</td>
<td>130.1</td>
<td>115.0</td>
<td>117.4</td>
</tr>
<tr>
<td>Merchandise Trade Balance</td>
<td>-53.2</td>
<td>-68.3</td>
<td>-74.5</td>
<td>-69.2</td>
<td>-69.4</td>
</tr>
</tbody>
</table>

Source: IMF Article IV Consultation, 2002

On the service side, tourism and transportation/communication services generate balance of payment inflows.

Dominica experiences a small overall balance of payments surplus due to capital loan and grant inflows.
Employment and Labour

The current (2002) labour force in Dominica is approximately 37,000 with a participation rate of 66%. Unemployment is however very high at 25.4% reflecting the current economic situation. Forty-five percent of those unemployed are between 15 and 24 years of age and 24% are between 25 and 34 years of age.

The mid-2002 distribution of employment by industry is shown in Table 2.10.

Table 2.10. Employment by Industry

<table>
<thead>
<tr>
<th>INDUSTRIAL SECTOR</th>
<th>2002</th>
<th>1991</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>Agriculture/ Forestry/ Fishing</td>
<td>6360</td>
<td>23%</td>
</tr>
<tr>
<td>Manufacturing and mining</td>
<td>1170</td>
<td>4%</td>
</tr>
<tr>
<td>Construction</td>
<td>2846</td>
<td>10%</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>2964</td>
<td>11%</td>
</tr>
<tr>
<td>Hotels and restaurants</td>
<td>746</td>
<td>3%</td>
</tr>
<tr>
<td>Transport and communications</td>
<td>1268</td>
<td>5%</td>
</tr>
<tr>
<td>Government (incl. health and education)</td>
<td>4869</td>
<td>18%</td>
</tr>
<tr>
<td>Other Services</td>
<td>7074</td>
<td>26%</td>
</tr>
<tr>
<td>ALL</td>
<td>27297</td>
<td>100%</td>
</tr>
</tbody>
</table>

* approximately 3% were ‘not stated’; these have been allocated by sector on a pro rate basis.


The composition of the labour force has undergone substantial changes since 1991. In particular:

- the agricultural sector now represents under a quarter of total employment compared with almost a third in 1991. This reflects, above all, the decline in the banana sector where the number of growers dropped from 6,675 in 1990 to 1,155 in early 2002. Nevertheless, agriculture remains the second largest employment sector;

---

9 The following information is derived from the Survey of Living Conditions. The data on unemployment is based on the stated response of interviewees to a question on economic activity; in practice, many of these people will have occasional odd jobs and would not therefore be unemployed if one applied the formal ILO definition of unemployment. Irrespective the figures reflect a very poor labour situation.
construction employment has also decreased substantially as a percentage of total employment – an almost inevitable consequence of the general economic slowdown;

in contrast, the proportion of service workers has almost trebled to over a quarter of total employment. Much of this increase will have occurred in the informal sector.

The employed labour force shows a low level of formal skills training and education. In terms of education, two persons in three have primary school education or lower, one in five has secondary education and one in eight has technical/vocational training, community college or university education. The distribution of employed persons by type of training received is as follows:

- 55% have received no occupational training
- 16% have received training in crafts and related trades
- 9% have received training as technicians and associate professionals
- 6% have received training as service, shop and market sales workers
- 5% have received clerical training
- 3% have received training in agriculture and/or fisheries skills
- 1% have received training as plant and machine operators and assemblers.

It is clear from these statistics that occupational training and education levels will have to increase if the economy is to diversify beyond monocrop agriculture.

2.4.4 Government

Government is the key economic player in Dominica. Table 2.11 presents recent Eastern Caribbean Central Bank data showing Government fiscal statistics.

These data show a current account deficit for the past three years (1999-2001) with current expenditures increasing each year; revenues peaked in 2000 and declined in 2001. The capital account shows significant deficits in every year, although this figure decreased substantially in 2001 due to a reduction of $8.5m in capital spending coupled with an increase of $8.6m in capital grants received.

The overall (current plus capital accounts) balance climbed to a deficit of ECS$70.9m in 1999; the deficits continued at a lower level in 2000 and 2001 at ECS$39.4m and ECS$38.7m respectively.
Table 2.11. Government Fiscal Operations, Selected Statistics

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Account</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Revenue (EC$ m)</strong></td>
<td>$ 173.8</td>
<td>$ 188.6</td>
<td>$205.0</td>
<td>$ 200.7</td>
<td>$ 214.2</td>
<td>$ 199.6</td>
</tr>
<tr>
<td>of which: Tax Revenues</td>
<td>86%</td>
<td>82%</td>
<td>84%</td>
<td>84%</td>
<td>85%</td>
<td>81%</td>
</tr>
<tr>
<td>of which: Taxes on Personal Income</td>
<td>12%</td>
<td>13%</td>
<td>14%</td>
<td>15%</td>
<td>16%</td>
<td>15%</td>
</tr>
<tr>
<td>Taxes on Company Income</td>
<td>15%</td>
<td>10%</td>
<td>12%</td>
<td>9%</td>
<td>14%</td>
<td>8%</td>
</tr>
<tr>
<td>Taxes on Property</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>6%</td>
<td>5%</td>
<td>5%</td>
<td>6%</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>Imports Consumption Duty</td>
<td>30%</td>
<td>29%</td>
<td>30%</td>
<td>29%</td>
<td>23%</td>
<td>25%</td>
</tr>
<tr>
<td>Import Duty</td>
<td>12%</td>
<td>12%</td>
<td>11%</td>
<td>12%</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>Non-Tax Revenues</td>
<td>14%</td>
<td>18%</td>
<td>16%</td>
<td>16%</td>
<td>15%</td>
<td>19%</td>
</tr>
<tr>
<td><strong>Current Expenditures (EC$ m)</strong></td>
<td>$ 166.5</td>
<td>$ 184.7</td>
<td>$ 194.8</td>
<td>$ 206.5</td>
<td>$ 225.6</td>
<td>$ 227.9</td>
</tr>
<tr>
<td>of which: Personal Emoluments</td>
<td>60%</td>
<td>57%</td>
<td>56%</td>
<td>56%</td>
<td>54%</td>
<td>54%</td>
</tr>
<tr>
<td>Goods and Services</td>
<td>16%</td>
<td>16%</td>
<td>17%</td>
<td>17%</td>
<td>13%</td>
<td>14%</td>
</tr>
<tr>
<td>Interest Payments – Foreign</td>
<td>3%</td>
<td>2%</td>
<td>1%</td>
<td>4%</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>Interest Payments – Domestic</td>
<td>6%</td>
<td>7%</td>
<td>8%</td>
<td>6%</td>
<td>8%</td>
<td>10%</td>
</tr>
<tr>
<td>Transfers and Subsidies</td>
<td>14%</td>
<td>18%</td>
<td>17%</td>
<td>17%</td>
<td>14%</td>
<td>16%</td>
</tr>
<tr>
<td><strong>Current Account Balance</strong></td>
<td>$ 7.3</td>
<td>$ 3.9</td>
<td>$10.2</td>
<td>-$ 5.8</td>
<td>-$11.4</td>
<td>-$28.3</td>
</tr>
<tr>
<td><strong>Capital Account</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Revenue</td>
<td>$ 1.2</td>
<td>$ 8.5</td>
<td>$ 5.4</td>
<td>$ 3.1</td>
<td>$ 2.6</td>
<td>$ 3.2</td>
</tr>
<tr>
<td>Capital Grants</td>
<td>$ 5.7</td>
<td>$ 4.7</td>
<td>$24.3</td>
<td>$11.6</td>
<td>$25.7</td>
<td>$34.3</td>
</tr>
<tr>
<td>Capital Expenditure and Net Lending</td>
<td>$25.8</td>
<td>$32.6</td>
<td>$45.0</td>
<td>$79.8</td>
<td>$56.3</td>
<td>$47.8</td>
</tr>
<tr>
<td><strong>Capital Account Balance</strong></td>
<td>-$18.9</td>
<td>-$19.4</td>
<td>-$15.3</td>
<td>-$65.1</td>
<td>-$28.0</td>
<td>-$10.4</td>
</tr>
<tr>
<td><strong>Overall Balance</strong></td>
<td>-$11.6</td>
<td>-$15.5</td>
<td>-$ 5.1</td>
<td>-$70.9</td>
<td>-$39.4</td>
<td>-$38.7</td>
</tr>
</tbody>
</table>

Source: Eastern Caribbean Central Bank, Annual Reports 2001 and 2000
The Government’s Public Sector Investment Programme (ie. capital expenditure) is shown in Table 2.12.

Table 2.12. Public Sector Investment, 1997/98 - 2001/02

<table>
<thead>
<tr>
<th>Investment Sector</th>
<th>1997/98</th>
<th>1999/00</th>
<th>2001/02</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Infrastructure (airport, roads, bridges, sea defences, water &amp; sewerage, other)</td>
<td>9.8</td>
<td>24.5</td>
<td>8.1</td>
</tr>
<tr>
<td>Productive Sectors (agriculture, forestry, micro-enterprise development, tourism, other)</td>
<td>7.2</td>
<td>15.6</td>
<td>7.1</td>
</tr>
<tr>
<td>Public Administration (information systems, public buildings, public safety, public sector modernization)</td>
<td>3.0</td>
<td>7.9</td>
<td>17.5</td>
</tr>
<tr>
<td>Social Infrastructure (community development, education, health, housing and settlement, local counterpart)</td>
<td>11.9</td>
<td>28.4</td>
<td>10.0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>31.9</strong></td>
<td><strong>76.5</strong></td>
<td><strong>42.8</strong></td>
</tr>
</tbody>
</table>

Source: IMF, Dominica: Statistical Appendix (2002), Table 14

As the IMF noted in its report on the 2001 Article IV Consultation:

“The fiscal situation has deteriorated in recent years as the saving position of the central government (and the public sector as a whole) has been on a declining trend, while non-productive capital expenditure has surged…. The high overall fiscal deficit was financed by recourse to the banking system and external commercial borrowing, as well as accumulation of domestic arrears, especially to the social security system. In 2001/02, government dissaving is projected to increase to 6.5% of GDP and, despite a substantial fall in capital spending, the overall deficit is projected to remain at an unsustainable level.”

As of June, 2002, Dominica’s total public debt stood at EC$688.8 million. This is equal to 95.5% of Gross Domestic Product, an increase from 63% in 1998; as the Government noted in its June 2002 Budget Address, this is “way above the prudential limit of 60%”. Revenue needed to service this debt is, of course, increasing as well – close to 25% of Government revenue now goes to service the debt.

As debt servicing takes a larger portion of revenue (compounded when revenues themselves are declining), Government has less money to provide social services and maintain
infrastructure. Further, external debt, which now comprises 68.5% of total debt, can really only be financed from export earnings, which are declining along with the banana industry.

In order to address this situation, the Government launched a ‘Programme for Economic Stabilisation and Recovery’ starting with the budget for 2002-3. Important elements of this package are:

- the imposition of a stabilisation levy of 4% on all gross personal incomes exceeding EC$9,000 per annum;
- proposed capital expenditure of EC$44.6 million compared with the EC$117 million originally proposed; and
- other revenue measures, including: extension of the sales tax to telecommunications (television and telephones), petroleum price increases, surcharges on new and used vehicles, increases in consumption taxes on liquor and postal rates, imposition of a stamp tax on land transfers and conveyances; and prosecution of persons deemed to be in arrears on taxes.

The impacts of the stabilisation and recovery programme on the demand for goods and services, and hence employment, are likely to be negative, at least in the short term. While the measures may succeed in the longer term in restoring confidence in the economy, and ultimately in economic growth and employment generation, these fiscal gains may be made at the expense of the poor and the less well-off. Because many of the taxes (on petroleum, telecommunications, vehicles, property sales) are not progressive (i.e. they will impose a proportionately higher burden on those with low income), it is possible that those who are now just above the poverty line may find that their effective incomes (after direct and indirect taxes) are now below that line. In addition, the supposed “temporariness” of many of these measures may cause any potential investors to adopt a “wait and see” attitude and postpone investment. As noted by the Joseph E. Stiglitz, former Chief Economist of the World Bank, “Fiscal austerity ….. can lead to high unemployment and the shredding of the social contract.”

Care must therefore be taken to ensure that the burden of austerity does not fall on the poor. The Government is aware of this concern as shown by the imposition of a cut-off limit of $9,000 per annum personal income for the Stabilisation Levy.

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2.4.5 Productive Sectors
(a) Agriculture
Dominica is an agricultural island, blessed with fertile soils. As noted above, Dominica’s economic and agricultural history has been one of monocrop boom and bust, starting with sugar some 300 years ago and continuing through coffee, limes, vanilla to bananas.

This concentration on monocropping has of course reduced crop diversity and increased vulnerability to natural disasters and international markets. It has also led to limiting the focus of, for example, extension services, bank credit and infrastructure programmes. Finally, it has reduced the decision-making requirements of farmers, leaving them less adaptable to change. The major crops grown are shown in Table 2.13.

Table 2.13. Agricultural Production (tonnes)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bananas (export only)</td>
<td>40,515</td>
<td>30,536</td>
<td>28,241</td>
</tr>
<tr>
<td>Coconuts</td>
<td>8,800</td>
<td>8,906</td>
<td>9,079</td>
</tr>
<tr>
<td>Dasheen</td>
<td>11,852</td>
<td>11,903</td>
<td>13,011</td>
</tr>
<tr>
<td>Grapefruit</td>
<td>19,083</td>
<td>19,100</td>
<td>24,312</td>
</tr>
<tr>
<td>Limes</td>
<td>3,616</td>
<td>3,560</td>
<td>3,955</td>
</tr>
<tr>
<td>Oranges</td>
<td>7,292</td>
<td>9,649</td>
<td>9,505</td>
</tr>
<tr>
<td>Plantains</td>
<td>21,940</td>
<td>29,049</td>
<td>28,824</td>
</tr>
<tr>
<td>Tannias</td>
<td>3,636</td>
<td>3,534</td>
<td>4,557</td>
</tr>
<tr>
<td>Yams</td>
<td>7,672</td>
<td>7,560</td>
<td>9,072</td>
</tr>
<tr>
<td><strong>All non-Banana</strong></td>
<td><strong>83,891</strong></td>
<td><strong>93,261</strong></td>
<td><strong>102,315</strong></td>
</tr>
</tbody>
</table>

* Excluding much smaller quantities of avocados, bay oils, cabbage, carrots, cocoa beans, coffee, cucumber, cut flowers, ginger, irish potato, lettuce, mangos, passion fruit, pepper, pumpkin, sweet potato, tomatoes and watermelon

Source: IMF Country Report 01/104

The major current concern is the fate of the banana industry. Since the announcement that preferential access to the EU (and particularly the UK) markets will be lost, acreage under bananas and output per acre have both fallen. Employment has followed downwards. Direct payments to banana growers have dropped from ECS$47m in 1990 to ECS$17m in 2000. Export production in 2000 was less than 30,000 tonnes compared with 60-70,000 tonnes in the late 1980s and early 1990s.

In 2002, the Dominica Banana Marketing Corporation (DBMC) in its report “The Dominica Banana Industry – On The Brink of Decline” noted “low productivity of an average of 4 tons
per acre, leading to inadequate cess to facilitate accessing inputs and the unavailability of affordable working capital’. The Chairman of the DBMC noted in an interview that growers need to reach 10 tons per acre to break even and 12-15 tons per acre to achieve longer term profitability. At the time of writing, the DBMC was itself in the process of declaring bankruptcy. The Dominica Banana Producers Limited has been created in its place to ‘more effectively and efficiently handle banana production operations and to further steps to restructure the industry’.

The DBMC report also noted that, “to compound the already unfavourable position, the morale of farmers has been at an all time low as reflected by the reduction in the number of farmers from 2,050 in 2001 to 1,158 at the end of the first quarter of 2002; the reduction in quality from being number one amongst the Windward Islands with a quality consistency of 87% in 2001 as opposed to 77% in 2002; and a reduction in the number of farms in compliance from 30% in the last quarter of 2001 to 19% in the first quarter of 2002.”

The DBMC report also notes that in the first quarter of 2002, 29% of growers were decertified after repeated warnings as compared to 19% in the last quarter of 2001. The Chairman pointed out that “the farmers remaining are well below the minimum acceptable certification standards for sale to the UK”.

This decline has caused a severe multiplier effect in rural areas because 80% of growers employ additional labour on harvest days that occur once every week or two. Labourers earn EC$40-50 per day.

The banana marketing company believes that there is a niche market for high quality bananas in the UK – perhaps 20,000 tonnes annually (only 17,000 tons were produced in 2001) and that if the industry gets assistance, within five years there will be fewer but larger farms and marginal producers will leave the sector. This infers some 800 full time farmers over same acreage as now, growing 19,000 tonnes to be viable, but aiming for 25,000-30,000 tonnes.

Discussions with Ministry of Agricultural officials and other observers of the agricultural sector in Dominica identified several major changes if the future growth in the sector is to be achieved:

- diversification into other crops including ginger, papaya, peppers, avocado, mangos, limes;

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11 GOCD, Budget Address for Fiscal Year 2002-03, Roseau, 2002
? the need for a professional marketing agency to expand the market for other crops, to carry out quality control and to ship product to market in a timely fashion;

? let farmers grow what they want rather than forcing them to grow the “crop of the moment”; and

? attract more educated people to the sector to lead it into diversification.

To a limited extent, diversification has already started with increased production of other crops such as grapefruits, oranges, plantains and yams. However, the identification of secure markets has not materialised and farmers are often left with surplus produce leading to frustration and poverty. As one farmer said: “I was doing bananas and was forced out. I went into plantains and they are all on the trees. There is no sale. I would like to do copra, but I do not have the money to buy the coconuts. They have cut my electricity and I cannot pay my bills”.

(b) Tourism
With the decline in the banana industry, tourism has become a more important sector in the Dominican economy, especially in terms of foreign exchange earnings. As of 2001, tourism contributed 10-12% of GDP and accounted for about 32% of foreign exchange earnings (approximately three times the earnings of the banana industry). The government tax yield from foreign tourism in 1999 of ECS33 million represented 21% of total Government tax revenues. The following tourism statistics (Table 2.14) show a peaking of visitor arrivals in 1998 and 2000, with a relatively flat trend in stay-over visitors (except for a jump in 1999). Total visitor expenditure has not increased over the five year period.

Table 2.14. Selected Tourism Statistics, 1997-2001

<table>
<thead>
<tr>
<th>Item</th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Visitors</td>
<td>299,337</td>
<td>311,572</td>
<td>279,370</td>
<td>310,543</td>
<td>277,287</td>
</tr>
<tr>
<td>Stay-Over Visitors</td>
<td>65,446</td>
<td>65,501</td>
<td>73,506</td>
<td>68,857</td>
<td>67,961</td>
</tr>
<tr>
<td>Excursionists</td>
<td>3,310</td>
<td>1,468</td>
<td>3,924</td>
<td>1,890</td>
<td>1,699</td>
</tr>
<tr>
<td>Cruise Ship Passengers</td>
<td>230,581</td>
<td>244,603</td>
<td>201,940</td>
<td>239,796</td>
<td>207,627</td>
</tr>
<tr>
<td>No. of Cruise Ship Calls</td>
<td>244</td>
<td>268</td>
<td>262</td>
<td>285</td>
<td>231</td>
</tr>
<tr>
<td>Total Visitor Expenditure (ECS m)</td>
<td>$106.8</td>
<td>$103.2</td>
<td>$112.3</td>
<td>$114.2</td>
<td>$110.3</td>
</tr>
</tbody>
</table>


According to the EU Financing Proposal for the Dominica Tourism Development Programme, Dominica’s existing tourism plant is small (700 rooms) and standards are well below internationally accepted levels. However, the report identifies a potential to develop the industry around eco-tourism: “The island capitalizes on the rich diversity of natural
resources including Morne Trois Piton National Park (a UNESCO World Heritage Site) and other marine resources, which form the cornerstone of the tourist product including world renowned whale watching and scuba diving. Additionally, [there are] cultural and heritage resources, including the indigenous Carib Indian Territory and the built historical and cultural heritage.”

However, the EU report also notes several problems constraining the sector:

? Weak private and public investment
? Inadequate human resource development
? Insufficient visitor information and marketing
? Poor resource management regarding land use planning and environmental conservation.

These concerns were echoed in the Government’s Summary Report of the 4th Meeting of the Economic Advisory Council (3/22/02), which noted the following sectoral constraints:

? Limited public sector funding
? Lack of consensus on strategy
? Inadequately trained human resources
? Poor air access (no night landings meaning tourists may have to overnight elsewhere)
? Substandard quality of accommodations
? Limited entertainment, restaurant service, duty-free shopping
? Name confusion with Dominican Republic
? Garbage/litter, especially along main roads
? The Dominica Association of Industry and Commerce recommends the following improvements:

? Better promotion of the destination
? Lighting of Melville Hall Airport for night landings
? Noise abatement and reduction in harassment of visitors
? More and better hospitality training.

The Ministry of Tourism expects cruise passenger arrivals to grow 5% annually and stay-over tourist numbers to remain steady over the next 10 years. The Ministry has plans to improve attractions through three projects:
The CDB site upgrading project to provide better access to eco-tourism sites with indirect benefits to agriculture, hotels, restaurants, etc. Sites include the Carib Model Village (opportunities for craft vendors, tour guides, cultural displays); Morne Diablotin National Park (visitor facility, interpretation centre, road access improvements, vendor stalls); and Middleham Falls (improved road access, visitor facility).

EU Eco-Tourism Project: components for human resource development, promotion and marketing, product development, institutional strengthening for hoteliers, dive groups, etc.

The above-mentioned improvements to Melville Hall airport and upgrading of the road from the airport to Roseau.

(c) Other Sectors
Manufacturing activity is dominated by one factory that produces soaps and dental cream for the Caribbean market. There is also some beverage production. Table 2.15 shows the value of manufacturing output in recent years.

Table 2.15. Manufacturing Output, 1996-2000

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Laundry soap</td>
<td>17,240,000</td>
<td>16,467,000</td>
<td>8,914,000</td>
</tr>
<tr>
<td>Toilet soap</td>
<td>19,633,000</td>
<td>21,816,000</td>
<td>13,862,000</td>
</tr>
<tr>
<td>Dental cream</td>
<td>0</td>
<td>12,766,000</td>
<td>11,428,000</td>
</tr>
<tr>
<td>Hard surface cleaners</td>
<td>0</td>
<td>7,941,000</td>
<td>7,792,000</td>
</tr>
<tr>
<td>Crude coconut oil</td>
<td>1,615,000</td>
<td>2,113,000</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Coconut meal</td>
<td>40,000</td>
<td>44,000</td>
<td>62,000</td>
</tr>
<tr>
<td>Beverages</td>
<td>221,000</td>
<td>221,000</td>
<td>254,000</td>
</tr>
</tbody>
</table>

Source: IMF, Dominica: Recent Economics Developments, July, 2001

2.4.6 Banking and Credit
Dominica is served by a number of local and foreign owned commercial banks. Interest rates are in line with other countries within the Eastern Caribbean Central Bank area (Table 2.16).

Interviews with managers at several banks revealed current interest rates on small business loans ranging from 10-12% (National Commercial Bank) to 10.5% (AID Bank) to 12.5% (National Development Foundation). Other loan terms and conditions may vary between institutions (e.g. the NDFD notes that it is very flexible with collateral requirements).
### Table 2.16. Commercial Bank Interest Rates as of July, 2001

<table>
<thead>
<tr>
<th>Country</th>
<th>Prime Lending Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Min</td>
</tr>
<tr>
<td>Anguilla</td>
<td>10.0%</td>
</tr>
<tr>
<td>Antigua &amp; Barbuda</td>
<td>10.0%</td>
</tr>
<tr>
<td><strong>Dominica</strong></td>
<td><strong>9.5%</strong></td>
</tr>
<tr>
<td>Grenada</td>
<td>9.5%</td>
</tr>
<tr>
<td>Montserrat</td>
<td>9.5%</td>
</tr>
<tr>
<td>St. Kitts &amp; Nevis</td>
<td>9.5%</td>
</tr>
<tr>
<td>St. Lucia</td>
<td>9.5%</td>
</tr>
<tr>
<td>St. Vincent &amp; the Grenadines</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

Source: Eastern Caribbean Central Bank, Commercial Banking Statistics, as of 07/01

It is informative in economic development terms to assess the employment implications of small business loans. AID Bank, in its annual reports (2000 and 2001) provides some insight in this regard. In 2001, the Bank issued 311 loans to the agriculture sector, with some 809 jobs reportedly sustained or created through the loans. This averages out to $2,910 per job. Loans to the manufacturing and transportation sector showed an average of $40,090 per job created or sustained. Loans to the tourism sector showed an average of $120,100 per job created or sustained. For 2000, the figures were $5,300 per job in agriculture, $35,700 per job in manufacturing and transportation and $56,500 per job in tourism. These figures deserve further detailed investigation; nevertheless, the order-of-magnitude differential in loan amounts creating or sustaining jobs indicates that agriculture offers higher employment creation potential, certainly in the short term.

The National Development Foundation 2000 annual report shows the size of loan per job created or sustained to have been $4,200 in 2000, $5,300 in 1999 and $5,000 in 1998.

Discussions with these banks indicated that arrears problems have been increasing steadily over the past few years. This is blamed on the economic downturn as well as on the lack of business skills and training on the part of many borrowers.

Although the banking system remains sound in the judgement of the regional central bank (the ECCB), the IMF is concerned about the risks to some financial institutions stemming from their heavy exposure to the financially weak public sector and to the distressed banana industry.
Table 2.17 shows the sectoral distribution of commercial bank loans in Dominica. Of particular interest is the proportion of loans in the “other personal loans” category; this has shown a substantial increase over the three year period, from 12.3% to 16.0% of all loans. This corresponds with anecdotal evidence received during the interview process regarding the recent trend of people going into debt; this is especially worrisome during a prolonged economic downturn.

Table 2.17. Sectoral Distribution of Loans

<table>
<thead>
<tr>
<th>Loans and Advances</th>
<th>June 1999</th>
<th>June 2000</th>
<th>June 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>EC$502,402,000</td>
<td>EC$527,656,000</td>
<td>EC$538,717,000</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td>1.6%</td>
<td>1.6%</td>
<td>1.7%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7.7%</td>
<td>6.7%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Distributive Trades</td>
<td>15.4%</td>
<td>15.0%</td>
<td>14.7%</td>
</tr>
<tr>
<td>Tourism</td>
<td>5.0%</td>
<td>4.9%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Transport</td>
<td>3.8%</td>
<td>3.9%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Public Utilities</td>
<td>5.2%</td>
<td>6.6%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Construction</td>
<td>3.6%</td>
<td>3.6%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Government Services</td>
<td>10.1%</td>
<td>8.9%</td>
<td>10.8%</td>
</tr>
<tr>
<td>Professional Services</td>
<td>4.0%</td>
<td>3.7%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Financial Institutions</td>
<td>3.8%</td>
<td>3.1%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Personal</td>
<td>39.0%</td>
<td>41.6%</td>
<td>42.1%</td>
</tr>
<tr>
<td>of which:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property</td>
<td>24.5%</td>
<td>24.0%</td>
<td>23.9%</td>
</tr>
<tr>
<td>Durable Consumer</td>
<td>2.2%</td>
<td>2.4%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Goods</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other personal Loans</td>
<td>12.3%</td>
<td>15.2%</td>
<td>16.0%</td>
</tr>
<tr>
<td>% of loans long term</td>
<td>52.5%</td>
<td>50.4%</td>
<td>47.4%</td>
</tr>
</tbody>
</table>

Source: ECCB, December 2001 Economic and Financial Review

The credit union movement is widespread in Dominica. The Dominica Cooperative Societies League indicates that credit unions are making surpluses overall in spite of current economic difficulties, although loan defaults and arrears have increased. Because there is widespread and easy access to credit unions in Dominica, these organisations will continue to play a valuable role in rural development.

2.4.7 Economic Vulnerability

Small island states are particularly vulnerable to economic shocks and natural disasters. These shocks and disasters can have a serious impact on a small economy such as Dominica’s. As noted in the “Commonwealth Vulnerability Index for Developing Countries”:
“Many of the Caribbean islands are very dependent upon a small number of exports such as bananas, sugar and tourism for employment and foreign exchange earning. While these island states are currently considered to be highly vulnerable, imminent and future institutional and market changes in the world economy may have quite severe implications for their economies – both in terms of vulnerability and their resilience” (pp. 31-32)

The Commonwealth Vulnerability Index is an attempt to quantify the incidence and intensity of risk and threat to a country and that country’s ability to withstand risks and threats (resistance) and to bounce back from their consequences (resilience). Of 111 countries evaluated, Dominica was rated as having the 6th most vulnerable economy (to external economic shocks and natural disasters) in the world and the most vulnerable in the Caribbean. The 15 most vulnerable countries according to the Commonwealth Secretariat report are:

? Sao Tome & Principe
? Vanuatu
? Tonga
? Kiribati
? Samoa
? Dominica
? Equitorial Guinea
? Antigua & Barbuda
? Maldives
? The Gambia
? Grenada
? Solomon Islands
? St. Kitts and Nevis
? St. Vincent and the Grenadines
? Djibouti

Such vulnerability to external economic shocks and natural disasters results in greater impact on the poor than on others in society. In a study of natural disasters and economic development in Dominica, the World Bank noted that:
“At the household level, poverty .... is the single most important factor determining hazard vulnerability, in part reflecting location of housing, choice of building materials, primary source of income generation and lack of access to risk spreading financial mechanisms. Disasters, in turn, can play a significant role in reinforcing poverty....Tackling hazard vulnerability should therefore form an important part of any poverty reduction strategy in Dominica.” (page 78)

2.4.8 Challenges and Opportunities

The IMF produced, based on its Article IV Consultation of 2002, two alternative five year growth scenarios for Dominica (Table 2.18). The baseline projection shows a very modest 1% increase in GDP annually through 2006 while the alternative projection shows annual growth by 2005 and 2006 of 3.5%:

Table 2.18. Economic Growth Scenarios, 2002-06

<table>
<thead>
<tr>
<th>IMF GDP Projections</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>0.1%</td>
<td>1.0%</td>
<td>1.0%</td>
<td>1.0%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Alternative</td>
<td>-0.5%</td>
<td>2.0%</td>
<td>3.0%</td>
<td>3.5%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

Based on the Government of Dominica’s 2002/2003 Budget Address, it would appear that the baseline projection is closer to what may occur. While reversing the downwards trend since 2000, these baseline rates of growth are not sufficient to indicate a return to higher employment and personal income levels. Indeed, given these low growth rates and the likelihood of a continuation of the decline in agricultural output, one might expect that the number of people living below the poverty line may increase over this next period.

The challenges facing the Dominican economy are many and difficult in the face of the Government’s fiscal imbalance and the end of preferential access to the EU market for banana exports.

In the case of the Government’s fiscal problems, the IMF, in its 2002 Article IV Consultation, noted that:

“[T]he current level of fiscal deficit is crowding out private investment in the non-traditional agriculture and tourism sectors and is threatening the government’s ability to fund the delivery of essential services (e.g., education, health and infrastructure maintenance) and key projects in economic and social infrastructure as well as to meet its commitments to wage
earners and pensioners... If the imbalances ... are not tackled promptly, there is a substantial risk of fiscal insolvency, and serious economic, social and political dislocations.”

In the case of the banana industry, the IMF noted that:

“The [IMF] encourages the authorities to expedite the preparation and implementation of plans to target efficient farms for EU-funded investment in irrigation and drainage and other infrastructure works to raise production efficiency, quality and labour productivity and ensure the continued viability of the banana industry in an increasingly competitive international market. It is also important to proceed as quickly as possible with the implementation of parallel foreign-funded programmes to help absorb displaced farm workers into non-traditional areas of agriculture and minimize the social fallout from the restructuring of the industry.”

While there are opportunities to expand the tourism sector, this is inhibited by the low occupancy rates of existing hotels and the unavailability of the capital required for major new hotels. Improvements to the airport, especially lighting for night landing, are also a prerequisite for this sector to grow.

We believe that the key to economic growth, with the widest-spreading employment and income gains, is to be found in the agriculture sector. Restructuring of the banana industry will improve export and foreign exchange earnings but will not substantially increase employment. This calls for an emphasis on crop diversification equal to the emphasis on banana restructuring. Crop diversification can result in employment and income growth in the rural areas of Dominica. However, to be successful, diversification must be accompanied by a radical change in the marketing system for fruits and vegetables. Such a new system must involve:

? production of fruits and vegetables on a regular basis in order to meet export needs;

? quality control, before and after packing, to export market standards, certified by a recognized authority;

? prompt shipping (by air) to regional demand centres; and

? professional marketing agents dealing directly with large hotels and restaurants throughout the region and selling a Dominica-brand product that meets or exceed the standards for quality and freshness from competing islands and from the US.

This diversification can also provide the basis for value-added processing activities such as production of juices and concentrates.
3 Poverty in Dominica

3.1 General
This Chapter describes the incidence and characteristics of poverty in Dominica. The information cited is derived, almost entirely, from the Survey of Living Conditions (SLC) undertaken by members of the Department of Statistics and the Participatory Poverty Assessments (PPAs) undertaken by members of the Department of Local Government. The fieldwork for the SLC and the PPAs was carried out between July and September 2002.

Information has also been obtained from a wide range of other reports and statistics although it should be noted that, apart from the basic information on population and households, the results of the 2001 Population and Housing Census are not yet available.

The analysis of the SLC provides most of the analysis of the variation in socio-economic characteristics between poor and not-poor households. In contrast, the non-quantifiable aspects of poverty, i.e. those related primarily to well-being, are addressed mainly through the PPAs.

Unless otherwise stated:

- all monetary information is given in East Caribbean (EC) dollars;
- all data presented in the following tables have been derived from the SLC database which has been weighted to eliminate variations in non-response and different sampling rates in each parish; and
- some percentages may not sum to 100% due to rounding.
3.2 Household Consumption\textsuperscript{12} in Dominica

Table 3.1 summarises information on the distribution of household expenditure by quintiles\textsuperscript{13} based on household per capita expenditure. As one would expect, the proportion of expenditure devoted to food decreases across the quintiles from over 50\% in the lowest quintile (Q1) to under a quarter for the richest quintile (Q5). Average spending per household is around ECS21,900 per annum; the median value is just over $15,000 and can be considered to be more representative as it excludes the disproportionate effect of a few very rich households. The equivalent per capita figures are $6,550 (average) and $5,300 (median).

Table 3.1. Per Capita Household Expenditure by Quintile

<table>
<thead>
<tr>
<th>ITEM</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q5</th>
<th>ALL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per capita expenditure - upper limit of Quintile (ECS)</td>
<td>2,670</td>
<td>4,400</td>
<td>6,800</td>
<td>11,100</td>
<td>Over 11,100</td>
<td></td>
</tr>
<tr>
<td>Average household size</td>
<td>4.6</td>
<td>4.0</td>
<td>3.1</td>
<td>2.5</td>
<td>2.4</td>
<td>3.3</td>
</tr>
<tr>
<td>Average total household spending (ECS)</td>
<td>8,340</td>
<td>13,800</td>
<td>16,870</td>
<td>21,730</td>
<td>48,910</td>
<td>21,900</td>
</tr>
<tr>
<td>Average spending per capita (ECS)</td>
<td>1,830</td>
<td>3,450</td>
<td>5,400</td>
<td>8,570</td>
<td>20,640</td>
<td>6,550 *</td>
</tr>
<tr>
<td>Food Expenditure (% of total)</td>
<td>54%</td>
<td>47%</td>
<td>47%</td>
<td>38%</td>
<td>24%</td>
<td>43%</td>
</tr>
<tr>
<td>% total spending</td>
<td>7.6%</td>
<td>12.6%</td>
<td>15.4%</td>
<td>19.8%</td>
<td>44.6%</td>
<td>100.0%</td>
</tr>
<tr>
<td>% spending – cumulative</td>
<td>7.6%</td>
<td>20.2%</td>
<td>35.6%</td>
<td>55.4%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

* Median

3.3 Estimation of Poverty Lines

3.3.1 The Minimum Cost Food Basket

The basis of poverty line estimation is the specification of a Minimum Cost Daily Food Basket (MFB) for an adult to achieve a diet of 2,400 calories per day taking into account

\textsuperscript{12} Consumption = household expenditure + gifts in kind + consumption of home produced goods. Consumption is conventionally used as the primary indicator of poverty in preference to income which is harder to assess, subject to greater fluctuations and cannot be disaggregated into food and non-food components. In this report, the terms ‘expenditure’, ‘consumption’ and ‘spending’ are treated synonymously.

\textsuperscript{13} Quintiles are obtained by first sorting the households by the per capita income of the households and then dividing them into 5 equal groups. The first quintile (Q1) represents the 20\% of households with the lowest per capita expenditures through to Q5 which represents the 20\% with the highest spending.
local dietary preferences and the need for a balanced diet. The MFB used in this study\textsuperscript{14} has been prepared by the government nutritionist based on food baskets used for previous CPAs and knowledge of local dietary characteristics. Prices were been derived using the current Consumer Price Index and visits to local supermarkets and markets, where the great majority of food on the island is purchased. The computations were made using a simple spreadsheet model using data from the CFNI publication ‘Food Composition Tables for Use in the English Speaking Caribbean’, PAHO/CFNI, 1995.

The total cost of this basket, for an adult, is EC$5.51 per day which is equivalent to around EC$165 per month and just over EC$2,000 per annum.

\textbf{3.3.2 The Indigence Line}

The indigence line is defined as the cost of the MFB. Adults with total expenditure below this amount, ie. c. EC$2,000 per annum, are classified as indigent, or extremely poor. Essentially they are unable to satisfy even their basic food needs.

In determining whether or not a household is indigent, account is taken of the number and age of children\textsuperscript{15} in the household as well as the number of adults (18 years and over). Using this data, a household indigence line (HIL) is established. Households with total expenditures below the HIL are categorised as indigent. For example, the indigence line for a family of 2 adults and 2 children under 13 years would be around $5,000, which is almost 40% lower than if no adjustment for household composition was made. The concept of a model household is however problematic as less than 1 in 6 have four persons, only some of which will have 2 adults with 2 small children.

\textbf{3.3.3 The Poverty Line}

The poverty line includes a component for non-food expenditure in addition to the MFB used in estimating the indigence line. In line with previous CPAs, the non-food element of the poverty line is calculated as the average per capita non food expenditure of the 40% of households with the lowest per capita total expenditure. It should be noted that this approach introduces an element of relative poverty into the calculations as it is based on actual average expenditures rather than the cost of a specified minimum needs basket of non-food goods and services.

\textsuperscript{14} The Minimum Food Basket is presented in detail in Volume 2.

\textsuperscript{15} Children aged under 18 years are assumed to require less food for an adult. The factors are 0.2, 0.3 and 0.5 for children aged under 8 years, 8-12 years and 13-17 years respectively.
From the SLC, average per capita non-food expenditure of the 40% of households with the lowest per capita incomes is c. EC$1,400 per annum. The adult poverty line is therefore $2,000+$1,400=c. $3,400.

The household poverty line (HPL) is obtained by adding the non-food component ($1,400) multiplied by the household size to the household indigence line (HIL). Households with total expenditure below this amount are categorised as poor. For example, the HPL for a family of 2 adults and 2 children under 13 years would be around $10,600\(^\text{16}\), 22% lower than if no adjustment for household size had been made.

Both individual and household poverty lines can be compared to the cut-off personal annual income of $9,000 below which the recently introduced stabilisation levy (see paragraph 2.4.4) is not payable. Although direct calculations are not possible, the implication is that this levy is unlikely to directly affect a significant number of poor households.

### Comparative Indigence and Poverty Lines

Table 3.2 summarises the adult indigence and poverty lines in Dominica and makes comparison to other Caribbean countries. Comparisons are not straightforward as the surveys were not undertaken at the same time and the purchasing power of the ECS\(^\text{17}\) varies between countries. For surveys undertaken at the same time, the costs of the MFB (the indigence line) provide a de facto PPP comparison. In this respect, the Table shows that the cost of the MFB in Dominica is under half that in BVI and 30% lower than that in Anguilla.

In consequence, the best indicator of inter-country variation is the proportion of the poverty line expenditure that is required for food. This proportion tends to decrease with affluence. Dominica, with food representing almost 60% of the total expenditure of poor households, is in a similar situation to St. Kitts, Nevis and Grenada. Of the other countries shown, the proportion spent on food is much higher in Guyana (74%) indicating a higher degree of poverty and lower in Anguilla, BVI and Turks and Caicos (27-39%) implying greater affluence.

\(^{16}\) That is the HIL + 4*per capita non-food component = $5,000+ 4*$1,400 = $10,600.

\(^{17}\) In other words, for example, ECS100 will purchase a different amount of goods in Dominica than Anguilla. Currently, the PPP value of the US$ in Dominica is estimated to be around 1.7 times its value in the United States.
<table>
<thead>
<tr>
<th>Country/ Island</th>
<th>Year</th>
<th>Food*</th>
<th>Non-food</th>
<th>Poverty Line***</th>
<th>Food #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anguilla</td>
<td>2002</td>
<td>3066</td>
<td>4864</td>
<td>7930</td>
<td>39%</td>
</tr>
<tr>
<td>Dominica</td>
<td>2002</td>
<td><strong>2011</strong></td>
<td><strong>1389</strong></td>
<td><strong>3400</strong></td>
<td><strong>60%</strong></td>
</tr>
<tr>
<td>BVI **</td>
<td>2002</td>
<td>4400</td>
<td>12000</td>
<td>16400</td>
<td>27%</td>
</tr>
<tr>
<td>Turks and Caicos**</td>
<td>1999</td>
<td>2300</td>
<td>4000</td>
<td>6300</td>
<td>36%</td>
</tr>
<tr>
<td>St Kitts</td>
<td>1999/2000</td>
<td>2136</td>
<td>1225</td>
<td>3361</td>
<td>64%</td>
</tr>
<tr>
<td>Nevis</td>
<td>1999/2000</td>
<td>2448</td>
<td>1493</td>
<td>3941</td>
<td>62%</td>
</tr>
<tr>
<td>Grenada</td>
<td>1998</td>
<td>1431</td>
<td>1831</td>
<td>3262</td>
<td>44%</td>
</tr>
<tr>
<td>St. Lucia</td>
<td>1995</td>
<td>1003</td>
<td>874</td>
<td>1876</td>
<td>53%</td>
</tr>
<tr>
<td>Guyana</td>
<td>1993</td>
<td>759</td>
<td>267</td>
<td>1026</td>
<td>74%</td>
</tr>
<tr>
<td>Belize</td>
<td>1996</td>
<td>1014</td>
<td>724</td>
<td>1737</td>
<td>58%</td>
</tr>
</tbody>
</table>

* Equivalent to the Indigence line. ** Converted from US$ at US$1=EC$2.70. *** For an adult. # Food expenditure as % of poverty line.

Source: Anguilla, Dominica and BVI SLCs; Caribbean Development Bank.

3.4 The Incidence of Poverty in Dominica

3.4.1 The Headcount Ratio

By relating the poverty lines to the household expenditures obtained from the SLC and adjusted for household composition, households can be classified as to whether they fall above or below the poverty line. The headcount ratio is defined as the ratio of households falling below the poverty line to all households. The results for Dominica are presented in Table 3.3.

<table>
<thead>
<tr>
<th>Category</th>
<th>Households %</th>
<th>Population %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indigent/ Very Poor</td>
<td>11%</td>
<td>15%</td>
</tr>
<tr>
<td>Poor</td>
<td>18%</td>
<td>24%</td>
</tr>
<tr>
<td>ALL POOR</td>
<td>29%</td>
<td>39%</td>
</tr>
<tr>
<td>NON POOR</td>
<td>71%</td>
<td>61%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
The level of indigence or severe poverty is relatively low at around 11% indicating that the
great majority of Dominicans can satisfy their basic food needs. The incidence of overall
poverty, 29% of households and 39% of the population, is however high reflecting the
continuing decline in banana production and the stagnation in other sectors such as tourism
and manufacturing. On this basis, in mid-2002, there would be around 2,500 indigent and
4,400 poor households in Dominica. In all, just under 7,000 households have expenditures
below the poverty line.

The poverty line is to a significant extent determined by the non-food expenditure
component. This is based around the non-food expenditure of the lowest 40% of households.
If a more restrictive assumption were used, e.g. the average non-food expenditure of indigent
households (c.$740)\(^{18}\), the proportion of poor households would be significantly lower at
around 20% of all households and 28% of the population.

Table 3.4 and Figure 3.1 compare poverty in Dominica as shown by the headcount ratio with
selected other Caribbean countries.

Table 3.4. Comparative Poverty Indicators

<table>
<thead>
<tr>
<th>Country/ Island</th>
<th>Survey Year</th>
<th>Indigence Headcount</th>
<th>Poverty Line Headcount</th>
<th>Poverty Gap</th>
<th>Poverty Gap Squared</th>
<th>Gini</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>H'holds  Pop.</td>
<td>H'holds  Pop.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barbados</td>
<td>1996</td>
<td>1% 1%</td>
<td>9% 14%</td>
<td>2.3</td>
<td>na</td>
<td>0.39</td>
</tr>
<tr>
<td>Jamaica</td>
<td>2001</td>
<td>na na</td>
<td>na 17%</td>
<td>Na</td>
<td>na</td>
<td>0.38</td>
</tr>
<tr>
<td>Trinidad &amp; Tobago</td>
<td>1992</td>
<td>na 11%</td>
<td>na 21%</td>
<td>Na</td>
<td>na</td>
<td>0.42</td>
</tr>
<tr>
<td>BVI</td>
<td>2002</td>
<td>1% 1%</td>
<td>16% 22%</td>
<td>4.1</td>
<td>1.7</td>
<td>0.23</td>
</tr>
<tr>
<td>Anguilla</td>
<td>2002</td>
<td>2% 2%</td>
<td>20% 23%</td>
<td>6.9</td>
<td>3.2</td>
<td>0.31</td>
</tr>
<tr>
<td>St. Lucia</td>
<td>1995</td>
<td>5% 7%</td>
<td>19% 25%</td>
<td>8.6</td>
<td>4.4</td>
<td>0.5</td>
</tr>
<tr>
<td>Turks &amp; Caicos</td>
<td>1999</td>
<td>3% 3%</td>
<td>18% 26%</td>
<td>5.7</td>
<td>2.6</td>
<td>0.37</td>
</tr>
<tr>
<td>St. Kitts</td>
<td>1999</td>
<td>na 11%</td>
<td>16% 31%</td>
<td>2.5</td>
<td>8.9</td>
<td>0.40</td>
</tr>
<tr>
<td>Nevis</td>
<td>1999/2000</td>
<td>na 17%</td>
<td>16% 32%</td>
<td>2.8</td>
<td>10</td>
<td>0.37</td>
</tr>
<tr>
<td>Grenada</td>
<td>1998</td>
<td>11% 13%</td>
<td>24% 32%</td>
<td>15.3</td>
<td>9.9</td>
<td>0.45</td>
</tr>
<tr>
<td>Belize</td>
<td>1996</td>
<td>10% 13%</td>
<td>25% 33%</td>
<td>8.7</td>
<td>4.3</td>
<td>0.51</td>
</tr>
<tr>
<td>St Vincent</td>
<td>1995</td>
<td>20% 26%</td>
<td>31% 38%</td>
<td>12.6</td>
<td>6.9</td>
<td>0.56</td>
</tr>
<tr>
<td>DOMINICA</td>
<td>2002</td>
<td>11% 15%</td>
<td>29% 39%</td>
<td>10.2</td>
<td>4.8</td>
<td>0.35</td>
</tr>
<tr>
<td>Guyana</td>
<td>1993</td>
<td>na 28%</td>
<td>na 43% (35%)*</td>
<td>16.2</td>
<td>8.2</td>
<td>na</td>
</tr>
</tbody>
</table>

NB. Countries are sorted by percentage of the population that which is poor – the only indicator with a complete set of
information.

\(^{18}\) From SLC. It is known that the poorest households have some essential non-food expenditure that results in them making
 economies on their food expenditure.
As with Table 3.2, comparisons are made difficult by the different survey years and the use of a relative measure for non-food expenditure. Hence the counter-intuitive ‘result’ that poverty in Jamaica is lower than in most other Caribbean countries. It is nevertheless clear that the incidence of poverty in Dominica is amongst the highest in the Caribbean with only St. Vincent and Guyana having comparable levels; the St. Vincent information however dates from 1995. In terms of indigence, Dominica fares somewhat better being in a similar situation to several other countries (e.g St Kitts and Nevis, Belize, Grenada) and with a much lower incidence of severe poverty than Guyana and St. Vincent. Figure 3.1 also shows the consistent variation in the proportions of poor households and poor population – on average, poor households tend to be larger.

3.4.2 Other Poverty Indicators

Table 3.4 also presents comparisons of other poverty indicators that are used internationally. These are:

The poverty gap: this is a measure of the extent to which the incomes of poor households fall below the poverty line. More specifically it is the sum of the percentage gaps, for all poor households, between their expenditure and the poverty line averaged across all households.

The poverty gap squared: similar to the poverty gap but giving much greater emphasis to the poorest households.

The Gini coefficient: a measure of the overall distribution of household incomes where 0 would denote a completely equal distribution and 1 would denote a completely unequal one. Although quite widely used, the relationship between the Gini coefficient and other poverty/income variables is not consistent.

The poverty gap indicators provide a basically similar pattern to that shown by the headcount ratios. The Gini coefficient indicates a more balanced distribution of household expenditure in Dominica than in several other countries although, as mentioned above, too much should not be drawn from this. In fact, Dominica has a virtually identical Gini coefficient to countries as diverse as Australia, Algeria, Ireland, Israel and the UK.
Figure 3.1. Comparative Poverty and Indigence

NB. Two sets of data for Guyana are shown; the lower values relate to 1999, the higher (rightmost) are for 1993.

Source: As for Table 3.2. No entry indicates that data is not available.
3.5 Community Perceptions of Poverty

The preceding assessment of the incidence of poverty in Dominica has been confined to income poverty. PPA respondents are however more likely to perceive poverty primarily as being associated with destitution with an image of ragged clothing, homelessness or squalor, starvation and begging. In this sense, many respondents’ perception of poverty is much closer to that of indigence as defined for this project. The following quotes are typical:

“Poverty is having nothing at all. When you do not know where the meals are coming from”.

“Poverty is not being able to do what you want.”

“Poverty is working and cannot meet your needs.”

However some responses emphasise a more psychological dimension:

Poverty is how you live”, “the inability to energize yourself”, “the lack of motivation”, “the lack of positive response to needs”.

Unless they are experiencing severe poverty, community residents object, often quite vehemently, to being associated with the labels ‘poor’ and ‘poverty’. When questioned, they point to a variety of indicators of well-being such as health, nutrition, education, security and safety, family and community, and the immediate physical environment rather than to the difficult employment situation and the lack of disposable cash. Groups seen as particularly vulnerable to poverty were the elderly living on their own and households where the father had migrated and broken contact.

What this points to, as alluded to in the introduction, is that the correlation between income poverty and lack of well-being is by no means total. This appears to be particularly the case for households who are not indigent but whose income falls below the poverty line. These responses also emphasise that the state of one’s personal, social, physical and natural environment are absolutely crucial components of well-being. As a corollary, actions to

---

19 Interestingly, these were the criteria used in the 1996 Poverty Assessment to identify typical ‘poor’ households for interview.

20 Quotes such as the following are virtually identical to those that would be obtained in any poverty assessment anywhere in the world. For instance, the CPA for Turks and Caicos includes the following ‘definitions’ of poverty: “having nothing and not being able to provide”, “not being able to provide basic necessities”.

---
target these aspects can entrain major benefits to the poor even if they do not directly contribute to increased incomes.

3.6 **Characteristics of Poverty in Dominica**
In this Section, we examine the characteristics of the poor population in Dominica as a whole. The majority of tabulations presented below are for the poor and the non-poor populations. Tabulations by expenditure quintile are contained in Volume 2.

3.6.1 **Geographic Distribution**
(a) By Parish
Table 3.5, and Figures 3.2 and 3.3, show that the incidence of poverty in Dominica varies considerably from parish to parish. The lowest incidence is in St. Peter and Roseau where 17-18% of households are poor. The highest incidence is in St. David (which includes the Carib Territory) where over half the households are poor followed by St. Patrick (the south east)\(^{21}\) and St. Mark (Scotts Head). Over a third of all poor households in the country are to be found in these three parishes yet they contain less than a quarter of all households. St David also contains over twice as many indigent households (28%) as any other parish.

**Figure 3.2. Household Poverty by Parish**

\(^{21}\) 6 of the 9 schools receiving free school meals are located in these two parishes.
Figure 3.3: GEOGRAPHIC DISTRIBUTION OF POVERTY

KEY
Percentage of households in Poverty
17 - 24 %  
25 - 34 %  
35 - 44 %  
45 % +  
Dominica average: 29 %
The geographic distribution of the poor population is similar to that of poor households; in all cases the percentages are higher as poor households tend to be larger. In St. Mark and St. David, this means that the overall incidence of poverty exceeds 60% of the population. It also means that over 30% of the population are poor in all areas except Roseau.

Table 3.5. Geographic Distribution of Household Poverty

<table>
<thead>
<tr>
<th>PARISH</th>
<th>Indigent</th>
<th>Poor</th>
<th>All Poor</th>
<th>Not Poor</th>
<th>Total</th>
<th>% of all poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>St. George (Roseau)</td>
<td>5%</td>
<td>13%</td>
<td>18% (23%)</td>
<td>82%</td>
<td>100%</td>
<td>12%</td>
</tr>
<tr>
<td>Rest of St. George</td>
<td>11%</td>
<td>12%</td>
<td>24% (39%)</td>
<td>76%</td>
<td>100%</td>
<td>6%</td>
</tr>
<tr>
<td>St. John</td>
<td>7%</td>
<td>21%</td>
<td>28% (37%)</td>
<td>72%</td>
<td>100%</td>
<td>9%</td>
</tr>
<tr>
<td>St. Peter</td>
<td>6%</td>
<td>12%</td>
<td>17% (31%)</td>
<td>83%</td>
<td>100%</td>
<td>1%</td>
</tr>
<tr>
<td>St. Joseph</td>
<td>13%</td>
<td>20%</td>
<td>33% (44%)</td>
<td>67%</td>
<td>100%</td>
<td>11%</td>
</tr>
<tr>
<td>St. Paul</td>
<td>12%</td>
<td>11%</td>
<td>23% (36%)</td>
<td>77%</td>
<td>100%</td>
<td>9%</td>
</tr>
<tr>
<td>St. Luke</td>
<td>4%</td>
<td>28%</td>
<td>32% (48%)</td>
<td>68%</td>
<td>100%</td>
<td>3%</td>
</tr>
<tr>
<td>St. Mark</td>
<td>13%</td>
<td>31%</td>
<td>44% (62%)</td>
<td>56%</td>
<td>100%</td>
<td>4%</td>
</tr>
<tr>
<td>St. Patrick</td>
<td>9%</td>
<td>32%</td>
<td>41% (48%)</td>
<td>59%</td>
<td>100%</td>
<td>16%</td>
</tr>
<tr>
<td>St. David</td>
<td>28%</td>
<td>23%</td>
<td>52% (67%)</td>
<td>48%</td>
<td>100%</td>
<td>15%</td>
</tr>
<tr>
<td>St. Andrew</td>
<td>9%</td>
<td>16%</td>
<td>25% (32%)</td>
<td>75%</td>
<td>100%</td>
<td>12%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>10%</td>
<td>18%</td>
<td>29% (39%)</td>
<td>71%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Figures in ( ) relate to population. All other figures related to households

(b) By Urban/ Rural

At present, the Central Statistical Office considers only the main towns in Dominica, ie. Roseau and Portsmouth, to be urban. There are however areas that essentially function as parts of ‘Greater Roseau’, both as employment areas (eg. Canefield) or as suburbs (eg. Louibiere). There are also a number of smaller settlements functioning as sub-centres with a full range of facilities, eg. secondary schools, clinics, post offices, etc. In discussion with CSO, it was decided that these settlements, La Plaine, Marigot, Castle Bruce and Grand Bay (all located on the East Coast), should be included in an ‘other urban’ category. The distribution of poverty between urban and rural areas is shown in Table 3.6 and Figure 3.4.
The incidence of indigence and overall poverty in urban areas (6% and 19% respectively) is much lower than that prevailing in the rural areas (13% and 33% respectively). However the urban areas still contain around a quarter of all poor households and population\textsuperscript{22}. The poverty situation in the East Coast sub-centres (which comprise 11% of all poor households) is more akin to that of the rural areas.

Table 3.6. Poverty in Urban and Rural Areas

<table>
<thead>
<tr>
<th>AREA</th>
<th>Indigent</th>
<th>Poor</th>
<th>All Poor</th>
<th>Not Poor</th>
<th>Total</th>
<th>% of all poor households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban *</td>
<td>6%</td>
<td>13%</td>
<td>19% (27%)#</td>
<td>81%</td>
<td>100%</td>
<td>24%</td>
</tr>
<tr>
<td>Sub-centres **</td>
<td>10%</td>
<td>30%</td>
<td>40% (50%)</td>
<td>60%</td>
<td>100%</td>
<td>11%</td>
</tr>
<tr>
<td>Rural</td>
<td>13%</td>
<td>20%</td>
<td>33% (46%)</td>
<td>67%</td>
<td>100%</td>
<td>65%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>10%</td>
<td>18%</td>
<td>29% (39%)</td>
<td>71%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Roseau and suburban areas, and Portsmouth ** La Plaine, Marigot, Castle Bruce and Grand Bay
# Figures in ( ) relate to population. All other figures related to households

Figure 3.4. Poverty by Urban and Rural Areas

\textsuperscript{22} Average household size is virtually the same in urban and rural areas of the country – 3.4 as against. 3.2.
### 3.6.2 Demographic Characteristics

Table 3.7 summarises variations in age, gender and household size between poor and not poor households.

<table>
<thead>
<tr>
<th>Household Size (persons)</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>16%</td>
<td>28%</td>
<td>25%</td>
</tr>
<tr>
<td>2</td>
<td>11%</td>
<td>21%</td>
<td>18%</td>
</tr>
<tr>
<td>3 or 4</td>
<td>26%</td>
<td>34%</td>
<td>32%</td>
</tr>
<tr>
<td>5 or 6</td>
<td>26%</td>
<td>13%</td>
<td>17%</td>
</tr>
<tr>
<td>7 and over</td>
<td>21%</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Average Household size</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.5</td>
<td></td>
<td>2.8</td>
<td>3.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age of Population (years)</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 5</td>
<td>9%</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>5-14</td>
<td>29%</td>
<td>17%</td>
<td>22%</td>
</tr>
<tr>
<td>15 – 24</td>
<td>17%</td>
<td>16%</td>
<td>16%</td>
</tr>
<tr>
<td>25 – 44</td>
<td>24%</td>
<td>30%</td>
<td>28%</td>
</tr>
<tr>
<td>45 – 64</td>
<td>12%</td>
<td>18%</td>
<td>16%</td>
</tr>
<tr>
<td>65+</td>
<td>8%</td>
<td>13%</td>
<td>11%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sex of Population **</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>50%</td>
<td>51%</td>
<td>50%</td>
</tr>
<tr>
<td>Female</td>
<td>50%</td>
<td>49%</td>
<td>50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sex of Head of Household **</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>63%</td>
<td>68%</td>
<td>66%</td>
</tr>
<tr>
<td>Female</td>
<td>37%</td>
<td>32%</td>
<td>34%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Households with no adult (20+ years) males</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>22%</td>
<td></td>
<td>20%</td>
<td>21%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sample sizes</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households</td>
<td>118</td>
<td>469</td>
<td>587</td>
</tr>
<tr>
<td>Population</td>
<td>425</td>
<td>1407</td>
<td>1832</td>
</tr>
</tbody>
</table>

(a) Age Distribution (Figure 3.5)

Poor households contain proportionately more children than non-poor households; the disparity is most marked for those aged from 5 to 14 years; almost half this age group lives in
poor households. In consequence, poor households have proportionately fewer persons aged from 25-64 years – the main working ages; under a quarter of this group lives in poor households. Twenty-seven percent of households contain elderly (over 64 years) members. This proportion, unlike in many countries, varies little with the poverty status of the household.

Figure 3.5. Age Distribution by Poverty Status

(b) Gender
There is no significant difference in the gender distribution of poverty. This applies when considering either the population as a whole or the gender of the head of household or the proportion of households with no adult males. Irrespective of the quantitative results, the plight of women with large families and inadequate male support can be very severe as shown in Case Study 1.
Case Study 1. Household Size, Single Parenthood and Poverty

S has 8 children, 1 girl and 7 boys, who range in age between one month and 11 years. The eldest and youngest live with her. They occupy a small (12x14 foot) wooden house and squat on the land in Tarish Pit. Her home has a stove and cable television, but no fridge or telephone.

She works irregularly by washing and ironing for others, but has difficulty making ends meet, particularly paying regular bills for utilities and medication for her son’s asthma.

The relationship with the father of her last three children ended recently because ‘he used to beat me’. He does not support his children since as she claims ‘I have to be with him in order for him to support the children, otherwise he will not’.

The father of her first son supports ‘the best way he can’ and her grandmother, who raised her, assists her if she is sick. Other than that, she receives no financial or other assistance from family members and ‘does not think that they care and support enough’. She also receives welfare support for the education of her children and, with the assistance of a teacher, is looking for a ‘sponsor’ for her three year old who is about to begin pre-school.

She is somewhat fatalistic about her position and states that she is ‘taking one day at a time’ and that ‘the Lord provides’.

(c) Household Size

The distribution of the household sizes (Figure 3.6) of poor and not poor households shows dramatic differences. Poor households tend to be much larger than not poor households: almost half of poor households have 5 or more persons compared with only 16% of not poor households. As a result, the average household size of poor households (4.5 persons) is 60% higher than for not poor households (2.8 persons). Nonetheless, almost one in 6 poor households have just one person.

Figure 3.6. Household Size by Poverty Status
Over 55% of large households are poor, reflecting the fact that larger households tend to have more non-working dependants (especially children). This also explains why the incidence of poverty is much higher for population than for households.

(d) Household Type (Table 3.8)
Over 40% of poor households are multi-generational (ie. with members of three generations) or extended households (mostly extended families including in laws and/or brothers and sisters). This is consistent with the greater average size of poor households. Single person and childless couple households are less likely to be poor but there is little difference in the proportions of nuclear or one parent households.

There are also substantial differences in the proportion of households with children. This proportion in poor households is considerably higher than for not poor households – 70% compared with 44%.

Table 3.8. Types of Household

<table>
<thead>
<tr>
<th>Household Composition</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single person</td>
<td>16%</td>
<td>28%</td>
<td>25%</td>
</tr>
<tr>
<td>Couples without Children</td>
<td>3%</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td>Two parents with children</td>
<td>26%</td>
<td>23%</td>
<td>24%</td>
</tr>
<tr>
<td>Single parent household</td>
<td>12%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Multigenerational household</td>
<td>25%</td>
<td>13%</td>
<td>17%</td>
</tr>
<tr>
<td>Other households</td>
<td>18%</td>
<td>11%</td>
<td>13%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Households with Children*</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>With children</td>
<td>70%</td>
<td>44%</td>
<td>52%</td>
</tr>
<tr>
<td>Without children</td>
<td>30%</td>
<td>56%</td>
<td>48%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Elderly Households</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single elderly (65+)</td>
<td>7%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Two person elderly (65+ &amp; 60+)</td>
<td>1%</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Other elderly (65+)</td>
<td>19%</td>
<td>16%</td>
<td>17%</td>
</tr>
<tr>
<td>No one 65+</td>
<td>73%</td>
<td>73%</td>
<td>73%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Under 18 years.

3.6.3 Ethnicity
Table 3.9 tabulates the ethnicity of the poor and not poor populations. The incidence of poverty amongst the Carib population is extremely high – 70% with almost half being indigent. The Caribs represent around 4% of the total population and 7% of the poor population. Over 90% of the poor population in Dominica is African or mixed race.
Table 3.9. Ethnicity of Population and Poverty Status

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Indigent</th>
<th>Poor</th>
<th>All Poor</th>
<th>Not Poor</th>
<th>Total</th>
<th>% of all poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>African</td>
<td>15%</td>
<td>23%</td>
<td>39%</td>
<td>61%</td>
<td>100%</td>
<td>79%</td>
</tr>
<tr>
<td>Carib</td>
<td>49%</td>
<td>21%</td>
<td>70%</td>
<td>30%</td>
<td>100%</td>
<td>7%</td>
</tr>
<tr>
<td>Mixed</td>
<td>8%</td>
<td>29%</td>
<td>37%</td>
<td>63%</td>
<td>100%</td>
<td>13%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
<td>11%</td>
<td>16%</td>
<td>84%</td>
<td>100%</td>
<td>1%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>15%</td>
<td>24%</td>
<td>39%</td>
<td>61%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

3.6.4 Employment/ Economic Activity

Table 3.10 and Figure 3.7 present indicators related to the employment and economic activity of poor and not poor households. They do not indicate a straightforward situation. There are proportionately more poor households with unemployed persons and no one else working, and fewer with 2 employed persons, than in not poor households. However, the proportions with 1 or more than 3 people working are similar to not poor households as is the proportion of households with no one in the labour force (e.g. retired persons only, presence of long-term sick/disabled). Overall, 69% of poor households have at least one person employed, compared to 77% of not poor households.

Figure 3.7. Household Employment

The difference between poor and non-poor households is however extremely marked in the dependency ratio. The ratio in poor households is 3.4 which is over double that in not poor households. This reflects their larger size and the much higher incidence of unemployment –
40% of the labour force of poor households compared with 18% in not poor households. The overall unemployment rate is 25% compared to around 16% in 1999 and 10% in 1991. While the statistics may not be directly comparable due to definitional issues, the deterioration in the employment situation is apparent. Unemployment was repeatedly cited as a serious problem during the PPAs.

Table 3.10. Employment Indicators by Poverty Status

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed Persons in Household</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None – no one in labour force#</td>
<td>16%</td>
<td>17%</td>
<td>16%</td>
</tr>
<tr>
<td>None – with unemployed persons</td>
<td>15%</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>All non-working households</td>
<td>31%</td>
<td>23%</td>
<td>25%</td>
</tr>
<tr>
<td>1</td>
<td>45%</td>
<td>45%</td>
<td>45%</td>
</tr>
<tr>
<td>2</td>
<td>17%</td>
<td>25%</td>
<td>23%</td>
</tr>
<tr>
<td>3 or more</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>All working households</td>
<td>69%</td>
<td>77%</td>
<td>75%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Dependency Ratio *</td>
<td>3.4</td>
<td>1.4</td>
<td>1.9</td>
</tr>
<tr>
<td>Labour Market Indicators **</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation Rate</td>
<td>61%</td>
<td>67%</td>
<td>65%</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>40%</td>
<td>18%</td>
<td>25%</td>
</tr>
<tr>
<td>Unemployment Rates by Age Group**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15-24 years</td>
<td>74%</td>
<td>44%</td>
<td>56%</td>
</tr>
<tr>
<td>25-34 years</td>
<td>38%</td>
<td>17%</td>
<td>23%</td>
</tr>
<tr>
<td>35-44 years</td>
<td>21%</td>
<td>10%</td>
<td>13%</td>
</tr>
<tr>
<td>45-54 years</td>
<td>25%</td>
<td>11%</td>
<td>14%</td>
</tr>
<tr>
<td>55-64 years</td>
<td>34%</td>
<td>14%</td>
<td>21%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Population/Workers. ** Population based. # ie.Hholds with no workers or unemployed persons.

The overall implication is that poor households have to contend with more dependents and find it harder to obtain regular work with the situation being partly alleviated by the fact that 70% of these households have at least one person in employment. Labour force participation rates are also comparable between poor and not poor households.

Age specific unemployment rates are much higher amongst poor households at all age groups. Almost three-quarters of 15-24 year olds (who are not studying) from poor households are unemployed. This age-group also contributes almost half of all unemployed
persons, implying that the economy is failing to create for those entering the labour force. Employment is also, as the PPAs repeatedly showed, failing to generate enough income for many of those who do have jobs.

Occupations and industrial sectors also vary between poor and not poor households (Table 3.11 and Figures 3.8 and 3.9). Workers in poor households are more likely to be employed in the construction and agricultural sectors and less likely to be found in the government. Differences between the other sectors are far less significant. In terms of occupation over half the poor employed are to be found in the skilled and unskilled manual sectors and another quarter are farmers. In contrast, around half the workers in not poor households have occupations in the professional/managerial/technical groups. Neither of these findings is unexpected but the differences between poor and not poor households are clearly demarcated.

### Table 3.11. Employment Characteristics

<table>
<thead>
<tr>
<th>Industrial Sector</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bananas</td>
<td>5%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Other Agric</td>
<td>26%</td>
<td>15%</td>
<td>18%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>3%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Construction</td>
<td>18%</td>
<td>8%</td>
<td>10%</td>
</tr>
<tr>
<td>Wholesale/retail</td>
<td>11%</td>
<td>15%</td>
<td>14%</td>
</tr>
<tr>
<td>Transport</td>
<td>3%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Government</td>
<td>11%</td>
<td>20%</td>
<td>18%</td>
</tr>
<tr>
<td>Other Services</td>
<td>24%</td>
<td>26%</td>
<td>26%</td>
</tr>
<tr>
<td><strong>ALL</strong></td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Occupational Status</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof/Man/ Tech</td>
<td>7%</td>
<td>24%</td>
<td>20%</td>
</tr>
<tr>
<td>Sales/Clerical</td>
<td>14%</td>
<td>25%</td>
<td>22%</td>
</tr>
<tr>
<td>Farmers</td>
<td>25%</td>
<td>18%</td>
<td>20%</td>
</tr>
<tr>
<td>Skilled manual/ crafts</td>
<td>29%</td>
<td>19%</td>
<td>21%</td>
</tr>
<tr>
<td>Elementary</td>
<td>25%</td>
<td>14%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>ALL</strong></td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
Figure 3.8. Employment by Industrial Sector

![Bar chart showing employment by industrial sector for poor and not poor categories.]

Figure 3.9. Employment by Occupational Group

![Bar chart showing employment by occupational group for poor and not poor categories.]

3.6.5 Disability and Health

Health clinics are distributed throughout the country and there is no problem of access for community residents. Many services, such as contraception, are offered free of cost and often there is a resident nurse within the community. Due to mass immunisation and widespread availability of piped water, the incidences of health conditions commonly linked to poverty, e.g. infectious or waterborne diseases, low birth weights, infant diarrhoea, are low and, in many cases, virtually non-existent. Traditional healthy diets of ground provisions and fish continue to be popular and there is little evidence of obesity or malnutrition. Occasionally
however, children go to school hungry or remain at home because they have not eaten\textsuperscript{23}. In addition, there is some evidence, among the younger generation in particular, of a shift to convenience foods with less nutritional value. The most common problems found during the PPAs were chronic diseases such as diabetes, hypertension, arthritis and cancer as Table 3.12 also shows. These conditions have traditionally been seen as relating to more rather than less affluent households.

Table 3.12. Health Indicators by Poverty Status

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households with disabled persons</td>
<td>23%</td>
<td>15%</td>
<td>18%</td>
</tr>
<tr>
<td>Households with long term sick *</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Households with diabetic or hypertensive individuals</td>
<td>27%</td>
<td>31%</td>
<td>30%</td>
</tr>
</tbody>
</table>

* ie. Unable to work or attend school due to sickness.

In consequence, it is not surprising that there is little difference between poor and not poor households in terms of the incidence of long term sickness and diabetes/hypertension. There is however a significant difference in terms of disability. In just over half these cases, the disability is serious enough to prevent the person from working or attending school.

Drug use (marijuana and crack cocaine) and alcohol consumption, especially amongst youth and the male population, also cause great concern in all communities. As one informant put it: “One thing leads to another. Wherever you have drug, you have guns and if the community does not take a step before it gets too late, the whole thing can escalate”. In the late 1990s, 17% and 6% of a large sample of schoolchildren had sampled marijuana and cocaine respectively; two thirds had consumed or at least tried alcohol\textsuperscript{24}. On the other hand, the most recent crime statistics give no indication of reported drug crimes (see Table 5.1).

Also of concern is the persistence of teenage pregnancy and motherhood despite the availability of free contraception at clinics and, due to the efforts of the Dominica Planned Parenthood Association (DPPA), in some shops and stores. Amongst households with

\textsuperscript{23} PAHO, \textit{Adolescent Health Survey}, 1999: in the majority of cases, respondents stated that did not take breakfast either because they did not have time or did not want. Conversely, one third of students said that they ‘sometimes’ went hungry due to lack of food in the house.

\textsuperscript{24} PAHO, op cit. Only a minority of those consuming alcohol could be considered to be drinking to excess. It is probable that only a minority of ‘users’ did so on a regular basis. Conversely, the survey included children from 10 years up. Rates of usage amongst older groups would thus be higher.
children under 18 years; teenage pregnancies are found in 17% of cases; both parents are present in only a fifth of these. Interestingly, this proportion is only slightly higher in poor as opposed to not poor households – 19% compared with 15%. The ratio of teenage births as a proportion of total births has remained fairly constant. The DPPA considers that the overall trend is downward which is partly corroborated by SLC data which shows that 14% of mothers who had teenage pregnancies are aged between 20 and 24 years compared with almost 60% who are aged between 30 and 36 years.

Nevertheless, the incidence of teenage sexual activity remains high with over 60% of adolescents aged 15-19 years having had sexual intercourse while only a quarter stated that they used contraception every time they had sex. STDs are make up a large proportion of all medical consultations and the spread of HIV infection has started. With the present atmosphere of denial and stigmatization, along with the resistance on the part of males to condom use, an AIDS epidemic could become a major social and economic problem as it has elsewhere in the Caribbean.

3.6.6 Education

The education level of heads of household in Dominica is very low – over three-quarters of heads of household have not been educated above primary level (Table 3.13). The situation improves significantly if the indicator used is the highest level of attainment of anyone in the household. Even so, 60% of households have no one with secondary or tertiary education. This situation is not new and educational policies in the last 20 years have sought to remedy this situation. As a direct consequence, educational levels in Dominica have improved dramatically for the population as a whole (Figure 3.10). As shown in the Table, these changes have benefited poor and not poor alike. On present trends, the overall educational level of the population in general, and the more in particular, will continue to improve.

Nevertheless, there are marked differences in the proportions with no secondary education between poor and not poor households in all age groups and, particularly, amongst the 15-19 year olds who are just completing their education. Young children from poor households are also less likely to go to pre-school. At the other end of the scale, very few adults in poor households have tertiary education – under 5% compared with around 20% for the not poor.

25 This excludes households who have grown up children who were born when the mother was a teenager and cases where the mother is not resident.

26 Ibid

27 Pre-schools are located in many communities. In one community where there is no pre-school, this was not perceived as problematic, since extended family members take care of young children.
population. It is also noteworthy that the proportion of 15-19 year olds in tertiary education is significantly lower than for young (20-29 year) adults. This could be due to the economic situation bringing about a lack of the necessary funds and/or the rapid expansion of secondary education that has not been matched by a similar increase in post-secondary school places.

**Figure 3.10. Educational Attainment by Age Group**

<table>
<thead>
<tr>
<th>Age Group</th>
<th>0%</th>
<th>10%</th>
<th>20%</th>
<th>30%</th>
<th>40%</th>
<th>50%</th>
<th>60%</th>
<th>70%</th>
<th>80%</th>
<th>90%</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-19 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-29 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30-39 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40-49 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50 years and over</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 3.13. Education Indicators by Poverty Status**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Household Level Indicators</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Household head not educated beyond primary school</td>
<td>90%</td>
<td>71%</td>
<td>76%</td>
</tr>
<tr>
<td>No one in household over 20 years educated beyond primary school</td>
<td>73%</td>
<td>55%</td>
<td>60%</td>
</tr>
<tr>
<td>Households with Children aged 5-15 years not Attending School*</td>
<td>8%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Educational Attainment of Population by Age Group</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>With no pre-schooling</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 5 years</td>
<td>76%</td>
<td>61%</td>
<td>68%</td>
</tr>
<tr>
<td>5-14 years</td>
<td>99%</td>
<td>99%</td>
<td>99%</td>
</tr>
<tr>
<td>With at least some schooling</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15-19 years</td>
<td>24%</td>
<td>13%</td>
<td>18%</td>
</tr>
<tr>
<td>20-29 years</td>
<td>53%</td>
<td>36%</td>
<td>42%</td>
</tr>
<tr>
<td>30-39 years</td>
<td>83%</td>
<td>56%</td>
<td>65%</td>
</tr>
<tr>
<td>40-49 years</td>
<td>88%</td>
<td>67%</td>
<td>74%</td>
</tr>
<tr>
<td>50 years and over</td>
<td>99%</td>
<td>78%</td>
<td>84%</td>
</tr>
<tr>
<td>Having tertiary/post-secondary education</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15-19 years</td>
<td>7%</td>
<td>17%</td>
<td>12%</td>
</tr>
<tr>
<td>20-29 years</td>
<td>4%</td>
<td>28%</td>
<td>20%</td>
</tr>
<tr>
<td>30-39 years</td>
<td>5%</td>
<td>22%</td>
<td>17%</td>
</tr>
<tr>
<td>40-49 years</td>
<td>3%</td>
<td>13%</td>
<td>10%</td>
</tr>
<tr>
<td>50 years and over</td>
<td>0%</td>
<td>11%</td>
<td>8%</td>
</tr>
</tbody>
</table>

* By far the most frequent reason for non-attendance was sickness.
On the positive side, virtually all children aged from 5-14 years have attended school and educational standards of the poor have improved considerably over the last 25 or so years. Very few households stated that they had a child who did not attend school regularly other than through reasons of sickness. While high levels of school attendance were confirmed by the PPAs, there is also evidence (from the PPAs) that the traditional patterns of absence and attrition persist in that boys are kept from school to assist with agricultural labour\(^\text{28}\) and girls to help care for younger siblings or because they are pregnant. Communities also frequently commented on the growing problem of early drop out from secondary school, almost entirely amongst male adolescents\(^\text{29}\).

The PPAs also confirmed that the great majority of parents place a high value on education and make considerable sacrifices to make sure that their children attend school: ‘They are making the necessary sacrifices to see that their children get a good education, one that they did not have the opportunity to get. They don’t want their children to be like them in the line of being educated’. Even so, there is evidence that some cannot afford the extra costs of uniforms, books, school lunches and other essentials. Many therefore depend on educational assistance from—NGOs such as the Christian Children’s Fund (CCF), and from government programmes (see Section 4.3). In the Carib Territory, reliance on these sources is absolutely crucial and even then, attendance, although high, is more likely to be lower than elsewhere. Teachers interviewed in this area reckoned that some parents still did not encourage their children to attend school although attitudes are changing.

3.6.7 Housing

Selected housing indicators are presented in Table 3.14. The majority of households, whether poor or not, own their houses. Furthermore the incidence of squatting is no more than about 3%; again this proportion does not vary with poverty (see also Section 4.5).

Housing standards and the provision of basic infrastructure in Dominica are generally reasonable. Around 90% have electricity and access to piped drinking water. Only 12% are seriously overcrowded (over 2 persons per room). Over 60% of houses are built entirely or partly in concrete; additionally, many wooden houses are solidly constructed although these houses will generally be more prone to hurricane damage. Eighty percent of households use gas as their principal cooking fuel. On the other hand, significant proportions of households do not have an in-house toilet, bathing or cooking facilities. Absence of proper toilets was however only mentioned as a problem in urban areas.

\(^{28}\) The school survey undertaken for this project indicated that this practice was prevalent in Carib areas but not elsewhere. However very few children stated that they had missed school other than because of sickness.

\(^{29}\) Table 2.6 indicates higher primary – secondary school transition rates for girls as well as higher enrolment in tertiary education.
Furthermore, all these indicators of poor housing are at least twice as high for poor as opposed to non-poor households. The differences are particularly marked in terms of serious over-crowding, lack of electricity and toilets, and use of wood for cooking. Nonetheless, the majority of poor households are not overcrowded and have a full range of facilities. Most importantly, over 80% have access to piped water and over three-quarters have electricity.

Table 3.14. Housing Indicators by Poverty Status

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Poor *</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenure – House Owned</td>
<td>77%</td>
<td>74%</td>
<td>75%</td>
</tr>
<tr>
<td>Land squatted</td>
<td>4%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Overcrowding</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Up to 1 person / room</td>
<td>34%</td>
<td>71%</td>
<td>61%</td>
</tr>
<tr>
<td>Between 1 and 2 persons/room</td>
<td>37%</td>
<td>24%</td>
<td>28%</td>
</tr>
<tr>
<td>Over 2 persons/room</td>
<td>29%</td>
<td>5%</td>
<td>12%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>‘Defective’ Housing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>House with wood/ plywood walls</td>
<td>60%</td>
<td>28%</td>
<td>37%</td>
</tr>
<tr>
<td>No safe water*</td>
<td>16%</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>No electricity</td>
<td>23%</td>
<td>8%</td>
<td>12%</td>
</tr>
<tr>
<td>No toilet or latrine</td>
<td>29%</td>
<td>11%</td>
<td>16%</td>
</tr>
<tr>
<td>No bathing facilities</td>
<td>35%</td>
<td>14%</td>
<td>20%</td>
</tr>
<tr>
<td>No kitchen facilities in house</td>
<td>41%</td>
<td>18%</td>
<td>25%</td>
</tr>
<tr>
<td>Does not use gas for cooking</td>
<td>38%</td>
<td>15%</td>
<td>21%</td>
</tr>
<tr>
<td>(Uses wood for cooking)</td>
<td>23%</td>
<td>8%</td>
<td>13%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* i.e Water does not come from house connection or standpipe.

PPA findings confirm the quantitative SLC data. The communities surveyed present a consistent picture of a majority of small, well-built and serviced wooden houses with small minorities of bigger, better constructed properties (often by returnees) and smaller, poorly constructed shacks generally belonging to the indigent or young adults who are squatters. In most communities, even Tarish Pit which started as a squatter settlement, a significant number of properties have or are being upgraded. Scarcity of land for new housing was mentioned in several communities.

There is a similar pattern with utilities with the majority of houses in all surveyed communities having water, electricity, telephone and paved road access. Amongst the poorest families, there was evidence of defaulting on bills, disconnections, use of public telephones and water supplied through public standpipes and public bathing facilities. In
Tarish Pit, the lack of piped water to several households means that ‘children have to line up to bathe in the public bathrooms before school and working hours’. The public bathrooms are also described as ‘not up to standard’ and ‘broken down’.

Public transport is available throughout the island although there is concern that fares were likely to rise in the near future. Vehicle owners also provide lifts to other community members.

3.6.8 Ownership of Assets/ Durables
Table 3.15 presents ownership rates for a variety of assets for poor and not poor households. As expected, ownership rates are higher for all goods in not poor households than in poor ones. Differentials are most marked for washing machines and vehicles. While 50-60% of poor households have refrigerators, televisions and telephones, it is noteworthy that only 70% have gas or electric stoves, implying that 30% of poor households have to rely on open fires or neighbours.

<table>
<thead>
<tr>
<th>Asset/ durable</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
<th>Poor as ratio of not poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stove</td>
<td>70%</td>
<td>90%</td>
<td>84%</td>
<td>0.78</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>59%</td>
<td>79%</td>
<td>74%</td>
<td>0.74</td>
</tr>
<tr>
<td>Television</td>
<td>49%</td>
<td>77%</td>
<td>69%</td>
<td>0.64</td>
</tr>
<tr>
<td>Telephone</td>
<td>48%</td>
<td>78%</td>
<td>69%</td>
<td>0.62</td>
</tr>
<tr>
<td>Washing machine</td>
<td>23%</td>
<td>49%</td>
<td>42%</td>
<td>0.46</td>
</tr>
<tr>
<td>Video Recorder</td>
<td>17%</td>
<td>34%</td>
<td>29%</td>
<td>0.52</td>
</tr>
<tr>
<td>Vehicle</td>
<td>6%</td>
<td>32%</td>
<td>25%</td>
<td>0.19</td>
</tr>
</tbody>
</table>

3.7 Coping Mechanisms and Survival Strategies
3.7.1 Family Support
The extent of family support to needy relatives is substantial for poor and not poor households alike (Table 3.16). Around half of urban and rural households have close family members living overseas and although this proportion drops to 31% amongst Carib households, it remains significant. Although not all overseas family members assist their families back home, the proportion of households stating that they did receive support (financial or in kind) is still very significant for poor urban and rural households. In addition, over 40% of poor households receive some support from family members living on the island.
Table 3.16 also shows the impact of this support on the total spending of poor households. Again there is relatively little difference between urban and rural households; Carib households however receive substantially less. Almost 2/3rds of poor households received assistance from other family members. For around 1/3rd of households, this assistance amounted to at least 10% of their total expenditure, 1 in 6 received at least 25% of their spending and 1 in 14 received over 50%.

Table 3.16. Family Support

<table>
<thead>
<tr>
<th>ITEM</th>
<th>Urban</th>
<th>Rural</th>
<th>Carib</th>
<th>All Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hholds with Family Members overseas</td>
<td>48%</td>
<td>55%</td>
<td>31%</td>
<td>51%</td>
<td>56%</td>
<td>45%</td>
</tr>
<tr>
<td>Hholds receiving support from Family Members living overseas</td>
<td>28%</td>
<td>44%</td>
<td>14%</td>
<td>38%</td>
<td>35%</td>
<td>36%</td>
</tr>
<tr>
<td>Hholds receiving support from Family Members living locally</td>
<td>47%</td>
<td>41%</td>
<td>28%</td>
<td>41%</td>
<td>21%</td>
<td>26%</td>
</tr>
</tbody>
</table>

| Extent of Support from Family Members (local or overseas) as % of total expenditure |
|-----------------------------------------------|----------|----------|----------|----------|----------|----------|
| Any support                                   | 61%      | 68%      | 37%      | 63%      | 45%      | 50%      |
| Significant – Over 10%                       | 29%      | 42%      | 14%      | 36%      | 18%      | 21%      |
| Substantial – over 25%                       | 13%      | 18%      | 7%       | 16%      | 7%       | 9%       |
| Major – Over 50%                             | 9%       | 8%       | 0%       | 7%       | 3%       | 4%       |
| Not receiving support                        | 39%      | 32%      | 67%      | 37%      | 55%      | 50%      |

Almost half of not poor households also received support from other family members; for 1 in 8 of these households, this support amounted to more than 25% of their total spending.

Overall, half of all households in Dominica received financial or inkind assistance from family members living locally or overseas. For around 1 in 10 households, this support represents at least 25% of total income/ expenditure whilst for 1 in 25 households, it represents over 50% of expenditure. These are probably conservative estimates as this type of income is likely to be understated in the survey results. Without this level of support from family members, poverty and, particularly indigence, in Dominica would be significantly higher.

3.7.2 Other Support

The proportion of households receiving support from government, pensions and public assistance is much lower than the proportion receiving family-based support (Table 3.17). Nevertheless, for those receiving this support, it is likely to represent an important part of
their income. The PPAs also highlighted the importance of church groups and NGOs in providing direct and, in kind, assistance. The fact remains that, as confirmed by both the SLC and the PPAs, the majority of additional income support is provided by families and not through official safety nets. Many are also participants in rotating savings associations traditional among the poor in Dominica and known locally as ‘subs’ although this presupposes a minimum level of savings.

Table 3.17. Other Sources of Income

<table>
<thead>
<tr>
<th>Income source</th>
<th>% of households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government. Support (unspecified)</td>
<td>2%</td>
</tr>
<tr>
<td>Social Security</td>
<td>9%</td>
</tr>
<tr>
<td>Private Pension</td>
<td>1%</td>
</tr>
<tr>
<td>Government Pension</td>
<td>3%</td>
</tr>
<tr>
<td>Overseas Pension</td>
<td>5%</td>
</tr>
<tr>
<td>Welfare</td>
<td>4%</td>
</tr>
</tbody>
</table>

Case Study 2 illustrates the desperate situation of households bereft of support from family and government. Case Study 3 provides a good example of someone dependent on a variety of outside support. Even though this support is insufficient to remove her from poverty, without it she would be destitute.

Case Study 2. Single Parent Family with Inadequate Means of Support

K is 35 years of age and has 7 children by two different fathers. They range in age from 2 to 15 years and all but the youngest child are at school. She and her children live in her grandfather’s house.

She is unemployed but occasionally barbeques food for sale. She receives occasional though inadequate assistance from the father of her first three children, but the father of the other four has migrated and is no longer in contact.

K has not given up hope and has plans for the future. Describing her predicament she says, “I am poor. I don’t know my father. My mother lives out of the community and calls occasionally. I need assistance for my children especially to give them an education. I want to be self-employed with my own bar and snackette, but I need help in purchasing all the necessary equipments. And in order to pay for it, I need full time employment”.

---

Dominica Country Poverty Assessment, Final Report, Volume 1–Main Report
Case Study 3. Woman receiving Support from Various Sources

B lives with 6 of her children in a one-bedroom house inherited from her mother. Her eldest son was killed while on a trip to Guadeloupe.

She is currently engaged in craft making two days a week which earns her the small sum of EC$72.00. Her eldest sons are engaged in subsistence food production. Her home lacks the basic amenities of electricity, water and telephone. However, she has access to public health care at the nearby clinic and claims that she can find a nurse in the community at any time. At times, however, she turns to bush medicines.

She states that in the past her quality of life was considerably better. Her father owned a shop and bakery. He also made cassava farine and craft items. However, when he became unwell he sold these assets to pay medical bills. Although he left her with some land and the farine pot, she has not been able to utilize these to improve the quality of life of her family.

She receives support from family members and from the Church. In addition, the CCF is assisting in the construction of a small wooden house.

She claims that the children have accepted their way of life even though there are days when they go to bed hungry. The community, however, does not accept her. According to her, “They watch me on a side and I do not know why. However, I am happy and healthy and do not have a problem and do not care about the way the community treats me”. She insists that her children attend school and is hopeful that “things will get better”.

3.7.3 Other Survival Strategies

In recent years, the major change in Dominica has been the collapse of the banana industry. This has exacerbated poverty, particularly in rural areas. However this is a trend that has been taking place for several years\(^\text{30}\). The reason is less the decrease in the number of banana farmers themselves but more in the collapse in the requirement for casual but often regular, labour. Alternative income-generating opportunities are extremely limited leading to strategies, identified from the PPAs, involving migration, multiple occupations and small-scale food production.

\(^{30}\) This is apparent in the 1996 Poverty Assessment which identifies the same issues of declining banana production, resultant un-/under-employment, inadequate incomes led to the same survival strategies that are described below.
The extent of out-migration during the last 10 years has been such that despite a healthy excess of births over deaths, the population of Dominica has remained essentially static. Most of this migration has also occurred amongst those in the prime working age groups. While variations in decadal parish population growth rates give little indication of permanent rural-urban migration, the PPAs repeatedly mentioned increased commuting to Roseau.

Concerning multiple occupations, the SLC revealed that 11% of workers had a second occupation. The incidence of second occupations varies little between workers in poor and not poor households indicating that for some it enables them to avoid poverty. The potential success of this strategy is also shown by the much lower proportion of workers in indigent households (5%) who had second occupations.

Despite these strategies and the level of family and other support, the PPAs repeatedly reported that the poor have been forced to cut back on expenditure, including on spending on basic essentials. Some families have cut expenditure on food and have resorted to local herbal medicines to avoid the cost of prescriptions. Relatively high numbers of disconnections of electricity, telephone and water supplies have occurred and there are several households presently dependent on water from standpipes and on public telephones. Many among the poor live a hand to mouth existence with no savings put by for emergencies. A focus group among women in Tarish Pit commented that ‘some persons don’t know where they will get food’ and that there are those ‘who will receive food from relatives or friends and they will be able to eat, but there are those who don’t have this privilege’.

3.8 Community Support
In Dominica the community constitutes a major focus for individual identity and social life. In addition, successive governments have given priority to community development, in particular by encouraging community-based activities and by ensuring the availability of basic utilities and services throughout the country. In Woodford Hill there had been a self-help project to pave side roads, there were clean-up campaigns in several others. The PPAs revealed a close-knit social life in which ‘everyone knows everyone else’ and a strong community spirit of cooperation and mutual assistance in each of the localities. However, there were several complaints from residents that community integration is not as it once was: “It used to be better. Some people think that if you are not their friend you should pay them and if you do not have the money you have to do without the help. This is a great loss to the community”. Some place the blame on the increasing number of television sets: “When there were three televisions in the community, people come out and come together in one house to watch TV. Now everybody have three TVs, everybody stay at their own home”.

---

31 This is likely to be a minimum estimate as data on second occupations often tends to be under-reported.
They pointed to declining participation in self-help projects such as clean-up campaigns and sporting activities, and the emergence of social divisions along generational and party political lines in particular. The presence of return migrants who are more wealthy and tend to live separately from the community was also mentioned.

3.9 Who are the Poor?

3.9.1 Disaggregation of the Poor Population

So far the emphasis has been on the characteristics of poor households in general. It is nevertheless clear that the poor in Dominica do not constitute a homogeneous group. This Section examines the characteristics of the more important of the sub-groups of the poor population. Tables 3.18 and 3.19 provide an initial disaggregation of poor households by place of residence, economic activity, household size and household type.

3.9.2 Urban and Rural Poverty

Table 3.18 shows, above all, the concentration of poverty in Dominica in rural areas. Around three quarters of poor households live in rural areas and the likelihood of being poor is also much greater – 1 in 3 rural households are poor compared to 1 in 5 urban households. The level of poverty amongst the Caribs is even higher. The reason is simple. For long, agriculture (and bananas in particular) was the mainstay of the economy. Yet this sector has been in decline for several years. Resulting rural un- and under-employment is severe not only amongst the banana cultivators themselves but it has also eliminated the previously large requirement for casual but often regular, labour. Nevertheless, almost a quarter of poor households reside in Roseau and Portsmouth.

The gravity of the situation in rural areas is underlined by the fact that almost a quarter of poor households are small (under 5 persons) and yet have no one unemployed. Normally these are the households that are least likely to be poor as all adults are working and the number of dependants is low. In urban areas, this proportion is much lower at 13%. Other employment opportunities in rural areas are limited. Those displaced from banana production have, therefore, little alternative but to seek low and irregular income in casual menial labour and small-scale food production. It is notable that the incidence of second jobs in rural areas is three times higher than in urban areas (15% as against 5% of workers with second occupations) and that two thirds of these involve cultivation in some way or other reflecting the fact that 37% of poor rural households own land that they can cultivate compared to only 12% of urban households. In addition, many, especially rural, households will cultivate their house plots. However, even these opportunities are limited in number, resulting in increasing numbers looking for work in Roseau or on other islands, or becoming dependent on government welfare and/or assistance from family members. On the positive side, rural households are more likely to benefit from a higher degree of community support and solidarity than exists in urban areas (see Section 3.8).
## Table 3.18. Disaggregation of Poor Households - Economic Activity

<table>
<thead>
<tr>
<th>Category</th>
<th>Urban*</th>
<th>Rural</th>
<th>Carib</th>
<th>ALL</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of All Poor Hholds</td>
<td>24%</td>
<td>67%</td>
<td>9%</td>
<td>100%</td>
</tr>
<tr>
<td>% Poor as % of All Hholds</td>
<td>19%</td>
<td>33%</td>
<td>51%</td>
<td>29%</td>
</tr>
<tr>
<td>Indigence#</td>
<td>31%</td>
<td>35%</td>
<td>59%</td>
<td>36%</td>
</tr>
<tr>
<td>Households with no one working</td>
<td>32%</td>
<td>31%</td>
<td>53%</td>
<td>33%</td>
</tr>
<tr>
<td>No one in labour force</td>
<td>15%</td>
<td>13%</td>
<td>19%</td>
<td>16%</td>
</tr>
<tr>
<td>Hholds with unemployed persons</td>
<td>17%</td>
<td>18%</td>
<td>34%</td>
<td>17%</td>
</tr>
<tr>
<td>Households at least 1 person working</td>
<td>68%</td>
<td>69%</td>
<td>47%</td>
<td>67%</td>
</tr>
<tr>
<td>Large (5+ persons) Hholds with at least one person unemployed</td>
<td>27%</td>
<td>20%</td>
<td>27%</td>
<td>23%</td>
</tr>
<tr>
<td>Small (&lt;5 persons) Hholds with at least one person unemployed</td>
<td>10%</td>
<td>5%</td>
<td>3%</td>
<td>6%</td>
</tr>
<tr>
<td>Large Hholds with no one unemployed</td>
<td>18%</td>
<td>22%</td>
<td>14%</td>
<td>20%</td>
</tr>
<tr>
<td>Small Hholds with no one unemployed</td>
<td>13%</td>
<td>23%</td>
<td>3%</td>
<td>18%</td>
</tr>
<tr>
<td>All Poor Households</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Primary Employment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultivation</td>
<td>9%</td>
<td>46%</td>
<td>46%</td>
<td>37%</td>
</tr>
<tr>
<td>Government/ Prof/Managerial/ Tech</td>
<td>24%</td>
<td>11%</td>
<td>7%</td>
<td>14%</td>
</tr>
<tr>
<td>Elementary Occupations only</td>
<td>17%</td>
<td>14%</td>
<td>19%</td>
<td>15%</td>
</tr>
<tr>
<td>Other</td>
<td>50%</td>
<td>29%</td>
<td>28%</td>
<td>34%</td>
</tr>
<tr>
<td>All Working Poor Households</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Case Study 4 illustrates several of these points including the inability to find a market for alternative crops.
Case Study 4. Unemployment and Poverty of an Ex-Banana Farmer

C is a 58 year old Carib male. He was previously involved in banana farming producing from which made a good living earning up to EC$ 1000-1200 per week. Since the decline in banana production he has turn to cattle rearing as part of a group, and also to the production of ground provisions and other crops. He claims that this brought a reasonable income previously, between EC$ 400-500 weekly, but that this is no longer the case. As he explains “Things are not selling as before. The hucksters are not buying. I am not seeing them. I even think they are dead”. Currently he has a large quantity of avocado pears that he is unable to sell, he claims as a result of the glut on the market.

He claims to be old and frequently unwell, mainly as a result of an injury received when he fell while carrying a bag of fertilizer. Nevertheless, despite the injury, the hard work involved and the reduced remuneration he would return to banana farming.

He has also secured a job as caretaker of a nearby agricultural station and does a little fishing though “unable to sit for long because of problems with my waist”. In describing his quality of life, he concludes, “Life is difficult, but this is all I have and the family has to hold on”.

In urban areas, poor households are more likely to have someone unemployed indicating that the issue is more one of employment per se, than in rural areas where inadequate income from those employment opportunities on offer is the issue. The poor in urban areas also tend to lack the level of community support that exists in rural areas and they rarely have the ability to grow their own food. Instead some resort to scavenging at the dump.32

However, in several other respects, the similarities between poor urban and rural households are more striking than the dissimilarities:

- The level of indigence, measured as a percentage of all poor households, is virtually identical.
- Around 2/3rds of poor urban and rural households have at least one person working. The proportions of households with no one in the labour force are also similar.
- The PPAs in urban and rural communities reported increasing difficulties of the poor to generate enough income for their basic needs, let alone generate any savings.

32 See 1995 Poverty Assessment, p.60 although anecdotal evidence suggested that this survival strategy was just as prevalent today.
Socio-economic characteristics such as average household size, one parent and elderly households, presence of disabled/ sick persons differ little. Adult educational levels are lower in rural areas but not appreciably so (Table 3.19).

The levels of family support are broadly similar (Table 3.16).

Table 3.19. Poor Urban and Rural Households – Social Characteristics

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Urban</th>
<th>Rural</th>
<th>Carib</th>
<th>ALL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Household Size</td>
<td>4.7</td>
<td>4.4</td>
<td>4.7</td>
<td>4.5</td>
</tr>
<tr>
<td>Hhold with adult with secondary education</td>
<td>32%</td>
<td>26%</td>
<td>20%</td>
<td>27%</td>
</tr>
<tr>
<td>Households with no one working</td>
<td>32%</td>
<td>31%</td>
<td>53%</td>
<td>33%</td>
</tr>
<tr>
<td>Elderly living on their own</td>
<td>10%</td>
<td>8%</td>
<td>4%</td>
<td>8%</td>
</tr>
<tr>
<td>Hholds with disabled or sick persons*</td>
<td>10%</td>
<td>11%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Single or No Parent Hholds</td>
<td>6%</td>
<td>5%</td>
<td>10%</td>
<td>6%</td>
</tr>
<tr>
<td>Other Hholds with no one working</td>
<td>7%</td>
<td>6%</td>
<td>24%</td>
<td>8%</td>
</tr>
<tr>
<td>Households at least 1 person working</td>
<td>68%</td>
<td>69%</td>
<td>47%</td>
<td>67%</td>
</tr>
<tr>
<td>Single or No Parent Hholds</td>
<td>7%</td>
<td>9%</td>
<td>0%</td>
<td>8%</td>
</tr>
<tr>
<td>Hholds with disabled or sick persons*</td>
<td>6%</td>
<td>10%</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Other Hholds with someone working</td>
<td>55%</td>
<td>50%</td>
<td>37%</td>
<td>50%</td>
</tr>
<tr>
<td>All Poor Households</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Excluding one parent or elderly households with disabled/ sick persons.

Housing conditions amongst the urban and rural poor differ little in respect of tenure, overcrowding and house construction (Table 3.20). Conversely, rural households have an inferior provision of infrastructure. Poor rural households are more likely to have no electricity, access to piped water, no inside kitchens or not use gas for cooking which has potentially adverse implications for the environment. A similar pattern is shown in terms of the ownership of durable goods although ownership of telephones, TVs and refrigerators exceeds 40% in rural areas.
Table 3.20. Housing Characteristics of Poor Urban and Rural Households

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Urban</th>
<th>Rural</th>
<th>Carib</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenure – House Owned</td>
<td>70%</td>
<td>77%</td>
<td>98%</td>
<td>77%</td>
</tr>
<tr>
<td>Overcrowding (2+ persons/ room)</td>
<td>30%</td>
<td>29%</td>
<td>25%</td>
<td>29%</td>
</tr>
<tr>
<td>‘Defective’ Housing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>House with wood/ plywood walls</td>
<td>61%</td>
<td>60%</td>
<td>60%</td>
<td>60%</td>
</tr>
<tr>
<td>No safe water*</td>
<td>7%</td>
<td>15%</td>
<td>39%</td>
<td>16%</td>
</tr>
<tr>
<td>No electricity</td>
<td>9%</td>
<td>26%</td>
<td>35%</td>
<td>23%</td>
</tr>
<tr>
<td>No flush toilet</td>
<td>54%</td>
<td>78%</td>
<td>98%</td>
<td>74%</td>
</tr>
<tr>
<td>No kitchen facilities in house</td>
<td>14%</td>
<td>47%</td>
<td>72%</td>
<td>41%</td>
</tr>
<tr>
<td>Does not use gas for cooking</td>
<td>21%</td>
<td>41%</td>
<td>60%</td>
<td>38%</td>
</tr>
<tr>
<td>Ownership of Durable Goods</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telephone</td>
<td>54%</td>
<td>46%</td>
<td>41%</td>
<td>48%</td>
</tr>
<tr>
<td>Television</td>
<td>71%</td>
<td>44%</td>
<td>31%</td>
<td>49%</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>74%</td>
<td>57%</td>
<td>33%</td>
<td>59%</td>
</tr>
<tr>
<td>Washing Machine</td>
<td>33%</td>
<td>20%</td>
<td>14%</td>
<td>23%</td>
</tr>
<tr>
<td>Vehicle</td>
<td>8%</td>
<td>6%</td>
<td>3%</td>
<td>6%</td>
</tr>
</tbody>
</table>

* i.e Water does not come from house connection or standpipe.

Poor households in general are more vulnerable to hurricanes as they are more likely to reside in wooden, and thus less robust, structures, than not poor households. Vulnerability is greater in rural areas where hurricanes are likely to damage, if not destroy, crops – the primary means of income generation for most rural households.

3.9.3 The Caribs

The Caribs have been distinguished from other rural households owing to their ethnicity and higher level of poverty: over half of all Carib households are poor and half of these are indigent. From the preceding tables, it can also be seen that:

? over half the poor Carib households have no one working. Although it is probable that many Caribs do not consider subsistence cultivation to be proper employment, the fact remains that under-employment is chronic;

? poor Carib households are less likely than other poor households to include someone with secondary education although this disparity is likely to reduce in coming years as increasing numbers of Caribs graduate from the recently-built Castle Bruce Secondary
school. Poor Carib households are also less likely to consist of the elderly living on their own;

? the incidence of disability and single parent households differs little from the majority of poor households;

? housing conditions amongst the Carib are substantially worse than for other poor households – 39% do not have access to safe water, virtually none have a flush toilet, and under 30% have no proper kitchen facilities. Ownership rates of durable goods are also lower.

? 81% of Carib households have land that they cultivate indicating that, in most cases, they have a fall-back means of survival.

3.9.4 Children/ Single Parenthood

Around half Dominica’s children live in poor households; 22% are indigent. 70% of poor households include children compared with 44% for not poor households (Table 3.21).

Table 3.21. Children in Dominica

<table>
<thead>
<tr>
<th>Households with Children*</th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>70%</td>
<td>44%</td>
<td>52%</td>
</tr>
<tr>
<td>NO</td>
<td>30%</td>
<td>56%</td>
<td>48%</td>
</tr>
</tbody>
</table>

Of which

<table>
<thead>
<tr>
<th></th>
<th>Poor</th>
<th>Not Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Living with grandparents only</td>
<td>7%</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>Living with other relatives</td>
<td>9%</td>
<td>8%</td>
<td>9%</td>
</tr>
<tr>
<td>All NO parent Hholds</td>
<td>16%</td>
<td>13%</td>
<td>14%</td>
</tr>
<tr>
<td>Lone parent</td>
<td>17%</td>
<td>22%</td>
<td>20%</td>
</tr>
<tr>
<td>Single parent + other adult family members</td>
<td>32%</td>
<td>19%</td>
<td>24%</td>
</tr>
<tr>
<td>Both parents**</td>
<td>34%</td>
<td>47%</td>
<td>42%</td>
</tr>
<tr>
<td>All Hholds with Parents</td>
<td>84%</td>
<td>87%</td>
<td>86%</td>
</tr>
</tbody>
</table>

ALL Hholds with children 100% 100% 100%

* Under 18 years old. ** Includes households with a co-habiting couple.

33 The incidence of poverty amongst children is underscored by the number and extent of government and NGO programmes to assist children with the costs of their education (see Section 4.3 and 4.4.3 (e)).
The Table also shows the wide range of household arrangements pertaining to children, in particular that:

- only 42% of children live in households with both parents (or with a co-habiting couple). This proportion drops to 34% in poor households;
- 14% of children live in households that have no resident parent; in around half these cases the children are living only with their grandparents;
- 20% of children live in households with a single parent;
- in 24% of cases, children live with a single parent and other adult family members;
- amongst poor households, the second largest group (after children living with both parents) are children living with single parents and other family members; and
- the proportions of no parent or lone parent households are poverty neutral.

These statistics indicate the following:

- poverty in Dominica disproportionately affects children;
- the incidence of no parent households shows one effect of migration of family patterns. Most of these households are not however poor, indicating an adequate level of support from overseas. There are almost no child headed households but there is a small proportion of children who live with elderly grandparents. In these situations, young children often have to shoulder a large share of the domestic burden and, over time, the grandparents will have trouble coping with the children;
- the support provided by other family members (overseas and locally) to children living with one or no parents is evidenced by both the proportion of single parents living with other family members, and in the not poor status of many no parent or single parent households;
- the difference between poor and not poor households is most noticeable in the case of one parent families living with other family members. In these instances, the number of dependants and the lack of wage earners, means that insufficient income is generated.

While there is little relationship between poverty and gender in Dominica (Tables 3.7 and 3.8), the fact remains that around 20% of poor households have no adult men present. The

34 As has been previously mentioned emigration has long been a facet of Caribbean life. It has entrained a tradition of grandparents and other family members looking after the children of emigrants.

35 This could be due to the overall economic situation that is affecting a much larger proportion of
women in these households will have the double responsibilities of raising children and bread-winning, often with inadequate support from absent fathers. In other cases, there will be multiple paternity issues that can again lead to financial hardship and, in some cases, physical abuse.

Examples of these situations are provided in Case Studies 1-3 and Table 3.23 (below). The case studies emphasise the impact of these situations on women. However, the impact on children can just as detrimental: aside from them not attending school and hunger, the lack of supervision provided by the mother or support provided by a father figure, can lead to the anti-social behaviour including drug and alcohol abuse. Youth-related issues (especially but not exclusively males) were another recurrent theme of the PPAs.

3.9.5 The Elderly and the Disabled

Statistically, poverty in Dominica does not disproportionately affect the elderly as it does in other countries. This reflects continued traditions of adult children looking after their parents as well as a number of relatively wealthy returnees. A higher proportion of poor households have someone with a serious disability. When support is not forthcoming, the link between old age, ill health, disability and poverty is apparent as typified by Case Study 5.

Case Study 5. Disability, Age and Poverty

T is a 71 year old male with two children, male and female. He lives alone in a small one bedroom house with no telephone, electricity or piped water. He collects water from the stand pipe. He owns both the house and land. He has very limited education having attended school for only 5 years, between ages 11 and 16. He has been a farmer all his life but had recently to cease as his land was taken from him.

T’s problems arise from blindness in one eye and cancer for which he has undergone three operations. He is determined not to return to a doctor. He has however, recently obtained reading glasses.

T is dependent on public assistance in the form of welfare and social security. His daughter helps out, but he receives nothing from his son or any other relative.

3.9.6 The Indigent

The overall incidence of indigence, severe poverty, is around 11% which is high by East Caribbean standards. Table 3.22 identifies key characteristics that vary significantly between indigent and other poor households. The higher incidence of indigence amongst the Caribs has already been mentioned. Other significant differences are that indigent households tend to be larger, have lower levels of educational attainment, worse housing infrastructure, more
overcrowding and lower rates of asset ownership. In contrast, there is little variation in terms of household type, disability or sickness and, perhaps most importantly, the incidence of households with no one working.

Table 3.22. Characteristics of Indigent Households

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Indigent</th>
<th>Relatively Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average household size</td>
<td>4.8</td>
<td>4.2</td>
</tr>
<tr>
<td>No one working</td>
<td>40%</td>
<td>31%</td>
</tr>
<tr>
<td>Child not attending school *</td>
<td>12%</td>
<td>6%</td>
</tr>
<tr>
<td>% of population over 20 years with no secondary education</td>
<td>82%</td>
<td>67%</td>
</tr>
<tr>
<td>No electricity</td>
<td>27%</td>
<td>10%</td>
</tr>
<tr>
<td>Do not use gas for cooking</td>
<td>52%</td>
<td>30%</td>
</tr>
<tr>
<td>Do not use piped water</td>
<td>21%</td>
<td>18%</td>
</tr>
<tr>
<td>Overcrowding</td>
<td>40%</td>
<td>23%</td>
</tr>
<tr>
<td>Owning vehicles</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>Owning telephone</td>
<td>32%</td>
<td>57%</td>
</tr>
<tr>
<td>Owning refrigerators</td>
<td>34%</td>
<td>73%</td>
</tr>
<tr>
<td>Owning TV</td>
<td>36%</td>
<td>57%</td>
</tr>
</tbody>
</table>

* Percentages of householders with at least 1 person working.

Despite their poverty, only one of the case studies presented in this report was receiving public assistance. One reason given for this situation is that people sometimes consider themselves stigmatised if they are in receipt of Public Assistance – a throwback to the time that it was known as a “pauper’s allowance”. Table 3.23 presents abbreviated case studies of households receiving public assistance drawn from the 1996 Poverty Assessment. The examples presented, albeit very extreme, clearly demonstrate the devastating impact that combinations of age, disability, single parenthood, large numbers of children and lack of male and/or family support can have on families. The detrimental impact of migration is also apparent although presence of adult children or a father in Dominica is by no means a guarantee that circumstances would improve. The other point to make is that, for these households, the only realistic solutions are government support and drastically improved child maintenance.
Table 3.23. Examples of Indigent Households (1996)

<table>
<thead>
<tr>
<th>No.</th>
<th>Household</th>
<th>Income/ Resources</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Man aged 80</td>
<td>Neighbour provides 1 meal per day</td>
<td>Cannot stand or walk. Filthy and dilapidated house</td>
</tr>
<tr>
<td>2</td>
<td>Couple in their 70s</td>
<td>No income</td>
<td>Wife has lost 1 hand. No children. Water and electricity have been disconnected</td>
</tr>
<tr>
<td>3</td>
<td>Woman aged 77</td>
<td>Occasional food from passers-by</td>
<td>No children. Bedridden</td>
</tr>
<tr>
<td>4</td>
<td>Woman (68 yrs) with twin 8 yr olds whose parents are dead</td>
<td>‘Christmas presents’ from children overseas</td>
<td>Lives in 1 room house with no water or land</td>
</tr>
<tr>
<td>5</td>
<td>Woman (94 yrs) and daughter (62 yrs)</td>
<td>No income</td>
<td>5 children overseas who do not contribute. Domestic dispute with daughter. Lives in 1 room house with no water or land</td>
</tr>
<tr>
<td>6</td>
<td>Mother of 6 week old and 4 other children</td>
<td>No money for milk (cannot breastfeed)</td>
<td>She is sick. Father of older children has migrated and broken contact. Father of younger ones is in jail for stealing</td>
</tr>
<tr>
<td>7</td>
<td>Women (42 yrs) with 3 children</td>
<td>Neighbours bring food on some days; otherwise they do not eat. 8 yr old does everything in the house</td>
<td>She suffers from ‘confusions’ and cannot look after the children adequately</td>
</tr>
<tr>
<td>8</td>
<td>Mother of 4 children</td>
<td>No food in house and dependent on neighbours for occasional means</td>
<td>Children are malnourished and rarely go to school</td>
</tr>
<tr>
<td>9</td>
<td>Mother (39 yrs) of 5 children</td>
<td>Negligible.</td>
<td>2 fathers of elder children do not contribute. Father (unemployed) of youngest quarrels (is violent) as he objects to supporting elder children.</td>
</tr>
</tbody>
</table>


3.10  **The Nature and Causes of Poverty in Dominica**

3.10.1  **Overview**

Poverty in Dominica is high – around 29% of households and 39% of the population which is high by most Caribbean standards. Around 11% of households are indigent, i.e. very poor. Poverty exists in urban and rural areas. Three quarters of poor households live in rural areas where 1 in every 2 households is poor. The remainder (24%) are to be found in the main towns of Roseau and Portsmouth. Poverty amongst the Caribs is much higher: 70% of the Carib population are poor and almost half are indigent.
Poverty trends cannot be ascertained accurately due to the lack of comparable surveys in previous years\textsuperscript{36}. The 1996 Poverty Assessment also found a high level of poverty and identified many of the same trends and characteristics found by this Study. In all likelihood, poverty has increased in the last few years as the continued decline in the agricultural sector (especially bananas) has been accompanied by a pronounced deterioration in government finances. Furthermore, there has been little or no expansion in other sectors (e.g. tourism, construction and manufacturing) to compensate. In consequence, both production and demand are stagnating leading to reduced employment and lower incomes for a large proportion of the population dependent on agriculture, construction and trade. Government and other permanent employees are no longer immune as they are affected by the recently introduced emergency stabilisation levy. In short, the economic situation is now deteriorating in urban as well as rural areas.

Aside from the concentration in rural areas (where those households, especially Carib ones, providing labour to the banana plantations have fared worst), poverty disproportionately affects children: 70\% of poor households have children as against only 44\% for not poor households and around half Dominica’s children live in poor households. Less than half the households with children have two married or cohabiting parents, and 14\% have no resident parents. On the other hand, there is little statistical relationship between poverty and single parenthood, nor the elderly, gender, health, disability and young motherhood. Nonetheless, indigent households mostly exhibit one or more of these characteristics together with an almost total absence of family support.

Poor households in Dominica are characterised by much higher unemployment rates (40\% as against 16\%) and lower educational levels amongst adults where 27\% of poor households have an adult with secondary education compared with 45\% of not poor households. The substantial expansion of secondary education in the last decade should remedy this situation in the long term. The frequency of overcrowding is also far higher in poor households as are the proportions (especially in rural areas) without indoor bathing or cooking facilities.

The increasing level of poverty has resulted in the poor adopting a variety of survival strategies:

? seeking employment overseas and in Roseau;
? undertaking multiple jobs that are usually menial, poorly paid and insecure;

\textsuperscript{36} The 1996 Poverty Assessment came up with estimates of 12\% and 28\% for indigence and (all) poverty respectively. The methodology is however not comparable and was not based on an SLC. Real GDP growth has however been positive for all years since 1989 until the last two years.
increased reliance on support from family members living in Dominica and overseas;
reliance on support from government, NGOs, churches, neighbours and friends. Most important of these are probably government and CCF educational programmes targeted at the poor;
strategies to reduce expenditure (use of public utilities such as telephones, standpipes and baths), subsistence food production, home remedies; and scavenging.

Despite these strategies there is growing evidence, especially in rural areas, of households having to cut down on basic expenditures (including utility connections) and reducing their savings to nil leaving them vulnerable to the need for emergency finance.

There are nonetheless, positive features:

over 2/3rds of poor households have at least one person working;
primary school attendance is high amongst the entire population while around three-quarters of 15-19 year old children from poor households are, or have, attended secondary school – much higher than in previous years;
the health situation amongst the poor is generally good with low levels of infant mortality, low birth weights, infectious diseases and malnutrition while life expectancy is high;
piped water and electricity are available to the great majority of the poor and not poor populations. Ownership rates for assets such as refrigerators, TVs and telephones approach or exceed 50% amongst poor households;
while the incidence of poverty is substantially higher in rural areas, rural households do have more opportunity than urban households to grow their own food and are more likely to live in closer-knit, more cohesive communities which provide a high degree of mutual support;
a large proportion of poor and not poor households also benefit from income received from family members resident in Dominica and overseas. Many also receive meals and other assistance from neighbours. Non-income support for many needy families is also high – many elderly and single parents with children live in extended families. Without this level of support, the poverty and, especially, indigence would be significantly higher.
3.10.2 The Causes of Poverty in Dominica

(a) Current Poverty

The primary cause of current poverty in Dominica is un- and under-employment due to slow economic growth since the mid-1990s and actual contraction of the economy over the past three years. The causes of the faltering economy are the sharp decline in the cultivation and export of bananas due to circumstances outside Dominica’s control (e.g. the WTO decision on European subsidies and hurricanes) together with the failure of the agriculture sector to diversify and modernise and the stagnation of the manufacturing and tourism sectors.

That this situation has been building for some time is apparent from the 1996 Poverty Assessment which identified the same poverty-related issues and characteristics as the present study. While a precise indication as to the change in poverty levels is precluded by the lack of comparable data, poverty in rural areas is believed to have increased significantly, as would be expected given that banana production declined by 30% from 1996 to 2001 and agricultural production in general declined in real terms by almost 20% over the same period.

The trend in urban areas is harder to ascertain. The only sectors experiencing real economic growth since 1996 are government services, banking and insurance and communications – sectors that tend to generate employment in urban centres. This implies that poverty in urban areas may have changed little or even decreased over the period. Certainly, comparison of the PPAs in Tarish Pit in 1996 and 2002 reveals an improvement in the employment situation. However, it is likely that the recently introduced government austerity programme, allied to a continued reduction in spending in urban areas by the rural population, will have impacted government jobs as well as wholesale and retail trade. It is therefore probable that poverty in urban areas is now on the increase. This is corroborated by increasing levels of unemployment and anecdotal evidence that suggests a general reduction in trade accompanied by small business closures.

For those living below the poverty line but above the indigence line, these economic factors are so dominant at present that other causes of poverty and lack of well-being (such as family breakdown, drug and alcohol abuse, unsafe sexual practices) are of less consequence. However, for the indigent and for the elderly living on their own, social factors, especially sickness and disability, remain the major causes of their situation.

The analysis has also revealed other factors that contribute to the current level of poverty and loss of well-being:
The detrimental impact of migration on family life; 
Increasing pressures on women who have greater need to obtain employment while still shouldering their child rearing duties; 
The ‘abandonment’ of the elderly to fend for themselves; 
Increasing pressures on men, some of whom, unable to cope with their inability to provide for their family, resort to flight, crime, alcohol/drugs and violence; 
Teenage pregnancy (although this is a long-standing problem largely unrelated to the economic crisis).

Resulting from the above, it would appear that the cohesiveness of communities is being eroded. Informants note the growing reluctance to participate in community activities, increasing delinquency and drug abuse among young men, and the emergence of status distinctions and social separation. Increased commuting to Roseau is also seen as reducing the richness of day time community life and turning them into dormitory villages.

On a positive note, whilst the conditions of the indigent are sub-standard by any criteria, attitudes amongst the relatively poor are more optimistic. They speak of good infrastructure, housing and natural environment, adequate supplies of food, excellent access to health and education (the result of continuing government development policies and programmes), and a long-standing tradition of well integrated, self-supporting communities. Many strongly decry the idea that they are poor indicating a clear lack of correlation, in this instance, between income poverty and well-being.

(b) Future Poverty Trends
The current poverty situation, although grave, is not dire – overall health remains good, the great majority of children are being educated, food is plentiful, the majority of households have access to safe water, and significant social unrest or crime is not a current issue. The situation is certainly not comparable to that existing in some Caribbean countries (e.g. Guyana and Haiti).

Migration has been a fact of life in the Caribbean for many years and has provided a vital response to poverty and lack of employment and resulted in substantial support to family members remaining on-island. It also deprives the country of its most educated and enterprising individuals and can, when concerning men without their families, contribute to family breakdown. In absolute terms, it may be ‘sub-optimal’, but as a survival strategy, it is invaluable.
The short and medium term outlook is, however, not good. There is little prospect of a recovery in the banana sector (the number of farmers is dropping all the time) and efforts to switch to other crops have, for the majority of farmers, been little more than a temporary palliative. Tourism and manufacturing are both stagnant and government will be increasingly constrained in terms of its expenditure both to maintain existing physical and social infrastructure and social safety nets. Foreign aid is likely to be increasingly conditional on fiscal prudence. This in turn is likely to lead to further pressures on existing programmes and make it difficult to introduce new pro-poor activities. Furthermore, if the stabilisation measures implemented in the 2002/03 budget prove inadequate, further measures may be required if IMF support is to be obtained. These measures, e.g. further salary cuts for government employees, would put some households below the poverty line; more importantly, the consequent reduction in spending would further threaten other small businesses and traders. While the initial impact would be greatest on those directly affected, indirectly a significant proportion of the population, especially in urban areas, would become vulnerable to poverty.

There is also the ever-present threat of destructive hurricanes, the impacts of which are still remembered. Losses included a large part of the housing stock (David, 1979), the banana crop (Hugo, 1989) and coastal infrastructure (Lenny, 1999). Improved preparedness and a more solidly built housing stock will reduce adverse impacts in the future, as will, perversely, the reduced dependence on the cultivation of bananas. Nevertheless, the poor economic situation means that any hurricane occurring in the near future is likely to further stretch government resources and result in loss of employment.

In this situation, the most likely outcome is that poverty will increase until the economy (especially agriculture) recovers and starts creating new jobs. In turn, increasing poverty will further threaten the local family and community-based support networks that are so important to many poor families at present. Prolonged un- or under-employment is also an acknowledged cause of family breakdown, crime and social unrest that can lead families into a cycle of poverty from which it is difficult to escape.

In addition to the above, which are specific to the Dominican situation, Dominica is affected by international life-style trends which, unless checked, will increase poverty in the future. The most important of these are:

38 This list is not exhaustive.
A subculture among adolescent males is perceived to be increasingly oriented towards a complex problem of early school leaving, unemployment, idleness and drug/alcohol abuse.

Reproductive health patterns of unprotected sex, continuing teenage pregnancy/early child-bearing and the looming threat of HIV/AIDS are all likely to contribute to future poverty.

Reduced support for parents as adult children move further afield.

The overall implications of this analysis are that:

- an increase in poverty in Dominica appears inevitable;
- every effort must be made to stimulate job creation and to maintain existing physical and social infrastructure; and
- policies and programmes need to be adopted to curtail a range of social trends (not all related to the economic situation) which can lead to future impoverishment.
4 Institutional Framework for Poverty Reduction

This Chapter describes the activities of Government and non-government institutions and agencies in Dominica involved directly and indirectly with poverty reduction and support to vulnerable groups. The institutions and agencies covered included those active in supporting economic development by improving the human and infrastructure capacity of the country as well as those addressing health, education, social issues and the provision of safety nets for the poor.

This Chapter has been prepared on the basis of discussions with representatives of the institutions, activity statements prepared by the agencies themselves and reviews of available reports and statistics.

Section 4.6 contains an overview of these activities in terms of their impact on poor households so as to indicate those areas where improvements could be made in order to strengthen their poverty reduction focus.

4.1 Development Institutions

4.1.1 General

Current economic conditions and programmes aimed at specific industry sectors have been reviewed in Chapter 2. This Section examines some of the Dominican institutions involved in supporting economic development by improving the human and infrastructure capacity of the country. It is a basic tenet of this report that poverty alleviation over the long term involves the creation of sustainable employment and income earning opportunities (i.e. economic development) for all Dominicans.

4.1.2 Government Institutions

(a) Agriculture

The government is committed to exploiting and sustaining the potential of the agricultural sector for job and income creation, foreign exchange generation, poverty alleviation and improved quality of life for all Dominicans.”

The major agricultural institution is the Ministry of Agriculture, which provides a number of ongoing support services including extension services, education and training, provision of access roads and provision of fiscal subsidies on plants, animals and vehicles.
The Ministry identified the following major poverty-related issues:

? lack of business management skills among farmers;

? praedial larceny; and

? aging community of farmers; young persons are reluctant to enter into agriculture; and this has negative implications for food security, employment, national income and social stability.

(b) Fisheries Institutions
The major institution in the fisheries sector is the Ministry of Agriculture. Government objectives in terms of fishing are to improve fishing boats, gear and methods and improve fish landing sites (at Roseau, Marigot and Portsmouth).

(c) Tourism Institutions
The Ministry of Tourism is the major institution in this sector. That Ministry’s major initiative is the EU-funded Eco-Tourism Development Programme designed “to strengthen Government’s policy of diversification of the economy by focussing on sustainable eco-tourism development as a source of income, employment and other socio-economic benefits.”

This eco-tourism programme will comprise institutional strengthening, human resource development, destination marketing; product development, and community tourism development. It will also provide support to tourism related organizations including the Dominica Watersports Association, the Dominica Hotel and Tourism Association and the North-East Tourism and Environmental Development Committee.

4.1.3 Capacity Building
The two major institutional initiatives directed at relieving poverty through capacity building are the Dominica Rural Enterprise Project (D-REP) and the Basic Needs Trust Fund (BNTF).

(a) Basic Needs Trust Fund (BNTF)
The BNTF plays a very important role in the development of Dominica’s human and physical infrastructure capacity. It was established in 1979 through the Caribbean Development Bank and has now been extended into its fifth programme cycle. The BNTF provides:

? Economic and social infrastructure necessary for development.

? Basic services or their enhancement.

? Skills training to increase productivity and income.
BNTF is not an implementing agency but rather a funding agency that works with communities and community groups. Communities identify projects and submit requests for funding. It has funded projects in the following areas:

- Roads
- Drains and footpaths
- Retaining walls
- Repairs to and construction of education and health facilities
- Water supply
- Day-care centres and pre-schools
- Retail markets.

BNTF’s experience has identified two key areas of focus:

- **Skills training**: greater collaboration with the private sector is needed to identify employment potential. It is also important to collaborate with Government agencies to avoid duplication. An apprenticeship scheme would also be very useful. There is also a need to go beyond the provision of technical skills and to fund programmes that seek to enhance social skills such as leadership and community mobilization that are crucial for the emergence and sustenance of community groups. The promotion of positive self-esteem is also important.

- **Access roads**: almost half the funding requests are related to road access to link sections of communities, to access agricultural land, to access land for community expansion and to provide route alternatives.

(b) Dominica Rural Enterprise Project (D-REP)

D-REP is funded by the CDB, the International Fund for Agricultural Development (IFAD) and the Government of Dominica. The objective of D-REP is “to offer small-holders and other resource-poor rural households, particularly woman-headed households, the option to broaden their income base and reduce risk through the encouragement of a wide range of production activities.”

There are five main components of the D-REP programme:

1. Production: to offer support to marginalized farmers by providing improved inputs, especially planting materials for vegetables, root and tubers and tree crops within a conservation-based approach; intensification of livestock systems through improving
bloodlines and better housing and nutrition; and agro-processing and micro-enterprises including eco-tourism, fish processing and cocoa bean processing.

2. Marketing: to facilitate information flows and market linkages to take advantage of existing market opportunities with highest priority given to local and tourist markets followed by regional and extra regional markets. Product promotion would include radio and video campaigns as well as provision of packaging materials, while the Dominican Hucksters Association would benefit from an upgraded packhouse.

3. Credit: to set up three small lines of credit using the National Development Foundation of Dominica (NDFD) and the Dominica Co-operative Credit Union League as intermediaries while a Carib Territory Guarantee Fund would be set up in order to assist borrowers without collateral in the Carib Territory, where land is communally held. To strengthen the credit agencies, a technical assistance grant would provide hands-on training and weaker credit unions would also receive support to hire proper management, buy equipment and have training in business skills.

4. Community Development: to support community-based decision-making over project resource allocation. One sub-component would facilitate the formation of community implementation and advisory committees which would be the main implementation and monitoring mechanism for D-REP. A second sub-component would fund three new and two rehabilitated community resource centres for meetings, training and other community activities.

5. Roads: to build 9 km of farm access roads in four locations: Ma Prince, Fyi, Concorde and Cottage using a participatory approach at design, implementation and maintenance stages.

The programme is schedule to end in 2003.

D-REP staff act as facilitators and coordinators for loans and grants; it partners with the Ministry of Agriculture, Dominica Export Import Agency (agricultural marketing), Ministry of Communications and Works, the Ministry of Local Government, the NDFD and credit unions.

The average loan funded through the programme is EC$3,000 to $4,000. The targeting criteria for loans or grants are:

? the landless
? small farmers – maximum 3 acres of riverside or 5 acres of hillside land
persons who generate more than 50% of their income from farming
rural woman-headed households and woman farmers
unemployed and underemployed youth
those with annual incomes of less than EC$3,000.

D-REP targets the following areas:

- Carib Territory
- Goodhope, San Sauveur, Petit Soufriere
- Dubic, Petit Savanne, Fond St. Jean, Bagatelle
- Grand Fond, Morne Jaune and Riviere Cyrique.

Although the D-REP programme is scheduled to end in 2003, several useful lessons have been learned:

- there was not enough emphasis on farmers who were leaving the banana industry;
- not all rural people wish to be self-employed – many wish to be employees so as to minimize risk and have more certainty about income and the future;
- loans of EC$3,000 to $4,000 are too small to establish businesses that will generate employment for others;
- there is a lack of coordination with Government ministries and other agencies and thus some waste of resources; and
- there has been a decline in “community spirit” or volunteerism, even when supplied with free building materials. In many communities, it was not possible to find people to donate their labour to a community project.

The D-REP Mid-Term Review also noted the following lessons:

- “Micro credit is still viewed as a high risk activity and even agencies specifically established to target this sector are fairly conservative in their approach. Furthermore, government involvement in such credit programmes, even peripherally, usually leads to high delinquency and affects sustainability negatively.

- “Targeting is of critical importance. Most poor people are generally characterized by an aversion to borrowing, a limited capacity to manage loan repayments over an extended period of time, insufficient entrepreneurship and inadequate business management skills, a general preference for employment rather than starting a
business and a culture of hand-outs that requires time to eliminate. Oftentimes, grant funding is much more appropriate for many of the poorer targets.”

(c) Other Capacity Building Institutions

National Development Foundation of Dominica (NDFD)

The NDFD is a private, non-profit development institution established in 1981. Its mission is “poverty reduction and human resource development at the national level by mobilizing funds for the provision of credit, training and technical support primarily to the micro, small and medium size enterprises.”

The NDFD assists entrepreneurs to start, expand or improve their businesses. The general criteria for accessing NDFD financing are that the business should:

- Be economically viable
- Utilize local raw materials
- Manufacture new products or develop existing products
- Help in the stimulation of exports or the reduction of imports
- Offer a service that is vital to the community or to visitors to the community
- Be of productive value to the community.

Despite this mission, the NDFD is under pressure from the agencies that fund it to become financially self-sufficient and therefore it charges market rates of interest on loans.

The NDFD indicates that the keys to success are:

- to better coordinate programmes among all agencies, including Government; and
- to increase and improve the level of management and technical support to those receiving loans: those who have accepted training or advice (at a cost of EC$75) have tended to succeed.

Agricultural Industrial and Development (AID) Bank

As well as providing commercial banking and credit services, AID Bank undertakes special programmes aimed at capacity building. These programmes include the provision of loans for low cost housing (funded by the CDB) and the provision of loans for students to attend overseas, regional and local educational institutions.
NGO Agricultural Diversification Project (NGO-ADP)

The NGO-ADP has operated a successful EC$500,000 revolving loan facility for the past 11 years. The programme has granted about 100 loans of up to a maximum of EC$40,000 (the average loan value is $16,000) for agriculture projects excluding bananas. Projects have been approved for livestock, greenhouses, spices, marketing and others. Other services include training activities for farmers e.g. greenhouse technology, ordering of poultry chicks, and rental of chick debraker. The Project Officer maintains regular field visits to all clients to monitor implementation and provide technical and managerial support.

As part of its development education work, the NGO-ADP has produced a video on Agricultural Diversification in the Windward Islands, 'In Many Baskets;' and published two agricultural manuals for farmers i.e. Broiler Production and Greenhouse Technology.

Small Project Assistance Team (SPAT)

SPAT is a community development NGO that has been providing support for socio-economic projects for the past 22 years. Over the past 10 years, its focus has shifted to rural communities. Its main programme is the Community Animation Programme (CAP) which has carried out CAPs in four rural communities with socio-economic indicators below the national average – Petite Savanne, Dublanc/ Bioche, Grand Fond and Grand Bay.

The overall objective is to tap the development potential and ideas that exist within small communities. The CAPs provide organizational and technical training to increase the capacity of persons in the community e.g. training in social research (especially PPAs), proposal writing, tour guiding, organic farming, fishing. As a result, project proposals have been prepared and submitted to various funding sources e.g. equipment for the fishermen in Brioche, Parenting and Adolescent Programme in Grand Fond and Dublanc/Bioche. A major focus is Institutional Strengthening. SPAT assigns a staff member, a Community Animator, at the community level. A Community Management Committee is formed that includes all organized groups and interested individuals and takes responsibility for development activities. Another feature is the Facilitating Team that attempt to bring together all the resource persons working in the community e.g. Youth Officer, Local Government Personnel, NGOs etc. This provides opportunities for sharing of programs, avoiding duplication and assisting with implementation of each other’s programs.

Another example of a successful project also occurred in Dublanc/ Bioche. The community realised that it was the closest community and the gateway to the Morne Diablotin National Park and the Sisserou Parrot Sanctuary, but did not benefit from tourism. A tour guide association was formed, training and certification organized by the National Development Corporation, and jobs were solicited from tour operators. A community tourism initiative
was developed to include other aspects of potential tourism development opportunities in an integrated project: chattel houses, bat cave, fishing, coffee house, old mill renovation, Milton Falls, etc.

Many of SPAT’s projects have had the support of GOCD and external agencies. Their success has been facilitated by close collaboration with Government and NGO workers and the active participation of Village Councils. SPAT strongly believes that community mobilization and participation is essential if small-scale, local development initiatives are to be successful.

Presently, lack of funding means that its staff has been reduced to an absolute minimum. SPAT has a proven track record in valuable community development activities. The knowledge and experience it has built up over the past 20 years will be lost if funds are not soon found to reinstate some of its retrenched staff.

The Dominica Huckster Association

Hucksters are small-scale agricultural traders who buy produce directly from farmers and then sell the produce either locally or in neighbouring islands. Hucksters play a central role in non-banana agriculture.

The Dominica Huckster Association has 220 members (down from 430 in 1990); average net income ranges from $200 to $2,000 per week. According to the Association, huckstering “is a subsidiary activity for those whose earnings are at the lower end. Produce is taken, primarily to the French markets, but also to Anguilla, by women whose principal reason for travel is to collect child support from fathers residing in the islands. The higher income earners may make up to three trips a month. The items which are exported include root crops, fruits, vegetables, flowers and handicraft.”

The Association provides training courses for its members and negotiates on their behalf for shipping rates, with foreign governments (on visa and related issues) and with government agricultural agencies.

An issue of particular importance in terms of poverty is the challenge to women hucksters (who make up 80% of the trade) who must leave children behind as they travel. To deal with this problem, the Association has sought to encourage women to develop a “buddy” system: the huckster would pay a fellow huckster with whom she has good relations to deliver her produce to market instead of both friends travelling every week; the first huckster would then look after both hucksters’ children; they would alternate trips.
4.2 Health

4.2.1 Programmes and Policies

(a) General Health Programmes

There are no specific health programmes for the poor and vulnerable as these groups are incorporated into all primary and secondary health services provided in Dominica. Current health programmes concentrate on women of child-bearing age via such programmes on family planning, breast feeding and prenatal and postnatal care which also included health visits. Programmes for children include free immunization (for the under 5s). These programmes have been acknowledged by the Pan American Health Organisation in its report “Dominica: Basic Country Health Profiles, Summaries 2001”, as successful in overcoming infant mortality and lessening the incidence of communicable diseases.

The provision of local health centres and regional health clinics has been an on-going programme to ensure health services are more accessible to all communities around the island. Lack of investment in buildings and tightening of budgets for nursing staff and for medical supplies however, have closed some centres and are threatening closure of others. Donor funds for building upgrades have also decreased in recent years. Infrequent bus services and intermittent informal minibus services lengthen journeys for those without cars to visit centralised health services. Nevertheless, health indicators and discussions with health officials indicate regional and local health services are reaching those who need them.

Dominica, via the Central Medical Stores (CMS), procures drugs and medical supplies within the OECS Pharmacy Procurement System which pools purchases from nine Caribbean countries enabling cheaper prices and a more constant supply to be attained. There is concern however, that the Dominican Government’s delays in paying for these medical supplies may hamper-Dominica’s sustained access to the Procurement System.

User fees are charged for medical services particularly at the Princess Margaret Hospital however the amount collected is only about 10% of the hospital’s spending. Enforcement of fees varies and no dispensation is offered even to those receiving public assistance. Private medical insurance is used as gap insurance yet reimbursements obtained by the hospital from insurers are low.

The Health Plan 2002 to 2006 identified the following priority objectives for health services:

? To improve access to health care services and promote utilization of services by selected groups (e.g men and adolescents);

? To improve the quality of services provided, with a focus on improved technology and maintenance of equipment;
To support good health and the prevention of illness through the adoption of health promotion strategies;

- To promote healthy environments including the working environment;
- To address shortages of key health providers;
- To explore areas of financing for the improved and expanded health services; and

The 10 strategic directions with which health actions focus are family health, chronic non-communicable diseases, mental health, food and nutrition, environmental health, prevention and control of communicable diseases, health systems development, human resource development, health disaster management and health care financing.

The “Budget Address for the Fiscal Year 2002 –2003” by the Honourable Pierre Charles (June, 2002) addressed many of these objectives and strategic directions. For example the Budget Address identifies government plans to construct a new eye clinic, to introduce psychiatric services at Princess Margaret Hospital, to provide a new administration and billing system, to construct a new health clinic at Mahaut and reconstruct Castle Bruce Heath Centre together with repairs and renovations to five others. Training is proposed for three health professionals. Importantly, a range of health care financing mechanisms is proposed to be introduced over the next few years. The most significant is the possible introduction of a National Health Insurance Scheme which would raise equity considerations. Views on the introduction of a National Health Scheme, obtained in workshops and meetings, ranged from strong support to concerns that a two-tiered health service would emerge. In any event, the budget address gives strong indications that it may not be possible to maintain the current free or highly subsidised health care services in the future. This will have a major impact on poor and vulnerable groups.

(b) Drugs and HIV/AIDS
Currently there are two programmes which have been operating to address vulnerable groups. A Drugs Education programme has been established to address concerns about youth (particularly adolescent males) becoming involved in drugs. According to Ministry of Health officials and in discussions with teachers, there is a concern over a youth drug culture and the role models that drug pushers provide to adolescents. The programme is geared to informing teenagers of the dangers of drugs and the economic and lifestyle pitfalls of the drug culture.

A draft National HIV/AIDS Strategic Plan (2003/7) has been prepared and is out for comment; the cost implications are serious – in the range EC$11.5-17.2 million. It proposes
to create a HIV/AIDS Response Team to co-ordinate, manage and evaluate HIV/AIDS prevention activities.

(c) **Environmental Health**
Responsibility for environmental health lies within the Environmental Health Division of the Ministry of Health. Functions include sanitation and solid waste management as well as vector control and food hygiene. Although the public health situation in Dominica is generally good, outbreaks of typhoid fever in the mid 1990s and sporadic outbreaks of gastroenteritis have been traced to food handling and inadequate sewage disposal methods. Marigot, Portsmouth and Grand Bay had the most reported cases and these places are also recognised as having ongoing sewage disposal problems. In West Coast settlements, the high water table makes it difficult to construct onsite sewage disposal facilities. The Roseau system has been recently improved but a large proportion (44%) of households remain without flush toilets. Public facilities were proposed at one stage for the major towns but have not been built. Pit latrines are acceptable in rural areas where densities are low. In urban areas, e.g. Tarish Pit, where there are no public conveniences, pit latrines were described as unhygienic and attracting flies. In rural areas, the Division is engaged in a programme to construct improved latrines.

### 4.2.2 Effectiveness of Programmes

Morbidity and mortality information indicates that Dominica experiences problems similar to any westernised country. Health concerns relate to diet (high cholesterol/high sugar content) and societal issues (stress, drugs, violence) rather than lack of food or waterborne infections. Environmental health problems that do exist (contaminated water supply from inadequate sewage treatment) are gradually being addressed. Past health programmes have been successful in improving the health and life expectancy of Dominicans. Programmes are moving towards preventive measures rather than remedial but funding support for secondary health services will still be required. The maintenance of local and regional health centres given budgetary cutbacks is of concern particularly in the provision of affordable and accessible health services. Increasing cases of HIV/AIDS will also place stress on medical services.

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39 Effectiveness has been assessed in general terms taking into account overall policies and objectives, the comments of key officials, responses from the PPAs and the judgement of the TOC. Issues of current concern are however identified. This is not to say that a more rigorous evaluation of individual programmes using ‘value for money’ criteria might not reveal room for improvement. A detailed evaluation such as this is however outside the scope of this Study. Areas of potential improvement, especially rationalisation and targeting to take account of reduced government revenues, as well as potential new programmes are however included in the Chapter 6 recommendations.
Thus the programmes currently existing to address health issues within Dominica are targeted at environmental health and general health issues. The difficulty will be maintaining and expanding these programmes and schemes during a period of government austerity and spending cuts. The most significant health issue will be the government’s fiscal ability to introduce national health insurance.

4.3 Education

4.3.1 Policies and Programmes

(a) General Policies and Programmes

Education is crucial if society’s aspirations, needs and development goals are to be realised. Over the past 20 years, education has been an important component of government policy. Since 1995 a significant number of programmes have been implemented to make best use of and improve the country’s human resources. Education programmes covering provision of education facilities, changes to curriculum, improvements in management and monitoring as well as upgrading the qualifications of teaching staff are beginning to have some impact on the school age and young working age population.

In 1995 the Government of Dominica implemented the Basic Education Reform Project (BERP). This project addressed concerns over the unequal access to educational opportunities for school-aged citizens and the need to improve the efficiency, quality and effectiveness of the educational system. As part of this programme universal access to secondary education is being expanded. This programme incorporated a range of measures including the construction of new high schools (4) and the rehabilitation of other primary and secondary schools. The key impetus for BERP was the low transition rate from primary to secondary schools. Between 1984 and 1992 an average of 31% of the student population transferred to secondary school. Following the construction of two new comprehensive secondary schools – one at Castle Bruce and another at Grand Bay – and the expansion of Portsmouth Secondary, the transition rate increased to 78% in 2001 indicating that the previously low transition rates were more a factor of supply than demand. The location of the new schools is also notable in that it served to reduce both the overcrowding in schools in and around Roseau, and the distance that secondary students had to travel to school.

BERP also addressed concerns over the quality of teachers and teaching. Targets with regard to student teacher ratios have been set as well as for improving the qualifications of teachers. Student to trained teacher ratios are now around 18:1 for secondary and 31:1 for primary schools. The proportion of trained/certified teachers in primary schools has increased from 38% in 1991 of all staff to around 60% in 2001. The Government recognises there is still some need for improvements.
Although CEE will be phased out as comprehensive secondary education becomes universal (hence there will be no streaming of students to junior secondary or traditional secondary schools depending on their CEE results), it will still be important to ensure consistency in the quality of education as currently some schools outperform others with regard to CEE and CXC results. Schools with the fewest trained teachers are in the poorest parts of the country and have students who consistently perform poorly in CEE and CXC. The introduction of universal secondary education is proposed to address this problem. However checks on examination results should continue and improving teacher training targeted in schools where performance is poor.

In discussions with school principals and other teachers, considerable concern was raised regarding the education standards of adolescent males in Dominica; a similar concern was identified by the PPAs. Male underachievement in CEE and secondary school repetition rates (as high as 18% in 2000/01, see Table 2.5) indicate the extent of this problem. In one community, Dublanc, a community group entitled Men in Development assists in ensuring that truancy is kept to a minimum. The “feminisation” of education is considered to have a detrimental effect on male students, “marginalizing” them both at school and in the wider society (Burton-James, 1998 in UNESCO Country Report – Dominica, 1999). Dropouts amongst girls are rare. Changes to curriculum, particularly with the introduction of non-academic subjects, were suggested to overcome this problem. The PPAs also noted that although youth skills training programmes are available and accessible, these are not always well subscribed. Reasons given include cost, the qualifications for entry and the quotas imposed. In the words of one informant: ‘Because of the lack of a father figure some of the young boys don’t get the push. It has to take a very strong mother to enroll her son...’

The Secondary Education Development Project known as BERP 2, is in preparation. Its key aim is to “…help reduce poverty and unemployment by increasing the supply of secondary school graduates with flexible academic and technical skills and knowledge” (“Budget Address for Fiscal Year 2002-2003”, Hon Pierre Charles, June 2002.). It addresses the objectives of BERP and includes the following components:

? Increasing access to secondary schools and the transition from primary schools through construction of new secondary schools and rehabilitation of others, together with increased resource allocation to secondary schools;

? Teacher training programmes and the development of new curricula;

? Strengthening of student support services and compensatory programmes for vulnerable and at risk students through qualitative improvements to primary schools in the Carib Territory, compensatory book schemes for indigenous persons at secondary school and a national focus on male under-achievement.
The other key focus of education relates to the tertiary education sector. A new autonomous tertiary institution is proposed (the Dominica State College) so that residents can undertake a significant part of their college degrees in Dominica. This will be necessary as a progression of expanding education programmes in secondary schools. The range of courses to be provided in the college may still be limited given the number of students attending and the range of appropriately qualified staff.

4.3.2 Pro-Poor Programmes

There are several programmes specifically geared to poor and vulnerable students:

(a) **The Education Trust Fund (ETF)**

The ETF has been operating since 1981 and provides financial assistance to students whose families have significant financial difficulties. The Fund is primarily geared to secondary and tertiary students who would be unable to continue their education without such financial assistance. Funds (around EC$45,000 p.a) co-ordinated through the Trust Fund are from government and contributions or donations from individuals, local, regional and international organisations and via fund raising activities. A range of financial assistance is provided including transport costs (which can cost up to $180 per month), text books costs, school fees, school uniforms and exam fees. Table 4.1 below outlines key statistics for 2001/2002. This table indicates that financial assistance for transport is still the most frequently requested followed by assistance for textbooks. Almost 60% of all applications are for transport assistance indicating that this is considered a key financial burden for parents. It would also appear that demand for transport assistance outstrips supply as around two thirds of applications not approved were for such assistance. Around a third of all applications made in 2001/2002 were not successful. Existing beneficiaries must reapply each year. A Board of Trustees appointed by the Minister of Education administers the fund and determines who is eligible for assistance.

**Table 4.1 Application for ETF 2001/2002**

<table>
<thead>
<tr>
<th>Request</th>
<th>Approved</th>
<th>%</th>
<th>Not Approved*</th>
<th>%</th>
<th>Total</th>
<th>% Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textbooks</td>
<td>157</td>
<td>43%</td>
<td>38</td>
<td>19%</td>
<td>195</td>
<td>81%</td>
</tr>
<tr>
<td>Transport</td>
<td>184</td>
<td>50%</td>
<td>133</td>
<td>68%</td>
<td>317</td>
<td>58%</td>
</tr>
<tr>
<td>Other#</td>
<td>24</td>
<td>7%</td>
<td>23</td>
<td>13%</td>
<td>47</td>
<td>51%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>365</strong></td>
<td><strong>100%</strong></td>
<td><strong>194</strong></td>
<td><strong>100%</strong></td>
<td><strong>559</strong></td>
<td><strong>65%</strong></td>
</tr>
</tbody>
</table>

* Includes Refused, Insufficient and Late applications

# Includes Exam Fees, School Fees and Uniforms.

In discussions with school principals, NGO representatives, and education officials support for the Trust Fund was widespread. In particular, school principals and teachers indicated
that the ETF had enabled poor children to remain in school. Anecdotal evidence suggests that funds obtained through the Trust were generally used for their intended purpose. Concerns were raised by the ETF co-ordinator that demand for assistance would increase yet funds available (government and non-government) were likely to decrease given current financial constraints. There is also evidence that the ETF is needed for primary school pupils as well – to date most assistance has been offered to secondary and tertiary students. School transport costs, which have to be paid in full by students, placed the most strain on the ETF.

(b) **The Text Book Scheme (TBS)**
The TBS began operating in 1996 in response to low attendance in primary and secondary schools and concerns over low pass rates in CEE and CXC examinations. Free text books are provided for all primary school students (Kindergarten to Grade 6) and for Year 1 in secondary schools. Since 1999 a loan fee has been charged to cover for lost books, replacement due to wear and tear and to part fund the purchase of new books. Currently secondary textbook fees are $85 a year which is only around a third of the cost of purchasing the books. Primary schools are heavily subsidised. Students on bursary or scholarships are provided with additional funds for text books and those students unable to pay the loan fee may be able to gain assistance through the ETF. Budgets for the TBS have become more limited in recent years and the Scheme co-ordinator is now investigating options of obtaining donations from publishers, from other countries donating books (when finished with them in their own education programme) as well as increasing book loan fees. There is concern that the budget restrictions are limiting the type and range of books able to be purchased and that this will restrict access for some pupils to study certain topics. The increased demand on ETF to support text book loan fees would exacerbate the ability of children from poor backgrounds and in vulnerable situations from fully utilising the TBS.

The TBS is widely supported by school principals and teachers and many commented on significant improvements in school attendance and reductions in school dropout rates since the Scheme started in 1996. Comments were also made that the shame of a family not able to provide text books for their children was overcome by the Scheme. Support from general school funds (raised through various fund raising activities), as well as funding through the Christian Church Fund and in some instances, individual donations, had been used in an informal way to assist students to pay for the annual text book loan fee if they were unable to do so or in-eligible for ETF assistance. The budget restrictions and hence the continued operation of the heavily subsidised text book scheme is of concern to Education administrators. The lack of investment in the scheme is considered to have a potentially detrimental effect on poor and vulnerable students as well as curricula able to be taught to all students in primary and secondary schools.
The School Feeding Programme (SFP)
The SFP has been in operation for around 12 years. Initially funded by the World Food Programme, funds are now provided by GOCD central funds. The number of schools benefiting has been reduced from 22 to 7 (out of about 60 public primary schools) although education officials have indicated that at least another 3 schools would benefit from the programme. Schools covered by the current programme are Bagatelle, Belles, Delices, Grand Bay, Penville, Salybia, and Sineku. The St Joseph and St Sauvere schools also operate within the SFP but funding is provided by international donor agencies. Three other schools (Sans Sauveur, Soufriere and La Plaine) were acknowledged by education officials as potentially eligible for full SFP support but sufficient government funds are not available. Within the programme two hot meals and three snacks are provided at lunchtime throughout the school week for all children within the school. The SFP was supported by education officials and teachers (teachers from three schools forming part of the programme were interviewed) but concerns were raised that the nutritional value of the meal had been reduced due to cost cutting measures. Both teachers and Ministry of Education officials indicated that attendance at school for those students within the feeding programmes had improved dramatically since joining the programme. Education Planning Unit figures indicated that attendance had climbed from around 70% to 96% as a result of SFP.

4.3.3 Effectiveness of the Programmes

The programmes introduced through BERP have had a major positive impact on primary and secondary school education in Dominica in the last 5-10 years. BERP2 programmes are likely to be similarly beneficial. The Education Trust Fund, the Text Book Scheme and the School Feeding Programme have directly targeted poor and vulnerable students and are fully supported by school principals and teachers. As with the health programmes, the difficulty will be maintaining and expanding education programmes and schemes in a time of reduced government expenditures.

The need for an educated and technically skilled work force will be more pronounced over the coming decades. Pressure on existing education systems whether they be primary, secondary or tertiary, is likely to increase. The need to ensure that the future work force is capable of performing in a global arena will be vital for Dominica’s economic future. It is essential therefore that programmes supporting poor and vulnerable children and adolescents to attend and excel at school are more than just maintained – they need to be expanded and promoted. Opportunities for expanding the school feeding programme may be possible through international donor agencies (as occurs at the moment). Maintenance and expansion of the text book scheme may also be able to be supported through donor assistance. The Education Trust Fund, funded by the government, is a key education development programme with a high level of support within the education sector. This scheme underpins many future work force members and thus should be considered as part of any future core
developmental strategy for Dominica’s future. Expansion of school curricula, particularly with regard to male adolescents, is also crucial if a balanced work force and community is to evolve. The gains achieved in recent years will be short lived if these current programmes are not maintained.

4.4 **Support Services and Safety Nets – Government Programmes**

4.4.1 *Ministry of Community Development and Gender Affairs (CDGA)*

(a) **General**

CDGA is the key government agency responsible for strengthening and maintaining strong family relations, supporting and strengthening of community institutions as well as implementing community development programmes. According to this Ministry’s Corporate Plan (2002-2003), its mission is:

‘… to respond to the identified social, cultural and economic needs of society’s vulnerable and disadvantaged individuals, groups and communities through a range of social and economic programmes designed to enhance and sustain the living standards and life chances of the socio-economically underprivileged. 40

In accordance with wider government policy, 41 the CDGA is committed to ‘pro-poor’ policies and programmes that will have the effect of reducing inequalities and protecting the condition of the poor at a time of economic stabilisation and recovery. This is made explicit in the CDGA strategic plan 2001-2006 which is a response to the increasing social pressures arising from the constraints in the economy – in particular the decline in the banana industry. This plan seeks to respond to the needs of society’s vulnerable and disadvantaged by:

- understanding the cause and effect of transitory and structural poverty;
- prioritising and programming the use of limited resources;
- ensuring the capacity of the Ministry to identify, formulate, monitor and evaluate poverty reduction policies and interventions; and
- ensuring structure and capacity of the Ministry to implement poverty policies and interventions and deliver targeted services.

The Ministry, which comprises 7 divisions - Welfare, Local Government and Community Development, Adult Education, Gender Affairs, Culture, the Secretariat (which incorporates the Basic Needs Trust Fund Programme) and Co-operatives - has close links with the

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40 Ministry of Community Development and Gender Affairs - 2002-2003 Corporate Plan, page 15

41 GOCD, Budget Address, 24 June 2002
Ministries of Education and Health and other non government organisations charged with identifying and alleviating individual (adult and child) and household poverty. Table 4.2 outlines the main activities of this Ministry in terms of social support and safety nets. Subsequent paragraphs describe the most important of these activities.

Table 4.2. Ministry of Community Development and Gender Affairs - Support and Safety Net Activities

<table>
<thead>
<tr>
<th>Divisions</th>
<th>Responsibilities</th>
<th>Selected support and safety net programmes /activities</th>
</tr>
</thead>
</table>
| Welfare Administration            | Family life issues                                                              | - Public assistance  
- Probation  
- Child care (child abuse – prevention, foster care, adoption)  
- Care for the elderly                                                                 |
| Bureau of Gender Affairs          | Gender-sensitivity                                                              | - Gender sensitisation and Advocacy  
- Skills training and micro-enterprise development  
- Socio-economic empowerment of disadvantaged women                                                                 |
| Adult Education                   | Literacy and life-long skills enhancement for those over 15 years who wish to upgrade their skills and education | - Literacy programmes  
- Other including Junior Schools Programme, Parenting, Health and Family Education, and skills training |
| Local Government and Community Development Division | Poverty alleviation and the mobilisation of communities for self-reliance and self-help. Identification, decision-making and administering programmes at the grass roots level to alleviate poverty. | - Stabex 96/97  
- UNDP  
- Community development self-help programme  
- Cultural development events  
- National day of community service                                                                 |
| Ministry Secretariat              | Administration and management of the Ministry                                   | - Basic Needs Trust Fund *                                                                                         |

* Discussed in Section 4.1.

(b) **Social Welfare Division Programmes**

The public assistance programme (PA) is co-ordinated by the Social Welfare Division (SWD) and provides support to the indigent. Under this programme, recipients obtain EC$100 per month per family and $85 per month per child\(^\text{42}\). In addition, the SWD will pay the cost of children’s medicines.

There is an established process of eligibility assessment that includes a home visit and other examinations by SWD staff to ensure that applicants satisfy SWD criteria.\(^\text{43}\) These criteria are not however supported by statute law (see Section 5.4). Recommendations for approval are then made to the Permanent Secretary. The majority (90%) of cases are approved although there is no data on the number of requests for PA that SWD do not consider to merit assistance. Periodically the situation of those receiving assistance is reviewed. Most reviewed remain on the list.

In June 2002 there were 2,200 recipients – a similar number to those receiving assistance in 1995. Because some payments cover families and some cover individuals, it is not possible to ascertain how many people actual receive PA. However given that there are around 2,500 indigent households with a population exceeding 10,000, it is apparent that a large number of indigent people do not receive PA. Table 4.3, which provides some examples, from 1996, of cases where public assistance was refused, largely corroborates this conclusion as, under most criteria, these households would be considered to be indigent and deserving of welfare assistance.

Every year government budgets for the programme. There was no shortfall in the 2002 budget although, as shown by Table 4.3, current criteria exclude many needy households. However some clients have failed to receive payments on time because of the economic situation.

The child care programme is concerned with child abuse prevention, foster care, adoption and children’s rights. In the opinion of SWD, abuse probably results from the stress of the poor economic situation and/or poor parenting and nurturing skills. It is the experience of SWD that abused children generally come from ‘poor’ homes. In the opinion of SWD this may be

\(^{42}\) These amounts are double what they were in 1995. The current monthly indigence lines are $165 and $82.5 for an adult and an older child respectively. These are for food only indicating that the current level of PA while barely adequate for a child, are totally inadequate for an adult.

\(^{43}\) These are set out in a SWD 1995 Report
because wealthier families are better able to ‘manage and hide’ the problem. Abused children are made wards of the State which pay for their living, education and other costs. They are placed with foster parents. It is proving almost impossible to find homes for children over 10 years old. In June 2002 SWD had a caseload of 255 child abuse cases and 75 children in foster homes.

Table 4.3. Examples of Households Refused Public Assistance (1996)

<table>
<thead>
<tr>
<th>Household Composition</th>
<th>Means of Support</th>
<th>Reason for Refusal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mother with 6 children renting 1 room wooden house</td>
<td>No support from fathers despite, in one case, court action. Occasional washing at $20 per day</td>
<td>Assistance cannot be offered as father is alive and supposed to take up his responsibilities.</td>
</tr>
<tr>
<td>2. Bedridden man aged 65 living with wife (not working) and 5 youngest (of 12) children.</td>
<td>Inadequate gifts from 2 older children.</td>
<td>PA cannot be provided where any gifts were being received</td>
</tr>
<tr>
<td>3. 46 year old man with 8 children (2 adopted). He has 5 acres of land with one under young bananas.</td>
<td>None stated. His working potential is restricted as he has a damaged leg due to injury.</td>
<td>Family has land and a breadwinner</td>
</tr>
<tr>
<td>4. 31 year old mother with 3 kids + 1 from current boyfriend.</td>
<td>None stated. Boyfriend refuses to support older children and gets violent when she asks.</td>
<td>She was told to trace the original father who has left the island.</td>
</tr>
<tr>
<td>5. Carib woman supporting parents, siblings, husband and 5 children. Children do not attend school.</td>
<td>Occasional sale of woven baskets.</td>
<td>Woman has an income from which she must live.</td>
</tr>
</tbody>
</table>


Probation: in June 2002 SWD had a responsibility for 30 probationers. The majority were juveniles.

Care for the elderly: SWD works in liaison with institutions (such as the Portsmouth Home for the elderly) that work with the elderly. Three institutions provide care for the elderly and contain in total 109 beds. Generally SWD oversees the management of such institutions. However in the case of the Dominican Infirmary SWD is involved with the selection and admission process. Currently there are no vacancies in this institution and many outstanding cases that will only gain admission when somebody dies. It was noted that whereas in the past these institutions often had space available, they were now working at full capacity indicating an increasing demand. There is concern that the traditional family support mechanisms for the elderly are being eroded.
Bureau of Gender Affairs (BGA)

The BGA’s main responsibility is the Gender Programme. With this programme, the agency aims, by means of gender sensitisation and advocacy to raise the level of gender awareness and promote the concept of gender equity. This is achieved in part through specific projects and in part through on-going activities such as counselling. Together, these approaches address the issues of:

- gender equality in employment and capacity building;
- countering domestic violence. A recent research undertaken by BGA shows that domestic violence is directly correlated with poverty, unemployment and depression. As indicated elsewhere in this report the current economic situation is expected to lead to increased poverty and unemployment;
- instituting supportive legislation; and
- supporting women in crisis. This may involve, in discussions with the Police, providing support for the severest cases.

Table 4.4 outlines the frequency and activities of the BGA. Initially the focus was on the needs of women but this has now changed to men and women. This change of emphasis is reflected in the change in title of the agency from Women’s Bureau to Bureau for Gender Affairs.

Table 4.4. Summary of Activities of the Bureau of Gender Affairs

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Counselling*</td>
<td>105</td>
<td>233</td>
<td>352</td>
<td>59</td>
<td>140</td>
</tr>
<tr>
<td>Other Services**</td>
<td>407</td>
<td>235</td>
<td>200</td>
<td>1302</td>
<td>424</td>
</tr>
<tr>
<td>Number reached by field staff</td>
<td>N/A</td>
<td>538</td>
<td>1278</td>
<td>1076</td>
<td>-</td>
</tr>
</tbody>
</table>

* Undertaken each year undertaken in a varying number of districts. Although some the clients were male, the great majority were women.

**These activities change from year to year: 1997/98 – public education on women and the law (7 districts; 98/99 - public session on domestic violence (5 districts); 1999/2001 - skills training and gender sensitisation workshop (6 districts); 2000/01 – counselling training; national symposium on gender; rally – day to reject violence against women; research on domestic violence; 2001/02 - unspecified. Source: Information from CDGA – Women’s Bureau July 2002

A skills training and micro enterprise development programme exists with the aim of socio-economically empowering disadvantaged women. This programme provides training in skills such as sewing, computer technology, catering, tiling, electrical repair of small appliances as well as entrepreneurial development and management. At one point this programme was supported by a small revolving loan fund but this no longer exists. Such a fund would be useful to provide capital for new business development and could be linked to successful
completion of a skills training activity. In the opinion of the BGA many women have been empowered and have new skills. Some have successfully negotiated jobs for themselves and some past trainees are now training others.

(d) **Adult Education**

The **Adult Education programme** incorporates literacy, a Junior Schools Project, Parenting, Health and Family Education, skills training and outreach. All aim to enable adults (over 15 years) to live full and productive lives. Programme participants are self-selecting and facilitators are volunteers, drawn, as far as possible, from the communities the programmes are serving. Table 4.5 below outlines some of the activities within the Adult Education Programme.

Table 4.5. **Adult Education Division – Activities, 2000/2001**

<table>
<thead>
<tr>
<th>Programme</th>
<th>Achievement/ Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Literacy</td>
<td>326 adults in six zones; learners at all levels</td>
</tr>
<tr>
<td>JSP</td>
<td>11 adult learners took the exam in 2000; 8 in 2001</td>
</tr>
<tr>
<td>Youth in literacy</td>
<td>Not as successful as in previous years because of increased competition from other literacy programmes</td>
</tr>
<tr>
<td>Parenting</td>
<td>345 graduates from Division’s Parenting Programmes worldwide. Very popular and now influencing parenting programmes of other divisions</td>
</tr>
<tr>
<td>Health and Family Life Education</td>
<td>37 graduates from HFLE programme in 2 zones</td>
</tr>
<tr>
<td>Other Skills</td>
<td>Over 200 persons benefited from a variety of skills training programmes including sewing and tailoring, pastry and cake making, soft toys and other creative crafts as well as ceramic tiling.</td>
</tr>
<tr>
<td>Outreach</td>
<td>Works with more than unemployed. Programmes conducted with street traders these included classes in upgrading marketing skills, foreign language and new products development. Continuing literacy and education programme for inmates of State prison as well as with Colgate Palmolive (Dominica Ltd).</td>
</tr>
</tbody>
</table>

Source: Ministry of Community Development and Gender Affairs, Adult Education Division
(e) Local Government and Community Development Division Programmes
The main programmes are outlined below:

**STABEX 96/97:** This is a Social Protection Programme, agreed in October 2000 with an Eastern Caribbean Delegation and funded by the European Union. Initially funding and the programme was for three years. It aimed to enhance and sustain the living standards and life chances of the socio-economically underprivileged. Specifically its purpose was to minimise the impact of poverty resulting from changes in the banana industry and other related factors. This national programme incorporated three principal interventions:

- **Risk mitigation.** This was achieved through the provision of credit for Enterprise Development by the National Development Foundation of Dominica (NDFD).
- **Risk coping.** Achieved through the creation of short term employment (STEP) opportunities through the Local Government Department.
- **Risk reduction.** Achieved through the implementation of community education and skills development (CESD) through the Adult Education Division.

As explained below STABEX 96/97 will be continued and will be a key funding instrument for a new two-year social recovery strategy as highlighted in the Budget Address 2002-2003.

The community development self-help programme facilitates the implementation of programmes/projects in partnerships with Dubic Development Committee.

The UNDP programme is a community infrastructure and human resource development programme. Its main focus is the five communities of: Good Hope, Sans Sauveur, Petite Soufriere, Malta Town in Marigot and Clifton. However, initiatives will also take place in two additional communities: Morne Jaune and Riviere Cyrique.

Cultural development events help individuals and communities undertake cultural activities geared at building social identity and social cohesion.

National day of community service assists communities to undertake small projects during Independence Celebrations. These aim at improving living conditions and encourage community participation and general development at the community level.

(f) Proposed Programmes
In addition to the continuance of current activities, a number of new programmes have been proposed. These are:
Social protection programme (short term): this programme’s purpose is to alleviate the impact of poverty resulting from collapse of banana industry. It’s budget of $3.3 million over two years will be funded through a continuation of STABEX funds from the European Union. It will incorporate three interventions:

? *Credit for rural enterprise development* will be managed by the NDFD and will seek to encourage farmers, farm labourers, their families and communities to engage in alternative types of production.

? *Creation of short-term employment opportunities.* The short-term employment project (STEP) will provide alternative sources of income through the implementation of social and productive infrastructure projects using a participatory approach.

? *Implementation of community education and skills development.* This component will facilitate the re-tooling, re-training and re-positioning in employment of displaced individuals. It is intended that the focal areas for community education and skills training will be demand driven and will be identified through a participatory process. It is anticipated that training will be offered in areas such as rural enterprise development, eco-tourism, community, social and family services and other opportunities for diversification.

A proposed social recovery strategy (medium-long term) will be targeted at farmers and farm workers affected by the collapse of banana cultivation. The strategy has two elements: *safety nets* to enable people to meet their consumption needs and ensure their income security; and, *development activity* to generate employment and income. As explained by the Prime Minister in his budget address, the permanence of the strategy is dependent on the evolution of a Social Investment Fund that will be used to channel external financial resources.

(g) **Effectiveness of Programmes**

Currently the Government has a clear understanding of the social services and safety nets needed to satisfy the needs and demands of their clients. In large part, the essential programmes exist and are well designed. However, as agreed by the NAT, a declining economy is resulting in a lack of the national financial resources to fund these programmes. This means that programmes are subject to under-financing and under-staffing, a lack of the necessary social infrastructure (e.g. accommodation for the elderly and a youth detention centre) and are struggling, and in some cases failing, to meet present needs. Further, there is every indication that demand will increase as many families become financially stressed due to the economic situation.

As previously discussed, and as acknowledged by a number of officers, there is evidence that where families are financially stressed there is an increased likelihood of family relationships malfunctioning and needing the support of outside agencies. Examples of this are the
growing incidence of domestic violence and bad child behaviour presenting to support agencies.

4.4.2 Dominica Social Security (DSS)

The DSS is a statutory body established by Act of Parliament No. 38 of 1975 and falls under the overall jurisdiction of the Ministry of Health and Social Security. Additionally, the Director of the DSS manages a Redundancy Fund established by Act No.1 of 1977. The DSS provides three categories of benefits, which are conditional upon satisfying qualifying conditions: long-term, short-term and employment injury. All employees are eligible to long-term, and short-term and employment injury benefits while self-employed persons are eligible only to long-term benefits.

Long-term benefits include:

- Age pension payable from age sixty (60) years;
- Invalidity pension payable to a person under sixty years of age and who is permanently incapable of work or to a person who is still incapacitated and though not an invalid has exhausted his/her entitlement to sickness benefit;
- Survivors pension payable to dependants of a deceased insured person including spouse and/or children or dependent parents or grandparents over sixty years of age who were totally dependent on the deceased prior to death; and
- Funeral grand a lump sum payment not exceeding $1800 payable to the person who was responsible for the funeral expenses of the deceased insured person. A funeral grant of $750 is also payable upon the death of a child of an insured person.

Short-term benefit consist of:

- Sickness benefit payable for a period not exceeding 26 weeks;
- Maternity benefits payable for a period not exceeding 12 weeks; and
- Maternity grant is a lump sum payment payable upon confinement of a child dead or alive following 28 weeks of pregnancy.

Employment injury benefits comprise:

- Employment injury is payable for a period not exceeding twenty-six weeks to an insured person who suffered an accident or who has contracted a prescribed disease in or out of the course of his/her employment; and
- Disability benefit is payable to a person who has exhausted his/her entitlement to injury benefit.
At present, all employees and self-employed persons are legally required to pay social security contributions. The maximum income on which contributions is based for both employees and self-employed persons is subject to a ceiling of $1155 weekly and $5000 monthly. Employees and employers jointly contribute 10% of an individual employee’s income i.e. 3% is paid by the employee and 7% by the employer. Ninety percent of the employees in the formal sector are contributing to the Scheme. Self-employed persons are required to pay 7% of their declared annual earnings subject to the maximum ceiling referred to above.

In spite of the mandatory regulations for self-employed persons to contribute to the scheme, only 5-10% of the registered self-employed presently contribute to the scheme. Self-employed persons who do not contribute to the scheme will not qualify for a pension. The assumption is that when they stop working they will first be dependent upon their available savings and assets. When these are found to be insufficient they will ultimately revert to welfare, i.e. depending on the state for public assistance. Given the significant proportion of the workforce who are self-employed with low incomes, this means that in future years significant numbers will either have to work well beyond 60 years which is the retirement age for the formal sector or they will be dependent upon an already stressed public assistance programme.

The DSS is currently experiencing cash flow difficulties since the government has been delinquent and payments of contributions have been irregular during the past five years. There is the added financial difficulty of government non-payment of interest on various debt instruments sold to the DSS. Presently, negotiations are ongoing on the arrears situation and a Memorandum of Understanding between DSS and GOCD has been signed.

4.5 Non-Government Organisations

4.5.1 General

Dominica has a considerable number of high quality NGOs which serve the wide range of vulnerable groups - children, youth, women, elderly and physically and mentally challenged, as well as the community as a whole. Together they provide personal and community development programmes; safety nets; and preventative/remedial programmes. Many have religious connections and some have international links. They are resourced from a mixture of local and international voluntary funds; some are also part-funded by government.

Although all NGOs are contributing to the need of the individuals and communities they serve, the four reviewed here (REACH, CALLS, CCF and Youthquake) have been

44 The activities of the Small Projects’ Assistance Team (SPAT) have been reviewed in Section 4.1.
highlighted as they both provide examples of aspects of good practice and illustrations of the range of work undertaken by NGOs for very different vulnerable groups.

4.5.2 **REACH**

REACH, with a staff of five, was established in 1978 to serve the frail and vulnerable elderly. It provides three main types of service:

- Basic home care, which includes bathing, cleaning and clothes washing, for those elderly who have been abandoned by their families. They currently work from Scotts Head to Mahaut. They also provide the really destitute with hot tea and porridge. In addition they deliver 50 food packages a week. A weekly meals-on-wheels programme is proposed in the near future.

- Day care on a Wednesday when staff bring 12-15 elderly together for breakfast, lunch, dinner, a snack and socialisation. The latter includes a number of activities such as yoga, devotions and day trips.

- Advocacy including support in obtaining pensions and social security.

REACH is establishing itself as a catalyst for achieving community care for the elderly. It has identified a number of issues which have significance for any future work to benefit the elderly. These include:

- a lack of nutrition for many of the housebound who, even if they can afford food, have difficulty in obtaining it;

- poor housing which is in a dilapidated condition; not safe from hurricanes or intruders and can lack sanitation or piped water;

- a high cost of living which means that with water bills averaging $29-40 per month and electricity bills averaging $10 per month, there is little left of the $100 monthly public assistance for food and other needs;

- a need for the abandoned elderly to pay for someone to collect shopping and take messages; and

- an awareness of the elderly being the most vulnerable if payments are delayed when government has a cash flow problem.

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According to the SLC, there are currently around 500 poor households consisting the elderly living on their own of which around half are indigent and thus comprise REACH’s primary client group.
4.5.3 *Operation Youth Quake (OYQ)*

OYQ was established in 1978 by a group of concerned individuals. Its initial purpose was to provide an alternative to prison for young boys and to set up a rehabilitation centre for physically and emotionally deprived boys. Its current objectives are to:

- create a community based rehabilitative service for deprived abused and neglected children and young children;
- provide a safe and secure environment where participants are treated with care and respect;
- assist in the emotional development of children and young people;
- help participants acquire personal and practical skills which will enhance their self-sufficiency; and
- facilitate the participants’ involvement in the formal education system and to compliment this with supplementary education within the programme.

The present programme is designed to provide two types of service, day care service and short term residential care. The participants who are in residential care live at the official residence of OYQ and are supervised by staff members. This service is for underprivileged children: those who have encountered some form of abuse or where conditions make it difficult for them to live at home. Most participants in residential care are there for a short period. The facility now caters for boys and girls. Most of them still attend school but also participate in the projects of OYQ. Other participants only take part in the day time activities of OYQ. These participants remain at the centre during the day and return home during the evenings.

The programmes of OYQ are geared to equipping the participants with basic skills such as reading, writing, farming, social skills, cooking and baking. Much of the time is spent in educational sessions, home skills, agriculture and animal husbandry.

OYQ is the only such organisation in Dominica catering for the needs of this set of children. Over the past 18 years it has been able to rehabilitate over 150 children. The success of the programme can be measured by the fact that only seven of those participating in the programme have gone to prison.

4.5.4 *Centre where adolescents learn to love and serve (CALLS)*

CALLS was established in 1995. It is linked to SERVOL (Service Volunteered for ALL) which was created in Trinidad and Tobago 30 years ago to meet a perceived need among the young people in these countries. Its ‘client’ group can be categorised as unsettled 15-19 year
old drop-outs. Acceptance requires a high degree of commitment – full-time attendance is
essential as is the self-financing of daily travel costs. CALLS objectives are to:

? develop a sense of self-understanding and self worth in each trainee;
? improve the basic skills of each trainee as a building block for success in life; and
? prepare each participant for vocational trades and/or self employment.

At present, CALLS beneficiaries undertake a 2-year programme consisting of:

? Adolescent Development Programme (SDP). This focuses on developing life-skills in
self awareness, self-confidence and communication skills. Development of literacy and
numeracy are also an important feature of the programme.

? Vocational skills training. The programme offers an opportunity for on-the-job
training for 3 fourteen week periods in specific skill areas such as building
maintenance (e.g. woodwork, welding and plumbing), home care and hospitality skills
associated with the hotel and tourism industry.

? Service. This element places an emphasis on community service.

? Job training. This involves three months in a job placement. A number have secured
employment as a direct result of their placement

The two year programme only commenced in 2001 and therefore there are no outcomes yet
on numbers who successfully completed the programme and those who gained employment.
For the six years (1995-2001) when a one year programme was running, the average annual
intake was 25 students. For four of the five years from 1995 -2000 there were either equal
numbers of girls and boys, or a preponderance of girls participating; there was a gender shift
in 1998/9 with significantly more boys and this change been maintained though 2000/2 and
with the current intake.

Student drop-outs (male and female) have been a problem - an average of 35% over the
period of the programme. On the other hand, over the six year period (1995-2000), 80% of
those completing the programme have secured employment or become self-employed.

The programme is funded by voluntary contributions (a promised small government
subvention has not been forthcoming) and staffed by volunteers.

Although small in size this programme is achieving success with previously disaffected youth
including a growing number of males. Any future extension or replication elsewhere in
Dominica of the CALLS programme would require an assessment of community
commitment. Without community commitment and additional funds it would be difficult to
turn this into a larger programme. However some of the approaches it adopts, especially the
four-step programme, could well have relevance for other programmes addressing the needs of disaffected youth. On a more general level, this type of programme provides a more vocational-type education for those who are less suited to the more traditional academic courses provided by the schools as well as attempting to instil a sense of social awareness and mutual respect amongst the young.

4.5.5 Christian Children’s Fund (CCF)

CCF is an international child sponsorship agency with its Head Office in Richmond, Virginia. Over the years, it has become increasingly family focused - although a child may be the ‘entry-point’, the agency tracks the needs and keeps records of the family as a whole. CCF operates island-wide and currently works with 3,562 families (15% of all households). The head of each household, as well as all the family members, are identified and become part of the programme. Each family is issued with a family card which records key data (and provides a baseline) which are periodically updated.

Its work with children is undertaken in the home environment and initially, in co-operation with parents, an assessment is made to determine the level of need primarily in health and education. Assistance is, however, available to poor people for housing if their present home is uncomfortable or dangerous (e.g. roof unsound or wood rotten). CCF will usually assist with between $1,000 - 1,500 towards the total cost of $10,000.

Health: the major focus of CCF’s health initiative is to ensure that children are immunised. It also works with the Public Health Office to improve sanitation and waste disposal, and to provide safe water. It also works in partnership with the government in a pit latrine programme designed by the Environmental Health Office.

Education: the bulk of CCF’s funding goes into education where it endeavours to get children into school and once there, keep them attending. The monitoring of school drop-outs is a part of the programme. There is also concern with the qualitative aspects of education. CCF runs a school feeding programme for primary school children in Boetica village; empowers parents by involving them in cultivating garden patches; makes funds available for school uniforms, remedial classes and computer programmes. Frequent mention was made of CCF assistance in the Carib Territory.

Adult Education: CCF works with the Adult Education Division offering adult education programmes in:

? parenting skills, including a father's-only programme. The latter is intended to improve the existing poor level of communication between young men and their fathers;
addressing family abuse (a recent initiative). Cases of family abuse are often not reported because of the small size of the community but it was felt that there is a growing awareness of the problem; and

human growth and development. This includes advocacy work regarding children's rights, as well as lobbying.

**Home Intervention Support and Counselling**: CCF provides such assistance to those with HIV/AIDS, their children and families, and special needs children who are physically and mentally challenged.

CCF also runs programmes with pre-school teachers using a grant from the head office in the U.S. CCF in Dominica operates through 6 area-based branch offices. The administrative structure of each office comprises a 12 person (minimum) local management committee. There are a number of paid administrative staff remunerated according to the number of sponsored children. The CCF director, while encouraging local autonomy, ensures that each office meets CCF criteria and standards. CCF accesses funds from its head office in the USA.

The overall programme is wide but there is an attempt to focus on specific areas where CCF thinks it can make a difference. CCF considers that, as a result of its work, children are staying in school and achieving more. An example of CCF assistance is provided in Case Study 3 in Section 3.9.

CCF considers that the following are crucial to improving the performance of government and NGO activities directed towards families and children:

- improved record-keeping and analysis;
- a need for greater government clarity and detail about how it intends to 'take care of families';
- an appreciation that there is a false perception among politicians that there is a quick fix for development. It sees a need for Government to state what is meant by development and move beyond a concern with merely economic issues; and
- a need for NGOs to receive recognition not only for their activities but also as policy advisers.

### 4.5.6 Other NGOs

Table 4.6 summarises the activities of other NGOs. Client groups of these NGOs include the physically and mentally disabled as well as pre-school children. In other respects, programmes and target groups are similar to this mentioned above. The two national councils
(for the Ageing and Women) however have important roles as umbrella groups and also have more established links with CDGA.

4.5.7 **Inter-Agency Co-ordination**

Although some criticisms have been made of the co-ordination between the state and voluntary sectors there is evidence that there is a willingness to share experience and learn from one another. At present, the Government does not have the resources to support NGOs. NGO/Government co-operation can also be impeded by the guidelines under which some of the NGOs operate. There is also a National Association of NGOs formed to encourage co-operation in resource funding but with little success to date.

4.5.8 **Effectiveness of NGO Programmes**

The above examples are indicative of the wide range of NGO activities, in terms of both target groups (the elderly, school children, adolescents and whole communities) and objectives (support, education, health, training, empowerment and development).

Most NGOs, irrespective of their size, are undertaking sterling work. They have a good awareness of the relevant issues. Most have innovative ideas which they are implementing successfully within the constraints under which they operate. Several of these provide an exemplar of approaches that could beneficially be adopted and scaled up by government agencies (should funds be available); more donor funding might also make it possible for the NGOs to scale-up their activities themselves.

The current funding situation means that many NGOs have had to retrench at a time when the economic situation is creating an increased demand for assistance programmes and increasing their client groups. This is a situation that largely mirrors the earlier assessments of government social sector programmes.
### Table 4.6. Programmes and Activities of Other NGOS

<table>
<thead>
<tr>
<th>NGO/Focus/Aims</th>
<th>Programmes/Outputs/ Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Persons with Challenges</strong>&lt;br&gt;-Empowerment of the mentally and physically disabled (SLC identified 18% of households having partially or fully disabled member).</td>
<td>- Founded 1983&lt;br&gt;- Received funds from British and Canadian Govts. for premises and equipment&lt;br&gt;- Advocacy and lobbying: National Policy Statement on Disability adopted in 1996 but still awaiting legislation&lt;br&gt;- Current effectiveness may not be as good as previously due to change in management.</td>
</tr>
<tr>
<td><strong>Social Centre</strong>&lt;br&gt;Primarily for the benefit of the disadvantaged.</td>
<td>- Founded 1950; island-wide operation&lt;br&gt;- Pioneer of pre-school education programme. Now caters for 2,500 pre-school pupils in 80 establishments with 130 teachers.&lt;br&gt;- Operates St Anne’s Day Nursery – children 3 months-3 years for working parents. Fees charged but sponsorship for the poor, non-profit making&lt;br&gt;- Adolescent skill training programme – for those at risk – 25-30 students, mainly 15-18 yr school dropouts from the south. Broad curriculum including academic subjects, vocational topics and life/survival / personal development skills. Either return to school system or become employed or self-employed.&lt;br&gt;- Seeking funds from planned computer literacy programme and looking to establish a new youth group – seeking help from committed volunteers; also new emphasis on advocacy for older persons&lt;br&gt;- Social league (first project): originally for catholic mothers, but now includes men and non-catholics – about 200 attendees island wide&lt;br&gt;- Receives substantial funding from UNICEF.</td>
</tr>
<tr>
<td><strong>National Council for Women</strong>&lt;br&gt;Women</td>
<td>- Umbrella organisation which holds other women’s groups together&lt;br&gt;- Economic development projects, counselling, advocacy&lt;br&gt;- Skills training for self-employed&lt;br&gt;- Family hot line for access to a counsellor; family outreach through radio programme&lt;br&gt;- Have facilitated women going to training in other organisations&lt;br&gt;- A donor – Canada IICA – assists with seed money for rural poor – partner for 3 years&lt;br&gt;- Recently had enormous reduction in staff – 5 down to only an office attendant. Need 1 to 2 full time persons to manage the programme. Now only responsible for emergency cases. All the needs still there but resources are lacking&lt;br&gt;- Identified number of disadvantaged young men – social upbringing eroded by imported culture</td>
</tr>
<tr>
<td><strong>Dominican Council on Ageing</strong>&lt;br&gt;Men and women – 60 plus</td>
<td>- Umbrella for all older person groups&lt;br&gt;- Coordinating/advocacy role with Govt; reports to Min. of CDGA&lt;br&gt;- Concerned with strategic issues: has developed National Policy, next step to get legislation to implement these policies&lt;br&gt;- Survival and effectiveness depends on funding; receives donations from national and international organisations (DFID, Help the Aged International) and also through projects</td>
</tr>
<tr>
<td><strong>SAVE</strong>&lt;br&gt;Vulnerable women and children</td>
<td>- Lots of programmes in the past when funded by Canadians and British. Little such funding since 1995. Now some help from UNICEF to refurbish office and train pre-school teachers.&lt;br&gt;- Nursery programme in Mahout area and skills training for parents and young women in parenting and home economics&lt;br&gt;- UNDP have asked SAVE to handle finance for a small programme</td>
</tr>
</tbody>
</table>
4.6 **Housing Division**

Amongst other responsibilities, the Housing Division of the Ministry of Communications and Works administers squatter regularisation and relocation programmes.

Squatting is technically illegal but political and humanitarian considerations preclude enforcement and eviction. It is not however a widespread problem and involves no more than 3-4% of households. Most squatting occurs on the fringes of major housing areas, almost always on government land, and often in unsatisfactory locations. Most squatters are younger adults anxious to obtain a house plot of their own. There is some ‘opportunistic’ squatting (i.e. squatting by persons not in housing need) but this is believed to account for no more than 5-10% of the total. The great majority of squatting reflects a legitimate housing need that is not being satisfied by the formal housing market. The emergence and growth of some squatting communities has however been linked to political manoeuvring. Squatting is often, but not always, linked to poverty; it is more typically a reflection of an inadequate land delivery system that cannot provide for sizeable sections of the community.

There is no stated government policy on squatting; the emphasis is however on regularisation with relocation only as a last resort. There have been several such projects, most notably in Tarish Peat and Grand Baie. These have been part-financed by the CDB and another ‘Shelter Management Project’ is in the pipeline.

Regularisation involves the Housing Division doing a survey and topographical mapping, prepares a design including roads, utility networks and plot boundaries. Beneficiaries contribute to the costs and, in due course, will receive title. The programmes are generally successful and are welcomed by beneficiaries. However resources are limited and progress is slow.

A loan agreement between GOCD and CDB was signed in 2002 to develop a National Shelter Policy and a Special Mortgage Programme aimed at low income households. The loan will also provide a consultant to Housing Division to assist them in improving local construction techniques.

4.7 **Implications for Future Poverty Reduction Programmes**

Perhaps the most important programmes identified in the preceding review are the ‘general’ health and education programmes that provide for the population as a whole. Together these have provided Dominica with almost 100% school enrolment and a favourable health situation for the great majority of the poor and not poor alike.
The preceding review has also identified a substantial number of policies and programmes targeted, directly or indirectly, at the poor. These activities are comprehensive in three ways:

? They involve activities that are developmental (i.e. that seek to directly increase individuals’ capability to participate in economic activity), supportive (i.e. that directly address the needs of poor and vulnerable groups) and preventative (i.e. that seek to prevent individuals from becoming poor.

? They cover all relevant sectors: agriculture, small business development, physical infrastructure and housing, education, health and social sectors.

? They target communities, households and individuals including the most vulnerable sub-groups of the poor – the elderly, disaffected youth, the disabled, drug abusers, the indigent, households with family problems.

The great majority of poverty-related issues are addressed by one or more agencies. Unsurprisingly, the coverage of these programmes varies considerably – from CCF whose activities cover around 15% of all households to Operation Youthquake and CALLS which only handle 20 or so beneficiaries every year.

If there is one area where effectiveness is lower, it is amongst those projects dealing directly with employment creation. This is not altogether surprising as employment creation requires a successful mix of investment, entrepreneurial spirit, local opportunities and market demand. This is especially difficult in the Dominican context of stagnant economic growth.

The social sector projects are in a different category. There is no argument that the demand is there or that the programmes are not both innovative and successful, whether on a large or small scale. However the scale of the problem should not be under-estimated. In education alone, there are four major pro-poor programmes (School-feeding, the Education Trust Fund, the Textbook Scheme and CCF’s activities) which together cover a very significant portion of the school population – CCF alone is assists over 3,500 households. Informed opinion is that these still do not fully cater for the demand – the School-feeding programme was reduced from 22 to 7 schools and more are applying to join. These programmes are widely seen as fundamental to maintaining high enrolment levels and educational standards.

Public Assistance is received by some 2,000 beneficiaries (much less than the population in households categorised as indigent) and the amount provided is below the amount deemed necessary for an adult to maintain his nutrition, let alone any other expenditure.

With respect to the NGO’s, the common trait is the squeeze on their funding both from international and domestic sources. This is at a time when many have, or have had until recently, effective and innovative programmes. A similar squeeze is likely on basic
government health and education programmes although the 2002/3 budget appears to have avoided major cutbacks.

Demand for social services is also likely to increase until the economy recovers. This will not only further increase the demands for existing programmes but will, in all probability, entail an increase in the social problems related to poverty – family breakdown, disaffected youth, drugs and crime. The situation will also be exacerbated by the probable continuation of the worldwide trend of adult children moving away (especially overseas in Dominica’s case) and leaving their parents to fend for themselves; demand for residential care for the elderly now outstrips supply. Similarly, there is a perception that traditional cultural norms and community and family-based support systems are being eroded not least by the pervading influence of American culture arriving via TV and videos.

In these circumstances, the potential for substantial expansion of existing programmes will be limited and there will be little possibility of developing major new initiatives, although as has been shown, the scope of current programmes is already comprehensive. The emphasis will thus need to be on:

- Developing innovative approaches to new business development and job creation;
- Maintaining existing programmes and maximising their effectiveness, perhaps by making them more pro-poor in their targeting;
- Increasing the links between Government and NGOs in terms of reducing overlaps and concentrating resources on ‘best practice’ examples of their respective programmes;
- Maximising the potential of resource-efficient programmes targeted at increasing social responsibility, safe sex, parenting skills and the like; and
- Formulating robust proposals to secure overseas funding, both in the private and public sectors.

However, to finish this Chapter on a positive note, one should not forget that:

- In terms of education and health, Dominica’s, pro-poor programmes have been very successful;
- There is a large number of committed NGOs providing assistance to a wide range of poor and vulnerable groups; and
- The current social support systems and safety nets are, although strained, still just managing to do a reasonable job.

The great challenge, in the short-term, will be to maintain this situation.
5 Governance and Human Rights

5.1 General
This Chapter examines the governance, legal and human rights dimensions of poverty in Dominica. It has been prepared from:

- A selective review of the Dominica’s statutes;
- discussions with the Office of the Attorney General;
- interviews with other agencies of the Government of Dominica; and
- comments received at the workshops in July and November 2002.

In undertaking this work, the emphasis was topics that were deemed to have the greatest potential impact on poverty. These were:

- governance and public safety;
- land management and tenure;
- access to justice;
- public welfare programmes;
- family law and support mechanisms;
- the protection of children;
- environment and natural resources – the management thereof; and
- implementation of UN human rights protocols.

Summary results are presented in this Chapter. A more detailed review is contained in Appendix D in Volume 2.

5.2 Governance
5.2.1 The Legislature
Dominica is a parliamentary democracy with one Legislative Assembly composed of 21 elected members and 9 appointed senators. The Prime Minister, in consultation with the Leader of the Opposition, nominates a President who must be approved by a vote of Parliament. The Prime Minister forms a Cabinet.
5.2.2 The Judiciary
The judiciary consists of a Magistrates Court and a Supreme Court. The Court of Appeal is the Eastern Caribbean Court of Appeal, with further appeals to the Privy Council.

The Magistrates Courts handle an estimated 90% of disputes affecting the poor, including family and civil litigation and trials of juvenile offences. Disputes involving monetary amounts in excess of $10,000 and more serious criminal offences are tried by the Supreme Court.

5.2.3 Municipalities
Dominica has local government in the form of municipal governments of Roseau, Canefield and Portsmouth. A number of villages also have municipal (or village) councils. The local government acts enable municipal councils to regulate, subject to approval of the Minister, in matters that may particularly affect the poor such as regulation of markets and public health issues. S. 18 provides for by-laws on such matters as cleanliness of streets and drains, sanitization, establishment of bath houses and latrines, sanitization of unoccupied lands, drainage and sewerage, scavenging, and disposal of excreta. There are by-laws passed to regulate the conduct of markets, sale of vegetables, and control of sewage. The by-laws are old and in need of updating to reflect modern conditions. Municipal councils may strike budgets and levy property taxes and fees directly related to the administration of by-laws. The Minister must approve the municipal budgets.

Village Councils generally consist of eight nominated members – three by the Government and five by the community. Government pays small stipends to the Chairman and members as well as the salary of the Council Clerk. They receive no financing from government but occasionally receive construction materials. Their main source of finance is an annual tax of $3 per resident. Projects include clean-up campaigns, small-scale road/pathway improvements and community activities. Residents are expected to provide free labour. Council activities are constrained by lack of funds. Councils were rarely mentioned during the PPAs, thereby indicating a lack of effectiveness. Several PPAs also commented that there are signs of an erosion in community spirit that is making it harder to mobilise people for community activities – a conclusion partly corroborated by the difficulty of securing voluntary labour for D-REP projects (see 4.1). These Village Councils possess an undoubted potential base for community-based activities however it would appear that this potential may not be realised unless they can access additional funding sources and/or become closely involved in project identification tasks related to BNTF, D-REP or other NGO activities.

46 Much of the information in the following paragraph was provided by Ms. Phyllis Roett, CIDA, Barbados.
5.2.4 **The Carib Reserve**

The Carib Reserve Act provides for the election of a Chief and Council. Unlike the local governments described above, the functions and powers of the Council are comprehensive. They include powers related to land management, revenue collection (including property taxes) and dispute resolution (especially related to land ‘ownership’ \(^{47}\)) in addition to the powers granted to local government. However the Government retains the responsibility for the overall development of the Reserve. It must also approve the budget.

The Act instructs the Prime Minister to convey the Reserve Lands, about 3,700 acres, to the Carib Council “for and on behalf of he people of the Reserve” (s. 43). There are specific provisions to prevent the sale of Carib lands without the express permission of the Prime Minister. The inability to mortgage or use land as collateral for loans may be an impediment to poverty alleviation on the Carib reserve, just as it is for other situations where ownership is unclear. There is a basic conflict between the requirement for communal property and the need for personal ownership to promote economic development.

5.2.5 **General Comment**

Sound governance is essential for effective delivery of poverty reduction (and other) programs. Dominica is a constitutional democracy with universal suffrage and a well-developed system of local authorities with limited powers. Special arrangements also exist to preserve the integrity of the Carib community. Elections have resulted in different political parties running the country at different times. As will also be seen in the remainder of this Chapter, the human rights situation in the country is essentially satisfactory.

However governance is not simply a question of the nature of the political system. As stated by the World Bank’s Public Sector Governance Group, “new global standards of governance are emerging. Citizens of developing countries are demanding better performance on the part of their governments, and they are increasingly aware of the costs of poor management and corruption....At the World Bank and other international agencies, scarce resources must be allocated to governments that will use them most effectively, and countries are asking for help in diagnosing governance failures and in finding solutions.”

Analysis of these issues and their impact on current and future poverty is beyond the scope of this CPA. As Dominica works its way through the current economic problems, the opportunity presents itself for a thorough evaluation of public service effectiveness and other governance issues. It is however to be noted that several international and bilateral

\(^{47}\) Most Caribs cultivate land that they essentially consider to be theirs and their family’s alone – essentially it is ‘de facto’ rather than ‘de jure’ ownership.
agencies are currently involved, as a result of the current economic and fiscal situation, in such detailed examinations. The importance of fiscal prudence and rationalisation of expenditure as a basic component of any poverty reduction strategy is also emphasised in Chapter 6 which contains the recommendations arising from this study.

5.3 Public Safety

Table 5.1 presents recent statistics on crime in Dominica. These show that the great majority (83%) of reported crime is relatively minor – thefts and burglary. Trends are hard to ascertain due to annual variations and, in all probability, variations in reporting and record-keeping. Although the overall trend since 1995 appears to be upwards, in every category except theft and car crime, there were fewer crimes reported than in 1997/98. Notable by their absence are reported crimes related to drug offences. Gun crime is also very low with only 4 reported in the last 3 years.

In the view of the Commissioner of Police, a significant proportion of crime is committed by young males and is drug-related reflecting the sense of alienation identified amongst this group during the PPAs and in discussion with NGOs. He also noted that the theft of groceries is increasing reflecting increasing levels of severe poverty.


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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Burglary of House and Stores</td>
<td>1177</td>
<td>1303</td>
<td>1441</td>
<td>1539</td>
<td>1324</td>
<td>1302</td>
<td>1290</td>
<td>76%</td>
<td>5%</td>
</tr>
<tr>
<td>Thefts and Other stealing</td>
<td>50</td>
<td>41</td>
<td>42</td>
<td>63</td>
<td>69</td>
<td>67</td>
<td>122</td>
<td>7%</td>
<td>108%</td>
</tr>
<tr>
<td>Sexual Offences</td>
<td>91</td>
<td>94</td>
<td>140</td>
<td>164</td>
<td>77</td>
<td>106</td>
<td>99</td>
<td>6%</td>
<td>11%</td>
</tr>
<tr>
<td>Murder, Assault, etc. **</td>
<td>66</td>
<td>59</td>
<td>84</td>
<td>109</td>
<td>80</td>
<td>63</td>
<td>67</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Car Crime</td>
<td>24</td>
<td>36</td>
<td>29</td>
<td>42</td>
<td>59</td>
<td>65</td>
<td>58</td>
<td>3%</td>
<td>105%</td>
</tr>
<tr>
<td>Other</td>
<td>78</td>
<td>58</td>
<td>136</td>
<td>58</td>
<td>58</td>
<td>71</td>
<td>61</td>
<td>4%</td>
<td>-3%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1486</td>
<td>1591</td>
<td>1872</td>
<td>1975</td>
<td>1667</td>
<td>1674</td>
<td>1697</td>
<td>100%</td>
<td>10%</td>
</tr>
</tbody>
</table>

* Average of 2000/1 over 1995/6. ** Including firearms offences.

Source: Criminal Records Office, Police HQ, Roseau

At the community level, residents are generally content with conditions of security and safety. Crime levels are perceived to be low and residents look out for one another. In some communities, there are however concerns that crime is increasing although this is almost entirely of a minor nature, e.g. petty theft, praedial larceny and occasional disturbances in

48 E.g. The IMF, the World Bank, the EU, the CDB and DfID.
the street’; this is widely assumed to be linked to drug use. As a result, residents in some communities are taking measures to protect themselves, such as locking their doors on leaving home in a way that they did not in the past. More houses also have fences, bars and guard dogs. In Tarish Pit, some informants considered that it might not be safe for outsiders to walk along certain roads at night.

In general, conflicts are resolved within families and communities, that is without the assistance of outside formal authority. Community members are ambiguous about the police, on the one hand indicating that their presence is not needed and, on the other, that they are ineffective in dealing with community conflict and crime.

Based on the above, the main conclusion is that even if crime were increasing (which is not apparent from the statistics), it is primarily of a minor nature with little evidence of a significant trend towards violence and is not seen as a major concern in the communities. Nevertheless, if poverty continues to increase, the incidence of thefts from stores and of groceries is likely to increase. By the same token, increases in these crimes will also provide a potential indicator of increasing poverty.

We were told that conditions in prison are harsh; that alternatives to prison sentences are few and virtually non-existent for juvenile offenders. Consequently the penal system is serving functions of retribution and general deterrence; however, rehabilitation and individual deterrence are not served – a critical issue when dealing with young offenders.

5.4 Land Tenure

5.4.1 Land Description and Registration

Dominica has had a land registration system since about 1870, but, unlike the situation on some other Caribbean islands, land registration is neither country wide nor mandatory. Much of the occupied land has never been surveyed or registered. There is no cadastral survey, in other words no national and uniform system of reference by which to locate and describe property boundaries. As a result, land descriptions often refer to the boundaries of roads and other unsurveyed parcels, ravines or watercourses. The legal effect of land registration in Dominica is twofold:

? registration documents ownership and provides notice of ownership and other interests in land; and

? registration extinguishes any unregistered claims to title.
5.4.2 Ownership of Land

There are three primary categories of land ownership:

- **state lands** - lands owned by the Commonwealth of Dominica
- **private lands**
- **family lands** – lands owned communally, usually through inheritance by an extended family. The Carib reserve is a special example of family lands, since it is owned communally by the Caribs.

There are no statistics available that would indicate the areas of land subject to each classification. However, Table 5.2 presents the results of a 1995 survey of agricultural land in the rural areas. The total land covered (c. 52,000 acres) represents around one third of the total area of the island but virtually all the cultivated and pasture areas.

Table 5.2. Land Ownership of Agricultural Areas

<table>
<thead>
<tr>
<th>Category of tenure</th>
<th>ACREAS</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owned by the occupant</td>
<td>34,000</td>
<td>65.1</td>
</tr>
<tr>
<td>Family Land</td>
<td>5,700</td>
<td>10.9</td>
</tr>
<tr>
<td>Rented</td>
<td>2,900</td>
<td>5.6</td>
</tr>
<tr>
<td>Squatted</td>
<td>900</td>
<td>1.7</td>
</tr>
<tr>
<td>Communal Land</td>
<td>2,500</td>
<td>5.6</td>
</tr>
<tr>
<td>Other Tenures</td>
<td>700</td>
<td>1.3</td>
</tr>
<tr>
<td>Not Stated</td>
<td>5,100</td>
<td>9.8</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>51,800</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Agricultural Census, 1995

State lands are mostly not registered. The only state lands that are registered are lands acquired from a private owner.

Title to private lands is not always registered. Some owners have deeds that have been registered. Some have never registered their deeds. Some only have a ‘receipt’ which they think is a title document, although the law does not recognize it as such. Many ‘own’ lands through occupation, whether or not there is a ‘rightful owner’. It is not uncommon for subsequent owners/occupiers of property to lose track of the fact that their land is or is not registered and/or misplace or lose the documentation of a predecessors’ ownership. When owners die, their heirs typically do not take out probate or letters of administration, due to the
costs and complexity of these processes. Consequently, even when land has been registered, there is a tendency for its ownership to revert to an undocumented and unorganized state.

**Family land** may or may not be registered. ‘Family land’ is land that has been passed down through inheritance, either intestate or by will, to successive generations. This process multiplies the number of individuals who may have an interest in any given parcel. Some of these individuals may be occupying a portion of the original parcel, and/or sharing occupancy. Other owners live elsewhere in Dominica or overseas, and may or may not have displayed an interest. As a result, making decisions to convey, mortgage or develop family land can range from difficult to impossible.

The **Carib reserve** is a special case of family lands. The Carib people have communal and undivided title to the land in the Carib reserve as a birthright.

### 5.4.3 First Registration

The most common triggers for applications for first registration are the desire to obtain a mortgage (usually to finance construction) or to sell the land.

The process of first registration grants indefeasible title to the applicant, on the basis of sworn statements of at least two people that the applicant has occupied the land for at least 30 years, and describing the boundary. Since there is no cadastral survey and consequently no fixed frame of reference for land surveyors, land descriptions may be haphazard and land may be surveyed and described with reference to natural features. There is said to be some fraud by applicants, practiced at times when a rightful owner is living abroad. The registry office cannot always avoid accepting boundary descriptions that overlap with boundaries of other registered parcels.

### 5.4.4 The Need for Island Wide Registration of Lands

A number of informants, including some of those attending the NAT workshop, stated that, in their view, the lack of a national cadastral survey and of a comprehensive system of registration leads to a lack of clarity of title to lands in Dominica. Furthermore, this situation is:

- taking lands out of production;
- inhibiting development – people can’t ‘put their all’ into the land; and
- undermining the personal interest owners would otherwise take in their property.

The current registration process is frequently expensive and time-consuming, often disputatious, and is prone to fraud. There are even instances where two different people have
held title to the same parcel, by different descriptions. As such, it tends to discriminate against poorer landowners wishing to profit from their land.

In 1989 the Commissioner of Lands made a proposal to government, and to ‘British Aid’, for funding for the implementation of full registration of lands. There was no follow-up of the funding proposal and no progress has been made. The Ministry of Agriculture and Environment would nominally have jurisdiction for such a comprehensive land registration project but in reality the Ministry of Finance and Planning would take responsibility.

A comprehensive land registration system would create a transparent and comprehensive land registration system. It would also:

- Enable GOCD to fairly levy land taxes;
- Improve the availability of land on the market which has indefeasible title, thereby encouraging outside investment; and
- Increase the ability of owners to raise money using the security provided by their land, thereby providing a stimulus to enterprise development.

Dominica needs to establish a comprehensive land registration system. The issue is one of timing as the process involved is expensive and time-consuming requiring substantial outside expertise.

### 5.5 Access to Justice

Lack of access to the legal system, to enable the ordering of personal and business affairs, and to resolve family disputes and civil claims is a significant impediment to poverty alleviation. This issue was mentioned, particularly by the NGOs, at the November workshop. In addition, the inability to mount a proper defence to criminal charges can result in unjust convictions and breaches of fundamental human rights.

#### 5.5.1 Legal Aid

The assistance of legal counsel is important to obtain registration of land and to enable other important business transactions. For parents to assert their rights to support, they often require legal assistance. Small business needs the court system to collect receivables and assert contractual rights.

The assistance of legal counsel is often essential to enable those charged with a crime to mount a full defence and make effective submissions on sentencing. The Constitution provides that: Criminal charges shall be tried “within a reasonable time”, but the right to counsel is only guaranteed “at his own expense”. Transcripts (necessary for appeals) are available “subject to payment of [a] reasonable fee”. (Constitution, s. 8)
Dominica does not have any system for providing essential legal services to those who cannot afford them, either for criminal or civil law actions or purposes.

Dominica is currently participating in the current OECS/CIDA *Judicial and Legal Reform Project*. One element of this project is the establishment of a pilot legal aid clinic project. Dominica has now been selected as the recipient of the pilot project. One informant said that three successive governments have promised legal assistance programs, but there has been no progress.

5.5.2 **Small Claims**

The *Small Trespass Act* gives magistrates jurisdiction to deal with civil claims $1,000 or less. The monetary limit was set in 1990. This is essentially a small claims court act. However, the *Magistrates Code of Procedure (Amendment) Act 25 of 1991* appears to supersede the *Small Trespass Act* and extends jurisdiction of the Magistrates Court in most civil actions to $10,000. This level is still inadequate given financial realities and the high costs of litigating in the Supreme Court. Accordingly, GOCD should review and increase the monetary jurisdiction of the Magistrates Court while simultaneously renaming the *Small Trespass Act* to reflect its purpose and increase the monetary limit to be consistent with the *Magistrates Code of Procedure (Amendment) Act*.

The *Administration of Small Estates Act* provides a summary process for issuance of letters of administration of estates valued up to $5,000.

5.5.3 **The Magistracy**

Dominica has a backlog of some 8000 cases brought about by poor or antiquated systems of processing matters through the Courts. A recent report\(^49\) suggested that there has almost been a breakdown of the justice system as a result.

The Magistracy is the ‘grass roots’ level of the court system. Civil and family litigation affecting the poor will almost always be dealt with at this level. The Magistrate’s Court deals with all lesser criminal offences.

The OECS/CIDA *Judicial and Legal Reform Project* has identified serious deficiencies in the system. As a result, the Government of Dominica is investigating options including:

\(^{49}\) Information from the Office of the Attorney-General
? placing the magistracy under the control of the Judicial and Legal Services Commission and giving magistrates the same level of independence as the judiciary; and

? upgrading of the physical premises and providing equipment and facilities needed for greater efficiency.

It would be prudent that the Government of Dominica take all necessary steps to enable the Magistrate’s Court to catch up on the backlog of cases and then to stay current. This could include the immediately appoint a new magistrate or magistrates and ancillary staff such as court clerks to supplement the existing Magistrates Court staff. The DPP should also consider withdrawing criminal charges that are stale dated, in recognition that excessive delays violate the accused right to “a fair hearing within a reasonable time” (Constitution s. 8) and to assist with catching up on the Magistrates Court case load.

5.6 Public Welfare Programs
The Government of Dominica has a program of support for the indigent, which provides a ‘pauper’s allowance’. There is no statutory support for the program. Eligibility is based on certain criteria that are neither enacted nor available for public scrutiny. Determination of eligibility can be a lengthy process that can delay receipt of benefits for many months. Additionally as was seen in paragraph 4.4.1, the current level of public assistance is barely enough for minimum food needs let alone any other essential expenditure.

There is a clear need to establish the entitlement to welfare relief in a new welfare act. The act should establish principles of eligibility and procedures for payment. The act could provide for regulations or provide authority to the Minister to set the eligibility rules for relief payments, application procedures and the amounts to be paid. The act should require a periodic review of schedule of payments and eligibility.

5.7 Family Law and Support Mechanisms
Under the Maintenance Act it is the duty of married persons to provide “reasonable maintenance” for each other, all children under 15, and to their parents and children of any age who are disabled. Breach of the duty may result in a maintenance order, but the amount of such order shall not exceed $75 per month person maintained. Single women may apply for maintenance orders against the “putative father” for the maintenance and education of the child (but not for herself). Again, the maximum payment shall not exceed $75 per month. Under certain circumstances ‘social welfare officers’ may apply for orders as though they were a parent.
Interviewees tell us that the $75 per month limit is not remotely enough\textsuperscript{50}, and, it is often perceived to be insufficient to justify the time and conflict involved in making such claims. The Government of Dominica should eliminate the limit in favour of guidelines that would take into account the ability of the respondent to pay, and the reasonable daily needs for food, shelter and school supplies.

There are other factors inhibiting women from invoking the \textit{Maintenance Act}. The Welfare Division encourages women to go to court and claim maintenance rather than claim for welfare. Women are reluctant to do so for the following reasons:

\begin{itemize}
  \item lack of privacy in the open court hearing;
  \item notorious lack of enforcement of arrears;
  \item difficulty in enforcement, as there is no provision for attachment or garnishment;
  \item the difficulty involved in preparing the paperwork for the claim, without legal assistance; and
  \item the maximum award that the \textit{Maintenance Act} permits the Magistrate to award is $75 per month.
\end{itemize}

Women may be prosecuted for “neglecting to maintain her child, being able wholly or in part so to do, or deserting her child”. Any person with custody of a child who “withholds proper nourishment from the child, or who in any manner ill-treats the child” may be prosecuted. The \textit{Infants Protection Act} also makes it an offense for parents or others entrusted with the care of a child under 14 to wilfully neglect to provide adequate food, clothing, medical aid and lodging to the child. ‘Bastard’ children are specifically included. The \textit{Children and Young Persons Act} makes it an offense to wilfully assault, ill-treat, neglect, or abandon a child under 18. Failure to “provide adequate food, clothing, rest, medical aid or lodging” is deemed to be neglect, provided it can be established that the caregiver is able to do so. To ‘cause’, ‘procure’ or allow a juvenile (under 18) to beg is guilty of an offense. A magistrate may order any parent to “remain in Dominica who is about to leave the state without making adequate provision for the maintenance and care … of any child”.

The \textit{Maintenance Orders (Facilities for Enforcement) Act} provides for enforcement of maintenance orders against persons residing in twenty listed Commonwealth ‘territories’

\textsuperscript{50} In this context, it should however be noted that the indigence and poverty lines derived for this study are equivalent to $250 and $370 per month for an adult; for a child under 13 years, the equivalent amounts are $80 and $200. The current amount payable is thus barely adequate to provide food for a young child let alone any clothing/ school expenses etc. and is derisory in terms of an adult’s requirements.
including many Caribbean countries, Australia, Great Britain and Ireland. It does not, however, provide effective collection mechanisms for persons residing in Dominica.

These four statutes have significant overlaps and inconsistencies. The Government of Dominica should review and consolidate the provisions of *The Maintenance Act*, *the Infants Protection Act* and *the Children and Young Persons Act*. The government should remove the limit on maintenance payments and establish guidelines for the courts to follow in assessing maintenance claims. The government should develop a streamlined procedure for maintenance claims that:

- minimizes the need for legal assistance;
- allows hearings to be held *in camera*;
- provides effective enforcement and collection proceedings; and
- authorizes the Social Welfare Department to take direct action against defaulters.

### 5.8 Protection of Children

“My concern is the juveniles – the resource of this country. If they are ruined the fate of the country is too”, an interviewee.

#### 5.8.1 Facilities for Troubled Children

Interviewees all decried the lack of facilities for young people, whether they are children in need of care and protection or juvenile offenders or both. Interviewees urged the need to establish a youth camp or facility where children on the edge of trouble with the law, drug and alcohol problems, unstable families, etc. could be sent, if for no other reason than to ‘keep the boys off the streets and off drugs’. The National Children’s Home (an NGO) Juvenile Justice Reform Project recently issued a proposal for the establishment of two facilities, a young offenders’ institution with a strong rehabilitative component coupled with a day centre that would facilitate their return to the community. This report was submitted to the Ministry for Community Development some months ago but has not been released to the public. It was not made available to this study. The *Report on the Achievement of the World Summit Goals for Children, Dominica Country Report*, 2001 notes this serious deficiency (see also paragraph 5.10.2(e)).

Extensive legislation is already on the books. Under the *Children and Young Persons Welfare Act*, the Dominica Children and Young Persons Welfare Organisation is established and empowered to ‘promote the care, welfare, education and rehabilitation of delinquent and maladjusted children [under 14] and young persons in Dominica [under 18] and to establish and run institutions in which they may be housed or in which studies aimed at character formation as well as the acquisition of industrial and agricultural and other skills
may be pursued”. The ‘institutions’ may include “training schools at which delinquent and maladjusted children or young persons may be given such training and instruction, and be subject to such disciplinary and moral influence as will conduce to their rehabilitation, reformation, and the prevention of crime”. Training at these schools is intended to be wide-ranging including life and technical skills.

The Act contains no provision for funding of the Organisation other than that the “Minister may make Regulations for … the payment of gratuities by Government on the discharge of persons ordered by a court to be detained in a school…”. There are no regulations. The ultimate control is in the hands of the Minister for Community Development and Gender Affairs.

5.8.2 Children and the Courts
The majority of juveniles who come before the court are from low income families, one interview stated. Consequently the proceedings in Juvenile Court have a substantial impact on the youth who in many ways need the highest level of protection if they are to break out of the poverty cycle. Although the Juvenile Court legislation requires two social workers to sit on the bench with Magistrate, that provision is not enforced. Nowadays their role is only to present information to the court and assist with assessments of juveniles.

The custom is that if only one matter involving a juvenile comes up for hearing this most likely would be taken during the sitting of the Magistrate Court. That practice is however contrary to the provisions of the Children and Young Persons Act which stipulates that a Juvenile Court must be convened to hear any matter relating to Juveniles.


As with other legal matters in Magistrate Court, delays in resolution of charges against juveniles pose a serious obstacle to justice and rehabilitation for young offenders as outlined in Paragraph 5.4.3.

However, the question of a trial without delay is problematic in Dominica. This is due in part to the slow process of judicial proceedings. No special provisions exist which can speed up the administration of justice process in favour of the child.

The Report, ibid.

Under the Children and Young Persons Act magistrates may remove juveniles to ‘a place of safety’ pending determination of a juvenile court of the need for ‘care and protection’. A
juvenile court has broad powers to order parents to ‘exercise proper care’ or placing the juvenile in some other situation. “Care and protection’ includes control and guidance, as well as discipline.” This Act also gives juvenile courts the jurisdiction to deal with juveniles charged with a criminal offense. There is no requirement that a juvenile have legal representation.

5.8.3  Juvenile Sentencing

One interviewee noted that magistrates are increasingly reluctant to use probation as an alternative to a prison sentence, due to the lack of capacity for supervision. Consequently young persons may be sentenced to prison when they probably should not be. The Report also reflects on the lack of alternatives to prison sentences.

- The imprisonment of juveniles is always avoided except in extreme circumstances …

- One major concern is juveniles being incarcerated and or remanded at the State Prison with adult prisoners.

- While efforts are made wherever possible to avoid custodial sentences, alternatives such as Suspended Sentence Supervision Orders and community Service Orders are regarded as other possible options when sentencing juveniles. Legislation dealing with juveniles however does not at this time reflect the alternatives mentioned.

- The Probation Service does perform certain functions, which seek to offer to the child who infringes penal law alternatives to judicial proceedings. Included among those services are probation, counselling services, exploration of employment opportunities and skills training. However, due to scarce resources and lack of flexibility within the legislative framework, these measures are limited.

The Report, ibid.

5.8.4  Employment of Children

The Employment of Children Act prohibits the employment of children under 12 for other than “domestic work or agricultural work of a light nature at home by the parents or guardian of the child”. The Employment of Women, Young Persons and Children Act prohibits the
employement of children under 14 in any ‘industrial undertaking’ and restricts the employement of young persons under 16 and women to the hours of 5 a.m. to 10 p.m.\footnote{The school surveys undertaken for this project, although not employing a representative sample, indicated that the majority of children assist in domestic duties and around 16\% do farm work; 13\% said that they received remuneration although this could just involve weekend jobs.}

5.8.5 The Protection of Children - Summary
The legislation providing for the welfare of young people is fragmented and apparently rarely observed. There is no apparent rationale for the different ages found in different Acts. The situation regarding maintenance issues (see Section 5.6) is also unsatisfactory. There is a clear need a major review of all current legislation related to children.

Shortcomings in the legal framework relating to the families and children occur throughout the OECS. However two recent OECS-wide projects on this subject are likely to help Dominica improve its legal framework on these matters. The first is the CIDA funded OECS Family Law and Domestic Violence Project (Phase II) which will draft laws relating to family matters and arrange for services for victims of domestic violence. A Green Paper is being prepared that will be used for national consultations throughout the OECS. The consultations will encourage and facilitate public discussion (as well as comment from the Attorney-Generals in each country) on the issues involved and the proposals for changes that are recommended. This consultation process will then inform the drafting of the legislation that would take place in each country.

The second study was one carried out in 2002 by National Children's Home (UK, Regional Branch) and UNICEF which made recommendations for child-related social services delivery in the OECS (Dominica included). This study covered adoption, foster care, institutional care and legislative changes.

5.9 Environment and Natural Resources
The consultants have reviewed the status of environmental protection and natural resource management by the Government of Dominica. Basic legislative tools are available, in the Fisheries Act, the Environmental Health Services Act, the Physical Planning Act and the Wildlife and Forestry Protection Act.

At present, apart from some environmental health concerns previously discussed in Section 4.2, Dominica has a high quality natural environment boasting, \textit{inter alia}, one of, if not, the...
best rain forest in the Caribbean islands. Indeed, Dominica ranks 10\textsuperscript{th} out of 180 nations in terms of the well-being of its eco-system\textsuperscript{52}.

There are nevertheless pressures. The issue of environmental health, especially in respect of deficient sanitation, has been identified as a problem by the National Environmental Plan (1999)\textsuperscript{53}. Also, in some hilly areas, poverty is negatively affecting the environment through slash and burn cultivation and deforestation to obtain wood for cooking\textsuperscript{54}. Subsistence hunting is threatening the preservation of some species with hunting seasons not being respected. Although these practices are not widespread at present, increasing poverty is likely to make them more so. Similarly, poor families rely on inshore fishing since they have no resources to fish offshore. This could lead to over-fishing and depletion of fish stocks in the nearshore. Fisheries division is encouraging the use of long lines and fish aggregation devices, but these are beyond the means of the poor.

There are a number of small projects that promote alternative livelihoods for poor residents in environmentally sensitive areas. As an example, the COMPACT project is a Global Environmental Facility (GEF) project of UNDP in the area of Morne Trois Piton, which is a World Heritage Site. The project, which aims to provide alternatives to people who would otherwise be cutting the forest to feed their families, is run in neighbouring communities so that the residents leave the world heritage site alone. Other project proposals have been submitted for funding: e.g. restoration of an old mill at Bagatelle, which can generate rents and tour guide opportunities. These projects are clearly beneficial in that they seek to make sustainable use of the environment rather than using it as a once only resource.

On a wider level, there is a need for recognition of the linkage between environment and the poor. Whilst the legislation for the protection of the environment exists, government initiatives need to be aimed at identifying the poverty-related factors that lead to the degradation of natural resources and resource use conflicts, and then developing specific programmes and policies which seek to reduce these conflicts.

\textsuperscript{52} The Ecosystem Well-being Index (EWI) synthesizes up to 51 indicators of a nation’s environment including related to land (use, types and eco-systems), water and air quality, biodiversity and resource use. See R. Prescott-Allen, The Well Being of Nations, Island Press, 2001.

\textsuperscript{53} The SLC indicated that 16\% of households did not have a latrine let alone a flush toilet. Poor households are more likely to be those who lack proper facilities. This issue has been discussed in Section 4.2.

\textsuperscript{54} According to the SLC, 13\% of households use wood as their primary cooking fuel. This proportion is slightly lower than that (14.4\%) found in 1996 (GOCD, Food Consumption and Lifestyle Survey, 1996). Currently, the proportion of poor households using wood for cooking is much higher at just under 25\%.
5.10 Human Rights

5.10.1 Constitutional, Legal and Policy Framework

The Government of Dominica is signatory to the following conventions:

- International Covenant on Economic, Social and Cultural Rights, 1966 (ICESCR)
- International Covenant on Civil and Political Rights, 1966 (ICCPR)

(a) The Constitution

The Constitution of the Commonwealth of Dominica has extensive provisions for the protection of human rights. Regardless of “race, place of origins, political opinions, colour, creed or sex” “every person in Dominica” (emphasis added) is entitled to:

- life, liberty, security of the person and the protection of the law;

- freedom of conscience, of expression and of assembly and association; and

- protection for the privacy of his home and other property and from deprivation of property without compensation (existing laws are to be “construed with such modifications … necessary to bring them into compliance …). (s.1)

There are extensive protections from arbitrary confinement or imprisonment, but persons under 18 may be deprived of personal liberty “for [their] education and welfare” (s. 3).

The constitution bans “slavery or servitude” (s. 4). Criminal charges shall be tried “within a reasonable time, but the right to counsel is only guaranteed “at his own expense” (s. 8). Transcripts (necessary for appeals) are only available “subject to payment of [a] reasonable fee”.

Legal proceedings involving “the welfare of persons under … eighteen” may be held in private (s. 8).

Mobility, “the right to reside in any part of Dominica” and to leave Dominica are protected for citizens (s. 11). The right to leave is subject to “restrictions … reasonably required … to secure the fulfilment of any obligations imposed … by law.”
The non-discrimination provisions of the constitution do not protect from discrimination based on economic circumstance (s. 13). Indeed, s. 8 limits the right to be represented in criminal proceedings to those who can afford legal counsel. Similarly, the habeus corpus provisions permit legal representation, but “nothing … shall be construed as entitling a person to legal representation at public expense”.

The Parliamentary Commissioner appointed under Chapter IX is to perform the functions of an ombudsman in other jurisdictions.

(b) Statute Law

The Nationality and Racial Offences Act prohibits discrimination in renting or in the provision of access to “places of public resort”. No person shall discriminate on the grounds of colour, race, ethnic or national origins. The Act covers restaurants, recreational and entertainment facilities, and public transport.

The Employment of Children Act and the Employment of Women, Young Persons and Children Act (discussed in Section 5.8) protects children from exploitation.

Dominica does not have any formal complaint or enforcement procedures that would allow individuals to invoke constitutional or statutory protections.

(c) Policy

As Dominica is signatory to a number of United Nations conventions, most require monitoring and regular reporting on compliance with them is generally required. In 1994, Dominica produced a report describing the requirements for compliance. To date, apart from the important exception of the National Committee for the Rights of the Child, there are no GOCD programmes explicitly directed at meeting the UN Convention on Human Rights or at monitoring and reporting compliance.

5.10.2 Human Rights and Poverty Alleviation

Abstracted are the basic rights most relevant to the alleviation of poverty, as follows:

? Right to be free of discrimination/equality before the law;
? Freedom of movement;
? Right to work for a wage sufficient to support minimum standard of living and to decent working conditions;
? Right to own, trade and dispose of property;
? Right to decent care/education for children; and
Right to access to some system of civil litigation and criminal justice.

This Section has been written taking into account the findings of the preceding part of this Chapter.

(a) **Right to be Free of Discrimination/Equality before the Law**

During the workshop and interview process, we did not encounter suggestions that discrimination on racial or ethnic grounds is a factor in promoting or precluding alleviation of poverty. Caribs have a special status inasmuch as they are entitled to reside in and share the resources of the Carib reserve. We are not aware of any discrimination that would prevent Caribs from participating fully in the regular society and economy of Dominica.

(b) **Freedom of Movement**

We are not aware of any restraints on movement of residents of Dominica.

(c) **Right to Work for a Wage Sufficient to Support Minimum Standard of Living and to Decent Working Conditions**

The *Labour Standards Act* provides for the establishment and review of a minimum wage. The most recent documents that we have reviewed show that Dominica made a minimum wage order in 1989, and conducted a minimum wage review in 1998. No action has been taken to implement the recommendations of this review.

(d) **Right to Own, Trade and Dispose of Property**

As discussed in Section 5.4, a major issue that surfaced at the NAT workshop and that was raised repeatedly by interviewees is the difficulties faced by poor landowners to regularize title to their land, so that they can sell or mortgage. Some interviewees suggested that this is a major impediment to efforts by the poor to better their lot.

(e) **Right to Decent Care/Education for Children**


> According to the Antoine Report, the laws of Dominica are in conformity with the letter and spirit of the Convention on the Rights of the Child. However, in some instances there is a lacuna between the law, its practice and its enforcement. This is due often to the lack of adequate institutional facilities to accommodate the law’s provisions. One example is that legislation provides for a Government Training school and Facilities for Juveniles but this has not been implemented.
Dominica has some statutes that provide some basic legal protections for children. The Social Welfare Officers are charged with an overview of children and their rights, but other than that there is no equivalent of the Children’s Aid Societies found in some jurisdictions.

While primary school enrolment is almost 100%, there is insufficient capacity in the school system to permit all who would otherwise qualify to obtain a secondary education. GOCD has attached a high priority to overcoming this deficiency, and a significantly higher proportion of children can achieve a full secondary education than was the case even a few years ago.

(f) Right to Access to Some System of Civil Litigation and Criminal Justice
This has been discussed in Section 5.5.

5.11 Overview
This review of the governance, legal and human rights aspects of poverty in Dominica reveals a generally satisfactory situation. The country is a democracy with a generally low level of criminal activity and there is negligible evidence of any abuses of human rights. Furthermore, the constitution contains a number of provisions designed to enshrine the human rights of the population.

There are however a number of shortcomings with the legal system which are having a detrimental impact on the poor and the vulnerable:

? There is no legal basis for public assistance and current, unofficial, criteria exclude a large number of indigent persons from receiving PA;
? The laws related to child protection are fragmented;
? The system of court-enforced child maintenance is inadequate;
? The magistracy is bogged down with a huge backlog of cases;
? The upper level for small claims to be heard by the magistracy is too low; and
? There is no legal aid system: lack of access to the legal system, to enable the ordering of personal and business affairs, to resolve family disputes, for dispute resolution and for criminal defence purposes is a significant impediment to poverty alleviation.

In addition, several other important lacunae have been identified:

? The land registration system is archaic, incomplete and could act as a constraint to development;
With the important exception of the National Committee for the Rights of the Child, there are no programs explicitly directed at meeting the United Nations Conventions on Human Rights or at monitoring and reporting compliance; and

Despite the existence of environmental protection legislation, the reliance of poor rural Dominicans on subsistence farming, hunting and/or fishing as a mainstay of their food supply, is leading to problems of deforestation and over-fishing.

Proposals as to how to resolve these issues and the urgency with which they should be addressed are contained in Chapter 6. It should be noted that several of these issues can be addressed by legal reforms that do not require major expenditures.
6  Towards a Poverty Reduction Strategy for Dominica

6.1  General Considerations

6.1.1  Context - the Poverty Reduction Strategy Paper (PRSP)

As a result of the current financial crisis and at the behest of the World Bank and the IMF, GOCD has recently embarked on the process of preparing a PRSP. PRSPs have been introduced by the World Bank and IMF in the last three years to provide a consolidated poverty reduction and developmental strategy that unifies development goals within a sound macro-economic and fiscal framework. PRSPs must also be country-driven and must embrace a wide-ranging participatory process involving not only inter-ministerial collaboration but consultations and meetings with local communities and residents. PRSPs are of crucial importance for two reasons:

- firstly, access to the IMF’s Poverty Reduction and Growth Facility (PRGF) which provides loans at very concessionary rates is conditional on an agreed PRSP; and
- secondly, in the government’s own words, the PRSP will ‘represent government’s main instrument in negotiating funding from the donor community’.

The preparation of PRSP’s is a lengthy process with two main stages. The first stage is for the government to produce an Interim PRSP (IPRSP). The IPRSP is then subject to detailed stakeholder consultation (including public meetings) as a result of which it is then revised to become the definitive PRSP.

By late 2002, 19 low income countries throughout the world had completed PRSPs while another 27 have them in the course of preparation. To date, Guyana is the only Caribbean country to have done so. Guyana has also used its PRSP to obtain a three-year credit under the PRGF for US$73 million at 0.5% annual interest and repayable over 10 years with a 5 ½ year grace period on principal payments.

55 A crucial consideration in the advent of PRSPs was that previous policies, and especially those related to macro-economics stabilisation were having a detrimental impact on poverty reduction just as this goal was being adopted as the over-arching objective of many international funding agencies.

Dominica is currently preparing its IPRSP. The exercise is being co-ordinated by the Ministry of Finance and Planning.

PRSPs are comprehensive documents, more comprehensive than this CPA can be, as they include macro-economic and government revenue/expenditure projections and require an extensive participatory process. Nevertheless, this CPA makes an important contribution to Dominica’s PRSP. It provides:

- an up to date analysis of the incidence, characteristics and causes of poverty in Dominica (see Chapters 2 and 3);
- a review of current programmes related directly or indirectly to poverty reduction (Chapter 4) and of the legal and human rights aspects of poverty (Chapter 5); and
- an identification of potential and priority policies and programmes for inclusion in the PRSP.

The CPA also complements the technical assistance to GOCD currently being provided by the World Bank, the IMF and other funding agencies such as DfID, the EU and the CDB. It is understood that the main foci of this assistance are the preparation of macro-economic and government revenue/expenditure projections, and advice on overall social policy.

6.1.2 International Development Goals

In the last two years, a number of International (or Millennium) Development Goals have been established by international agencies for Latin America and the Caribbean. These are shown in Table 6.1 together with the current situation regarding the attainment of these goals in Dominica.

The most important conclusion is that Dominica has already achieved the majority of these goals. However the current economic situation is serious and is likely to lead to increased poverty. Until there is a return to sustainable economic growth, the attainment of the social or infrastructure-related poverty reduction targets now unmet will almost certainly prove impossible.
Table 6.1. International Development Goals

<table>
<thead>
<tr>
<th>GOAL (to be achieved by 2015)</th>
<th>Regional average (mid 1990s)</th>
<th>Dominica</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce incidence of severe poverty rate by 50%</td>
<td>12%</td>
<td>11%</td>
<td>Achievement of this target will require both sustained economic growth and careful targeting of social safety nets</td>
</tr>
<tr>
<td>Achieve 100% primary school enrolment rate</td>
<td>94%</td>
<td>c. 99%</td>
<td>Already achieved. The challenge will be to maintain standards in the current climate of restricted government expenditure.</td>
</tr>
<tr>
<td>Achieve equal ratio of boys and girls at secondary school</td>
<td>Girl enrolment is around 95% of boys’ enrolment. Male secondary school enrolment is slightly lower.</td>
<td></td>
<td>Action needed to counteract trend of male secondary school under-achievement</td>
</tr>
<tr>
<td>Reduce under 5 year mortality rate by 2/3rds</td>
<td>38 per 1000</td>
<td>Not available but infant mortality is below 20 per 1000</td>
<td>Already achieved</td>
</tr>
<tr>
<td>Ensure that 90% of births are attended by skilled personnel</td>
<td>77%</td>
<td>100%</td>
<td>Already achieved</td>
</tr>
<tr>
<td>Access to safe water (% of population)</td>
<td>85%</td>
<td>90%</td>
<td>Essentially achieved although a significant minority of poor households, especially in rural areas, still do not have access.</td>
</tr>
</tbody>
</table>


6.1.3 Objectives

Irrespective of the country concerned, poverty reduction strategies must embrace the following key objectives:

? The promotion of economic growth and job creation.

*Essential both to provide employment opportunities for all (especially young) Dominicans and to generate government revenues that can be used to target residual poverty and identified social problems.*

? The development of the skills and health conditions that will enable current and future households to achieve and maintain a sustainable and fulfilling life.
Basic health and education services as well as utilities (e.g. water, electricity, road access) are essential to sustainable poverty reduction as well as to achieve economic and social development objectives.

The betterment of the conditions of those currently in severe poverty to help them to achieve a sustainable livelihood through a combination of direct income support and other measures.\(^{57}\)

There will always be some households (e.g. the elderly, the disabled, some one parent families) who will be unable to support themselves and will need direct income and other support.

The elimination or reduction of the potential causes of future impoverishment.

Social problems have been identified in the preceding Chapters which, even if they are not major causes of poverty at the moment, could lead to impoverishment in the future if they are not addressed.

The above objectives are generic. The degree of emphasis given to each will depend on the causes and characteristics of poverty in any particular country as well as the prevailing economic and social conditions. In the Dominica context, the current economic crisis has led to a worsening poverty situation and high un-/under-employment. The short –term outlook is also not optimistic, with increased poverty a very real possibility. In this situation, the initial emphasis of a poverty reduction strategy needs to be on:

- The promotion of economic growth and job creation; and
- Maximising the effectiveness of government financial resources available for pro-poor programmes (especially the maintenance of safety nets).

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\(^{57}\) It should be noted that policies falling into this category, and especially those involving direct income support, essentially involve a redistribution of resources to poor households.
6.2 Potential Poverty Reduction Policies and Programmes

6.2.1 General
This sub-section presents a shopping list of potential poverty reduction measures that were identified in the preceding Chapters and in the discussions held at the November, 2002 NAT-TOC workshop. These potential poverty reduction programmes and policies have been categorised under the following sectoral headings:

- Economic development
- Health
- Education
- Social Safety Nets
- Other Social Issues
- Infrastructure
- Environmental Management
- Other (including institutional).

In Section 6.3, these potential poverty reduction measures are prioritized for action.

6.2.2 Economic/ Developmental Policies and Programmes
(a) General
In the current context, the revitalisation of Dominica’s economy is the *sine qua non* of poverty reduction. Without a reversal of the recent decline in GDP and a period of sustained economic growth, unemployment and poverty will increase and the consequent pressure on government revenues, and hence expenditure, will make it difficult to sustain current poverty reduction programmes let alone permit the introduction of new initiatives.

It must however be recognised that governments have only limited potential to instigate economic development; this task will inevitably remain the preserve of the private sector. However, governments do have the ability to establish a tax and regulatory environment in which economic development is more likely to occur. Government initiatives in this regard will therefore consist of enabling and promotional activities which should be formulated in close consultation and with the active participation of the private sector.

In these times of austerity, the Government should take every effort to ensure that the burden of fiscal “pain” does not fall disproportionately on the poor and should avoid, wherever and whenever possible, measures that directly or indirectly generate new unemployment. In the
case of the latter, short term austerity measures may have unintended longer term consequences through business failure, foregone investment and even emigration of those with marketable skills.

(b) Agriculture

As outlined in Chapter 2, agriculture holds out the largest hope for economic growth. The decline in the banana industry may be halted at some point, but is unlikely to ever again provide the employment and income of past decades. As well, Dominica’s history of monocrop boom and bust cycles suggests that rather than looking for the next boom crop, the industry should diversify. This diversification must be both in crops (and, where feasible, in value-added agricultural products) and markets.

An example of such diversification is to target the regional market for high quality fresh fruits and vegetables. This market is largely driven by the demands of tourists and partially satisfied by American producers who are able to ship products from Miami to market within 24 hours of orders being placed. Although Dominica is able to produce higher quality product, it does not have the marketing infrastructure needed to compete. To compete in this market, it will be necessary for Dominica to:

? grow high quality fruits and vegetables;
? redirect extension and other agricultural support services towards achieving quality and quantity goals;
? put in place a quality protection system (grading, packing, storage) to ensure only high quality product is shipped (thus developing and maintaining the Dominica “brand”);
? put in place a network of professional agents in the key markets (e.g. Barbados, Antigua, BVI, Anguilla) to deal directly with hotels, restaurants and supermarkets; and
? put in place the transportation needed to get the product to market within 24 hours of orders being received. To achieve this, Dominica may wish to consider the chartering of two to three suitably equipped DASH-8 aircraft to make daily runs to the identified markets.

Such a program is undoubtedly ambitious and would likely require subsidization until the markets have been fully developed. Nevertheless, it appears that only a project that IS ambitious can achieve a redirection of agriculture and its redevelopment into an income and foreign exchange earning sector with long term, stable employment potential. According to DBMC statistics, over 5,000 farmers who previously produced export quality bananas have left the business. At least some members of this group are likely to have the ability to produce other crops to a similar quality if the markets can be identified and secured.
The financial (as well as societal) return on investment in the agricultural sector is supported by the employment implications of small business loans made by AID Bank. In 2001, the Bank issued 311 loans to the agriculture sector, with some 809 jobs reportedly sustained or created through the loans. This averages out to $2,910 per job. Loans to the manufacturing and transportation sector showed an average of $40,090 per job created or sustained. Loans to the tourism sector showed an average of $120,100 per job created or sustained. For 2000, the figures were $5,300 per job in agriculture, $35,700 per job in manufacturing and transportation and $56,500 per job in tourism.

Although hucksters perform a valuable, if small-scale, function in exporting produce to neighbouring islands, problems have been noted with the quality and timeliness of the produce they distribute. It is important that, if a diversification programme as described above is put in place, steps be taken to ensure that huckster activities do not devalue the “Dominica” brand in target markets. Thus, consideration should be given to possible future roles of hucksters in a new agricultural marketing programme through an investigation of how their current activities can be enhanced in terms of both quality and quantity.

Another area where there may be some growth potential is increasing production for the local market. Products mentioned include poultry, white potatoes and use of coconut oil. Legislation is available to provide some protection to locally-produced white potatoes. A similar mechanism could be developed for broiler production although the introduction of protectionist policies is likely to be more difficult these days due to WTO regulations. Little coconut oil is used locally, partly due to fears that it has a higher cholesterol content than other oils. However recent research conducted in the Pacific may not support this view. Accordingly, a review of available information could be undertaken to see whether a reassessment is in order.

(c) Tourism
At present, tourism constitutes no more than 3% of GDP, much less than in other East Caribbean islands such as St. Lucia, St Kitts and Nevis, Anguilla, Antigua and Grenada. The primary reasons would appear to be three-fold:

? Airports which cannot accommodate large planes and which do not at present permit night operations;

? Lack of beaches, which are almost always the initial selling point of a Caribbean holiday; and

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58 This has been achieved with egg production – 25 years ago, 90% were imported, now the country is self-sufficient.
Lack of hotel accommodations and restaurants, especially of middle and high resort quality.

In terms of air access, plans are underway to install equipment to allow night landings at Melville Hall airport. However, there are no immediate plans to extend the airport to accommodate larger planes. How many more tourists can be enticed to Dominica even with a more accommodating airport remains to be seen: the market for non-beach tourism in the Caribbean has not been fully proven.

In terms of hotels and restaurants, there are currently no plans for higher end hotels or resorts that would on their own attract tourists. It is however understood that potential investors are investigating a site near Cabrits (north of Portsmouth) for hotel development. The Pointe Ronde estate (south of Portsmouth) is also available (again) for development; it reverted to local ownership after Guinness failed to take up their development option. Higher end hotels and resorts have high staff to guest ratios that can provide substantial employment opportunities.

Dominica does however have two world class attractions:

- Marine parks/ diving areas; and
- a large, pristine, rain forest.

To some extent this has been recognised through the policy of encouraging eco-tourism. This has resulted in the development of a number of small hotels and guest houses in many parts of the island as well as in the publicising and signing of locations of natural interest, including hiking trails in the Morne Pitons National Park and elsewhere. Policies and initiatives in this respect should be continued. There is also potential for increased marketing to make a wider audience aware of these attractions. However, a major short-term expansion of this sector is considered unlikely.

In the medium and longer-term, there is potential to expand the tourism sector in Dominica as the travelling public searches out new places to visit and the island’s unique natural environment becomes better known. Dominica’s attractiveness will also increase as rain forests in other parts of the world are destroyed.

Potential programmes related to this sector are therefore:

- Developing a public-private sector forum (including hotel and guest house owners, dive operators, tour companies, as well as Government leaders) to identify initiatives that would attract more visitors to the island, that would provide better tourist experiences and that would encourage more tourist spending;
? Implementing the proposals for night landings at Melville Hall Airport;
? Improving the marketing of Dominica’s marine parks and rain forest; and
? Identifying potential sites for major hotel development (e.g. Pointe Ronde) to foreign investors and commission an international real estate firm to market them.

Most important of all however is the protection of the marine parks, the rainforest and other designated locations, through strict controls and enforcement against any incursions or misuse.

(d) **Support for New and Small Businesses**

Interviews with development agencies and banks in Dominica indicate that various institutions originally established to provide low interest loans to new and small businesses are no longer doing so. Current interest rates on small business loans range from 10-12% (National Commercial Bank) to 10.5% (AID Bank) to 12.5% (National Development Foundation).

Thus, despite its mission, the NDFD is under pressure from the agencies that fund it to become financially self-sufficient and therefore it charges market rates of interest on loans. Although it continues to provide some free technical advice it has also been forced to charge fees to provide training in some areas. Such conditions do not encourage the start-up and growth of small businesses. The AID Bank similarly charges market rates of interest. Traditional donor agency funding for micro-enterprise low interest loans and technical advice appears to have ended and organizations such as NDFD and AID Bank must now charge for their services.

Financing small business development is not however the only possible means of support. Despite its failings, projects such as D-REP have achieved some successes. Discussions at the workshops and presentations held during the course of this Study indicated that success in income generation projects could be enhanced if:

? There was a clear distinction between ‘social’ and income generating projects.
? Much greater reliance was placed on the communities to identify income-generation opportunities.
? The emphasis was on identifying committed groups and individuals who were prepared to initiate new businesses, ideally those who had the idea in the first place. The D-REP review shows that only a minority of individuals are inclined to be entrepreneurs.
Emphasis should be geared to identifying these individuals\(^59\) and introducing programmes that directly meet their needs for financing and support.

Credit arrangements were more flexible and could involve much smaller amounts for shorter periods of time. Suggestions were also made that repayment of loans would be more effective if they were made to groups of individuals acting as mutual guarantors\(^60\).

(e) **Improve facilities for the storage and marketing of fish**

Fishing is the mainstay of some communities (e.g. Dublanc). In some areas, catches are also improving through the use of modern technology. Lack of storage facilities reduces the ability of fishermen to make a sustainable living as their catch is limited by what they can sell on the day.

### 6.2.3 Health

? Maintain the free immunisation programme and the current decentralised, easily accessible, network of primary health care clinics, including the current outreach campaigns related to, *inter alia*, nutrition, hygiene and family planning.

*These programmes form the backbone of Dominica's health system. If they deteriorate significantly due to reduced funding, the overall health situation will decline.*

? Develop intensive, and innovative, campaigns to reduce teenage pregnancy and encourage safe sex and implement the already drafted National HIV/ AIDS Strategic Plan.

*Teenage pregnancy can often be the first step on the road to poverty. HIV/AIDS has the potential to decimate a society. STDs already make up a large proportion of visits to doctors and clinics. Early campaigns to raise consciousness offer the best chance of stopping it in its tracks.*

? Develop a public awareness campaign on the relationship between obesity, diabetes and hypertension and the importance of exercise and nutrition.

*These are arguably the main health problems at present. The link between obesity in youth and diabetes (which can have serious consequences) in later life is well known. A campaign*\

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\(^59\) Examples of existing small businesses and NAT suggestions include such varied foci as fishing using modern stock location technology, establishment of hiking trails and guide services for tourists, the offshore sector, mobilising the resources of expatriate Dominicans, local herbs and remedies, vehicle mechanics.

\(^60\) This is the model pioneered by the Grameen Bank in Bangladesh and since replicated in many other countries.
to improve diet and increase exercise, especially amongst the young, would go some way
towards reducing the long term impact of these problems.

? Introduce graduated health charges.

At present, only a very small proportion of health costs are recouped through user charges. This situation is unlikely to be sustainable in the short to medium terms. The introduction of health charges is likely to be essential. If these charges were graduated, the impact on the poor would be reduced.

? Ensure participation in the region-wide OECS Pharmacy Procurement Service to reduce the cost of drugs.

This initiative has been successfully adopted in some OECS countries to reduce ever-increasing drug costs. Dominica’s participation to date has been constrained by difficulties in making payments by the due date. Efforts should be made to eliminate this problem.

6.2.4 Education

? Maintain and extend current pro poor education programmes, such as the Education Trust Fund, the School Feeding Programme, the Text Book Scheme and the programmes of CCF that directly assist poor and indigent individuals and communities.

There is widespread support for these programmes from school principals, teachers and education officials and this is reflected in the dramatic improvements in attendance at primary and secondary schools over the past few years since such programmes have been in operation. Unless these programmes are maintained, current enrolment rates and educational attainment levels will fall leading to a decline in overall educational levels. If this happens, the potential for the next generation of children to enjoy a sustainable livelihood will be compromised as will the potential to contribute to the recovery of the national economy. The SFP also generates local employment. Further benefits (educational and nutritional) could be achieved if the programme was expanded to other schools already identified as requiring assistance.

? Review the effectiveness of the current distribution of schools and teachers at primary level.

The current pupil / teacher ratio is low (18.3). It is also falling and will continue to do so given the decrease in the number of births. Closure of smaller schools allied to increased subsidies for transportation costs could provide a more efficient and cost-effective service allowing additional funds to be diverted to the above pro-poor programmes.
Improvement in the teaching of academic and technical subjects within the school curriculum.

Enhancement of special education programmes particularly TVET, vocational educational, and literacy programmes in secondary schools again to address the “feminisation” of the school curricula and redress poor adolescent male transition rates and reduce school drop out rates.

Continue to implement the strategies within BERP2 so as to address curricula improvements and literacy programmes.

Current CXC maths pass rates are low; the importance of IT in today’s industry is such that the demand for numeracy can only increase. The introduction of more TVET education could help to reduce the problem of male adolescent drop out rates and lead to a workforce with the wide range of skills needed in the future.

Increasing the number of secondary school places.

Despite the dramatic improvement in primary/secondary transition rates, around 20% of children are still not proceeding to secondary school. Research reveals that the great majority would like to. The expansion of capacity would achieve this aim.

Provision of a polytechnic at tertiary education level emphasising technical skills as well as academic subjects within the soon to be established Dominica State College.

Demand for post-secondary education will increase in parallel with the increase in secondary school graduates. The provision of on-island courses will reduce the need for costly off-island education and improve the chances of children from poor families accessing this key stepping zone to improved job prospects.

Provision of subsidised transport for school children.

There is little subsidised school transport at present yet finding the money for transport was frequently mentioned as a problem in the PPAs. Assistance with transport costs is also the most frequently requested assistance from the Education Trust Fund. Expanding the school bus network would reduce these problems and contribute to maintaining enrolment levels.

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61 Any such projects need to take into account the fact that, just as primary school rolls have fallen in the last 10 years, so will the total potential demand for secondary education.
? Provide for Counsellors in schools to assist students with academic and non-academic issues.

? Increase funding for community education programmes such as Operation Youthquake, CALLS and Dublanc Youth Training Centre

Social pressures on older children are increasing. Reduced household incomes will increase these. In-school counselling would assist students in dealing with family, sexual, and other problems. Failure to address these problems risks setting these individuals off on a cycle of poverty and anti-social behaviour. These NGOs are providing valuable support to a small number of children with severe family problems and who have dropped out from school.

? Increase day care for infants and pre-school education to assist parents in returning to work.

Affordable day care and pre-schooling is a crucial component in enabling parents of young children to return to work and supplement household incomes. This is even more the case for single parents and those on low incomes. The Social Centre already provides day care places for free or subsidised rates for poor and indigent families.

6.2.5 Social Safety Nets

? Review current criteria and level of Public Assistance.

The current level of Public Assistance is below the adult indigence line. Current criteria exclude a substantial proportion of indigent households.


There is currently no legal basis for public assistance. A new act should establish transparent and up to date, principles of eligibility, application procedures and periodic reviews of the amounts to be paid. The new Act would also remove the stigma arising from the outmoded definition of recipients as paupers.

? Resolve the financial issues between the Government and the Social Security Authority.

A memorandum of understanding to this effect has been signed between Social Security and the government. This should be implemented\(^2\).

Instigate a programme of pension reform.

The number of elderly persons will increase for the foreseeable future. The probably irreversible trend is for the elderly to have to fend for themselves, i.e. with diminishing assistance from their offspring. Pensions will thus become increasingly crucial to the well-being of older citizens. Although there is a mandatory requirement for the self-employed to make DSS contributions, only a small proportion does so. Yet failure to contribute will mean that they will receive no pension. They will thus have to rely on savings/assets, and if these are insufficient, on the already stressed government welfare system. A campaign should be developed to encourage the self-employed to make DSS contributions. Other recommendations in respect of pension contributions have been made by the ILO\(^{63}\). These should be reviewed, adapted as considered necessary and implemented.

6.2.6 Other Social Issues

Reform the legal framework for maintenance/child support.

Current statutes overlap and are mutually inconsistent. The system is also unpopular with claimants and often ineffective in obtaining financial support. A streamlined procedure is needed to minimize the need for legal assistance, establish guidelines for the amount to be paid, allow hearings to be held in camera, provide effective enforcement and collection procedures, and enable action to be taken against defaulters. This proposal would improve the situation of single-parent households.

Establish a Task Force to review the existing child legislation.

Current legislation is fragmented and often unworkable and should be replaced with legislation which is consistent, provides clear guidelines and is appropriate to social Dominican society today. Recommendations arising from ongoing OECS reviews should be incorporated.

Expand activities of Gender Affairs Bureau and NGOs in terms of family counselling and social/life skills education, including sex education and family planning, personal budgeting and finance, health maintenance, drug use, parenting, individual and social responsibilities.

Many of these are existing issues affecting, directly or indirectly, a substantial proportion of the population. Virtually all can lead to future poverty and lack of well-being. Current trends are that these problems will increase. Concerted efforts to improve awareness of

\(^{63}\) Cited in World Bank, op. cit.
these issues and counselling to those already affected can reduce the long-term impact on individuals, their families and their communities.

? Implementation of the NCH (National Children’s Home, an NGO) Juvenile Justice Reform Project proposal for the establishment of two facilities, a young offenders’ institution with a strong rehabilitative component coupled with a day centre.

The lack of any alternative to prison for young offenders provides virtually no capacity for their rehabilitation. At present, they either re-enter normal social life with no sanctions or they are confined in the prison where, in the words of one informant “they are lost forever”.

? Initiate programmes to reform prevailing male attitudes to family stability including research into aspirations and needs of male adolescents and young adults.$^{64}$

Increasing educational under-achievement of some male adolescents and their growing disaffection poses a threat to future sustainable livelihoods and national social stability.

? Expand support to existing community development activities.

Current community development activities are well established. Their relevance will increase if the economic situation continues to deteriorate. In particular, the role of village councils in the identification and implementation of local projects should be increased.

6.2.7 Infrastructure/ Housing

? Prioritise adequate funds for the maintenance of water supply networks and roads.

The current water supply and road networks have a wide coverage. Financial pressures in the short- and medium terms are likely to constrain further expansion. Maintaining these networks is crucial if they are not to deteriorate and result in major future expenditures.$^{65}$

? Improve sanitation to those properties that do not currently have a flush toilet or a latrine, and continue to implement the National Sewerage Master Plan.

A significant minority of households do not have access to flush toilets or latrines. These households, especially in urban areas, can pose a risk to public health and, in extreme cases, lead to outbreaks of waterborne infections such as gastro-enteritis.

$^{64}$ It was noted at the NAT Workshop in November 2002 that the great majority of persons attending charity/collective functions and church services were women.

$^{65}$ The situation in Guyana is a cautionary tale. The deterioration in the Georgetown water supply system is such that near total replacement of the reticulation system may be necessary.
Reinstate standpipes in those areas where significant numbers of households do not have access to piped water in the houses or yard.

Safe water is a basic human right and its absence reduces the quality of life, and increases the risk of infections due to drinking water from unsafe sources. 46% of poor and 19% of not poor households are dependent on water from standpipes. Until there is adequate finance, both public and private to extend, the piped network into properties, standpipes should be retained if access to safe water is to be kept at its current high level.

Continue current BNTF programmes for small-scale infrastructure investment.

Small scale infrastructure improvements are welcomed by poor communities and contribute to improved well-being. The fact that BNTF programmes are into their fifth cycle testifies to their success. Increased emphasis on community involvement in project identification will further consolidate the effectiveness of this programme. The scope of BNTF programmes could be expanded to include small sports facilities.

Improve land delivery for low income households

Lack of affordable land for housing was mentioned as an issue in several communities. A programme to identify suitable sites for such land should be implemented in communities where this problem is deemed to be serious. Simultaneously, options should be prepared as to how this land could be accessed by low income households, e.g. sites and services, sale of unserviced plots, etc.

Continue the squatter regularisation programmes.

Squatting is almost always a response to a legitimate housing demand. Relocation is expensive and is problematic given the lack of easily developable land. All the evidence is that regularisation leads to improved housing conditions and a consequent enhancement of well-being.

Environmental Management

Maintain at all costs the integrity of the National Parks, Forest Reserves and Marine Reserves.

Dominica’s mountainous rain forest is in pristine condition that will provide a local and international attraction for the foreseeable future provided that any encroachment attempts are resisted. Marine Parks similarly require protection given their ecological and potential tourism benefits.

Evaluate current projects that enable poor rural communities to develop a sustainable relationship with the natural environment and seek their replication.
Target areas of observed environmental degradation.

Poor households can engage in unsustainable practices such as tree-felling and slash and burn cultivation that can be reduced through projects designed to provide alternative sources of income and which maximise the sustainable use of natural resources. A task force including environmental specialists and community development officers should be established to investigate the areas where these trends are significant and to develop, in conjunction with the communities/individuals involved, more sustainable practices.

6.2.9 Institutional

? Improve co-ordination of Government/NGO activities.

? Reduce overlaps between different government and NGO programmes.

? Formulate joint approaches to funding agencies.

? Identify ‘best practice’ projects and priorities.

Both government and NGOs are currently working under severe financial constraints that are more likely to increase than decrease in the near future. There are overlaps in some of the programmes provided. Improved inter-agency co-ordination and interaction will reduce overlaps, identify the priority target groups, enable resources to be channelled to the ‘best practice’ programmes, and thereby increase the likelihood of securing funding from overseas.

6.2.10 Other

? Conduct a feasibility study for a comprehensive land registration system.

The current land registration system is chaotic. A feasibility study (including a pilot project) for a registration system would identify and quantify potential benefits (including resolution of land ownership issues, encouragement of investment and facilitation of commercial financing) and potential drawbacks. It would also estimate the time, manpower, technical, logistical and financial resources required and identify possible sources of funding.

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66 The implementation of a land registration project in St. Lucia project did not lead to all the anticipated objectives in terms of increased agricultural activity and a much more active land market. Disputes over family land also increased while there was considerable local concern about unregulated land sales to foreigners. See A. Vargas, St Lucia Country Brief, prepared for the Land Tenure Centre, University of Wisconsin-Madison, September 2002.

67 Comparable projects are, or have been, externally funded in St. Lucia, Belize and Guyana. The cost of the St. Lucia project was US$8 million (EC$21 million) spread over a four year period in the mid-1980s.
Establish Human Rights Compliance Monitoring.

This is a requirement of the UN Charter.

Actively pursue Dominica’s participation in the regional CIDA Legal Aid project.

Increase the maximum level of claims which can be dealt with by the magistracy by amending legislation as necessary.

Remove backlog of outstanding cases using the provisions under the Constitution. The legal system is bogged down by outstanding cases. There is no legal aid system. The upper limit for small claims to fall under the magistracy is too low. Access to the legal system by the poor is virtually non-existent. The above measures will go some way to remedying this situation to the benefit of all.

6.2.11 Development Priorities identified by Communities

Table 6.2 summarises the development priorities identified by community residents during the PPAs. These have been grouped as per the preceding categories.
### Table 6.2. Development Priorities identified by Communities

<table>
<thead>
<tr>
<th>Priority Need</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Economic Development / Job Creation</strong></td>
<td></td>
</tr>
<tr>
<td>Employment creation and income enhancement opportunities</td>
<td>Also identified by NAT/TOC</td>
</tr>
<tr>
<td>Opportunities for small business development</td>
<td>Also identified by NAT/TOC</td>
</tr>
<tr>
<td>Markets for agricultural produce, handicrafts, etc.</td>
<td>Also identified by NAT/TOC</td>
</tr>
<tr>
<td>Promotion of community tourism</td>
<td>Also identified by NAT/TOC</td>
</tr>
<tr>
<td>Fish landing and marketing facilities</td>
<td>Also identified by NAT/TOC. Projects for fisheries complexes at Roseau and Marigot are in progress.</td>
</tr>
<tr>
<td>Agro-business opportunities</td>
<td>Implicit in the NAT/TOC emphasis on agricultural diversification</td>
</tr>
<tr>
<td>Opportunities for livestock development</td>
<td>Being promoted through the NGO-ADP</td>
</tr>
<tr>
<td><strong>Health</strong></td>
<td></td>
</tr>
<tr>
<td>Improved health and sanitation services</td>
<td>Also identified by NAT/TOC. There is a programme to upgrade some rural health facilities.</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
</tr>
<tr>
<td>Adult education classes</td>
<td>Also identified by NAT/TOC</td>
</tr>
<tr>
<td>Skills training (youth and women) in computers, construction, food preparation etc.</td>
<td>Also identified by NAT/TOC</td>
</tr>
<tr>
<td>Create access to tertiary education</td>
<td>Also identified by NAT/TOC</td>
</tr>
<tr>
<td><strong>Social Programmes/ Community Development</strong></td>
<td></td>
</tr>
<tr>
<td>Well-equipped community resource centres</td>
<td>BNTF funds such projects.</td>
</tr>
<tr>
<td>Community education programmes</td>
<td>Also identified by NAT/TOC</td>
</tr>
<tr>
<td>Support to organise and sustain community organisations</td>
<td>Also identified by NAT/TOC</td>
</tr>
<tr>
<td>Sporting and recreational facilities</td>
<td>May be included in BNTF5.</td>
</tr>
<tr>
<td><strong>Infrastructure/ Housing</strong></td>
<td></td>
</tr>
<tr>
<td>Upgrading of public and community secondary roads.</td>
<td>BNTF funds such improvements.</td>
</tr>
<tr>
<td>Access to land for agriculture</td>
<td>Credit for housing is being improvement by National Shelter Development Project</td>
</tr>
<tr>
<td>Land and credit for housing</td>
<td></td>
</tr>
<tr>
<td>Sea and river works for vulnerable communities</td>
<td>GOCD is improvement sea defences in some areas.</td>
</tr>
<tr>
<td>Improved water supply</td>
<td>Also identified by NAT in respect of standpipe reinstatement. BNTF funds such improvements.</td>
</tr>
</tbody>
</table>

In general, the priorities identified by the communities are very similar to those described previously. This is especially true in the crucial area of economic development/job creation. In other areas, there is also substantial agreement although the communities tend to lay more stress on physical projects (e.g. improved roads, community resource centres) whereas the NAT/TOC concentrated on the importance of programmes. This probably reflects both NAT/TOC concerns about the availability of finance and their primary focus on the poor. In contrast the PPAs were targeted at communities in general.
6.3 Priority Actions

6.3.1 General Considerations

The preceding list of potential policies and programmes is comprehensive. Many of these programmes are already being implemented by government and/or non-government agencies. Indeed, virtually every problem of poverty and well-being discussed in this report is being addressed to some extent or other by existing programmes. Many of these interventions are well-targeted, successful and innovative. Nevertheless, there is every indication that:

- Current programmes do not fully address the demand;
- Demand for these programmes will increase at in the short-term; and
- Funding for current programmes is being squeezed by the government’s fiscal situation.

Arguably, therefore, all the programmes listed in the preceding Section deserve a high priority. However according a high priority to all is equivalent to setting no priorities. Any poverty reduction strategy must be financially sustainable. The extent of the crisis in both the overall economy and the government’s fiscal situation is such that expenditure in the short term will be severely limited. Access to funds from international agencies (loans and grants) will be conditional on the government adopting a range of policies relating to fiscal stability. Without this foreign assistance, the situation will deteriorate further. It will therefore be difficult to maintain existing levels of expenditure let alone institute programmes that require significant new finance. Priorities MUST therefore be established.

In the current Dominican context of a struggling economy and precarious government finances, the following types of poverty reduction measures should receive priority:

1. Initiatives that will promote economic growth and job creation;
2. Proven existing programmes with a direct or indirect impact on poverty reduction; and
3. New initiatives that do not require substantial additional government expenditures unless they can be externally funded.

The priority actions recommended in the following paragraphs have been identified based on the above criteria and taking into account the analysis contained in this report, the views raised during the November 2002 Workshops between the TOC and the NAT, and the

68 The World Bank/IMF are currently assisting GOCD in the improvement of government accounting and financial systems and the preparation of forecasts of government expenditures and revenues.
comments received, verbally and in writing, as a result of the presentations of the draft Final Report made in Barbados and Dominica in April 2003.

Ongoing and imminent projects where finance is secure or which are included in the current 2002/3 capital expenditure programme have been excluded; examples of these projects are:

- BNTF 5
- Improvements to Melville Hall airport
- The National Shelter Development Project
- Seeking participation in CIDA funded legal aid project
- Construction/rehabilitation of fisheries complexes at Roseau and Marigot
- Upgrading of rural health facilities
- Resolving the financial situation between DSS and the Government
- Regularisation of squatters.

Priorities have been arranged according to the above mentioned criteria. It should be emphasised that, at this stage, these priorities do not necessarily reflect government policy.

6.3.2 Economic Development and Job Creation

Without economic growth, sustainable and long-term reductions in poverty will not be feasible. The identification and promotion of economic development opportunities is thus essential.

**Action EC1: Agricultural Diversification**

The Government should commit to the diversification of agriculture products in order to increase employment in the sector. Agricultural diversification is seen as having the best potential for the sustainability of the Dominica economy. However, radical action is needed.

It is recommended that development of the regional market for high quality fruits and vegetables be the first diversification segment. The initial step should be the recruitment of a highly experienced agro-marketing expert, preferably from within the industry. Their responsibilities are outlined below.

Government should redirect agricultural programmes including extension services to the opportunities identified by this expert.
Box 1. Responsibilities of Agro-Marketing Expert

1. To assess strengths and weaknesses of existing initiatives to export Dominican fruit and vegetables.
2. To identify markets for Dominican agricultural produce by making contacts with potential buyers.
3. To set up marketing channels.
4. To prepare appropriate costing and financial evaluations.
5. To develop quality control practices.
6. To establish transportation links.
7. To identify farmers able to provide export quality goods.

Action EC2: Promotion of Micro and Small Businesses

For the poor (especially in urban, but also in rural areas), micro and small businesses can be an important source of income and employment (including self-employment). Micro and small businesses also cater to all citizens, not just the poor. Currently, programmes aimed at assisting people to establish and operate micro and small businesses focus on providing credit and associated training (e.g. NDFD).

Studies indicate that micro and small businesses indicate face more problems than just access to credit: "access to growing markets, new technologies and appropriate training are often as important as or more important than financial constraints". Among the types of services that micro and small businesses may need are:

- Training
- Business advisory/consulting services
- Market development services for both inputs and outputs, including market intelligence and facilitating linkages with buyers and suppliers
- Support facilities (business incubators, association-based services)
- Product research and development

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In light of these potential needs, it is recommended that the government seek donor agency support for the creation of a micro and small business development centre. Its functions would be as outlined below.

**Box 2. Functions of Micro and Small Business Development Centre**

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1.</td>
<td>Assess the needs for specific services (including services for individual businesses as well as for community-run businesses in rural areas);</td>
</tr>
<tr>
<td>2.</td>
<td>Develop programmes to meet identified needs and secure donor funding for each programme;</td>
</tr>
<tr>
<td>3.</td>
<td>Retain private sector businesses and individuals to provide the programme services under contract;</td>
</tr>
<tr>
<td>4.</td>
<td>Co-ordinate programmes with other institutions that provide credit to micro and small businesses;</td>
</tr>
<tr>
<td>5.</td>
<td>Promote the availability of these services, in association with NGOs such as SPAT, in local communities emphasising the need for committed communities and individuals to develop business opportunities that the centre could then supported;</td>
</tr>
<tr>
<td>6.</td>
<td>Develop a national ideas competition for new business opportunities.</td>
</tr>
<tr>
<td>7.</td>
<td>Establish an association of micro and small business owners to access supplies and services on the most favourable terms.</td>
</tr>
</tbody>
</table>

This centre would be staffed by two international specialists in micro and small business development under contract for a two year period, with support staff seconded from existing NGOs and institutions such as SPAT, NDFD, AID bank. It is recommended that two of the support staff should be trained so that they could over the centre at the end of the specialists contracts.

**Action EC3: Establish a permanent tourism sector forum to identify ways in which sector operators can work together to exploit opportunities**

Tourism offers significant medium and long term growth potential. In order to develop this sector, operators should have a forum in which plans and proposals for joint action (e.g. marketing) can be presented and discussed and which would facilitate operators working together. Government initiatives should be closely linked to the needs of existing and

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70 One possibility would be promoting a craft development project in the Carib Territory. The Caribs have a long tradition of producing elegant baskets and such like. These however can be inconvenient for tourists to carry. Developing easily portable products could significantly increase sales. Other examples could be providing guides, developing trails and other services for tourists visiting the National Parks and forest areas.
potential businesses in this sector; government should thus mobilize operators and facilitate the establishment of such a forum and should be a full and active member of this forum.

**Action EC4: Market sites for potential large scale hotel development to local and foreign investors.**

Large-scale tourism in the Caribbean is based around beach hotels. Even in Costa Rica which makes great play of its rain forest excursions, most of these packages include a stay at a resort hotel. Therefore, in order to promote development of the tourism industry in Dominica, Government is urged to promote the development of resort hotels. This will, initially, require the services of an international tourism consultant whose responsibilities are shown in Box 3.

**Box 3. Responsibilities of International Tourism Consultant**

<p>| | |</p>
<table>
<thead>
<tr>
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<th></th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Identify sites suitable for hotel / resort development. These sites should be available in terms of land ownership.</td>
</tr>
<tr>
<td>2.</td>
<td>Identify servicing and other infrastructure needs (with indicative costs) required to make each potential site attractive to developers.</td>
</tr>
<tr>
<td>3.</td>
<td>Make initial contacts with potential investors/ hotel chains (especially French so as to capitalise on proximity to Martinique and Guadeloupe) to assess level of interest.</td>
</tr>
<tr>
<td>4.</td>
<td>Identify market segments and the likely number of rooms and facilities required for each site.</td>
</tr>
<tr>
<td>5.</td>
<td>Set out appropriate financial terms and conditions, based on international and regional standards, for the development of the sites.</td>
</tr>
<tr>
<td>6.</td>
<td>Specify other conditions designed to maximise inter-action with the local economy, e.g. recruitment and training of staff from local communities, provision of ancillary services by local communities, and purchase of local foodstuffs.</td>
</tr>
<tr>
<td>7.</td>
<td>Establish a marketing plan for the sites and identify appropriate media, including agencies, to market these sites.</td>
</tr>
</tbody>
</table>

In order to ‘kick-start’ this process, the Government is urged to compile an initial list of potential sites. Criteria for inclusion on this list would be proximity to beaches, single ownership of land (as multiple ownerships will often deter investors), and ease of servicing (especially water supply and road access).

6.3.3 **The Maintenance of Existing Social and Physical Infrastructure Programmes**

Existing health, education and physical infrastructure programmes form the cornerstone of Dominica’s policies to develop its human and economic resources. If these programmes are not maintained, not only will the current high levels of education and health be lost but the capacity of the population to take up new job opportunities will be compromised as will the objective of medium and long-term poverty reduction. Yet these programmes, and especially those that are targeted towards the poor and the vulnerable, will come under intense pressure.
over the next few years as the government stabilises the fiscal situation. This pressure for cutbacks will come just as demand for the several of the programmes is likely to increase.

There will thus be a need to review the operation of these programmes so as to improve the effectiveness of these programmes through rationalisation and better targeting. This will both make it easier to maintain the programmes, and should savings be significant, to expand them.

**Rationalisation** is taken to mean reviewing current programmes, improving their operational efficiency, cutting back on those that are less effective, and reducing overlaps.

There are two main aspects to targeting: firstly, improving the targeting of programmes that are already targeted; and secondly, introducing targeting into programmes that are currently open to all. Both aspects are implicit in the following proposals. In both cases, criteria or indicators will be needed. Targeting should only be implemented where the savings from targeting exceed the administrative costs of implementing them. The emphasis should therefore be on using simple criteria that are relatively easy to obtain. Targeting can also create stigmatisation, especially if eligibility is restricted to a small minority of potential beneficiaries; this issue will also need to be considered when discussing the introduction and the operational procedures for targeting. Box 4 suggests alternative criteria for use in targeting programmes, all of which are based on household income, including family support.

**Box 4. Targeting Criteria for Pro-poor Health and Education Programmes**

| 1. Applicant is currently in receipt of Public Assistance – c. 2,200 individuals and households. |
| 2. Applicant has income/ expenditure below the indigence line (c. $2,000 per annum for an adult but considerably less for a child (see. 3.3.2) - this would approximately quintuple the number of beneficiaries to over 10,000\(^71\). |
| 3. Applicant has income/ expenditure below $2,740, i.e. the indigence line + a small component for essential non-food expenditure (see 3.4.1) – this would further double the number of beneficiaries. |
| 4. Adopting the criteria used by other agencies, e.g. CCF which currently assists around 15% of all households in Dominica. |

Ideally, the third criterion should be adopted as this group will be considered severely poor under most criteria. The current economic situation is however likely to preclude its adoption in the short- and medium-terms. In these circumstances, sliding scales should be considered as follows:

- Current PA recipient – 100% exemption.
- Income less than indigence line – 50-75% exemption.
- Income above indigence line but below $2,740 per capita – 25-50% exemption.

\(^71\) This would be the number of beneficiaries for a general health programme. The number of beneficiaries for an education programme would be much lower as eligibility would be confined to school age children.
Priority actions relating to existing programmes are described below. They are listed sectorally.

(a) **Health**  
**Action HE1: Maintain free immunisation programme and current decentralised distribution of health facilities**

Good health is a cornerstone of a sustainable society. It also ranks highly amongst the concerns of the poor when it is lacking. The current health situation in Dominica is favourable. It must be maintained. These are critical components of the health care system in Dominica.

**Action HE2: Examine the Feasibility of introducing user charges for some health services with exemptions for the poor**

Pressures on government finances will threaten the current highly subsidised system where the proportion of user charges recovered is so low. The introduction of some health charges with exemptions for the poor would maintain the sustainability of health care services for the whole population. This applies particularly to Princess Alexandra Hospital which is responsible for over 40% of total health spending. Although user charges exist for this establishment, the collection rate is low and the amount recovered represents only around 10% of the hospital’s total spending.\(^{72}\)

**Action HE3: Secure participation in OECS Drug Procurement Programme**

This programme has proved successful in reducing drug costs in other OECS countries. Participation in this programme will improve the cost effectiveness of Dominica’s health service by reducing the cost of one of its key components.

(b) **Education**  
**Action ED1: Maintain the Education Trust Fund, School Feeding and Textbook Programmes**

Education is a necessary condition for the creation of a successful and sustainable society. Many Dominicans have problems finding the finance necessary for their children to attend school\(^{73}\). These programmes are targeted at the poor and are welcomed by teachers and

\(^{72}\) See World Bank, Aide-Memoire, op. cit.

\(^{73}\) Half of Dominica’s children live in poor households; of these just under half are in indigent households.
parents alike. Without them attendance rates would fall significantly. If children are not provided with basic education, their ability to develop a sustainable livelihood and to contribute to overall society is, at best curtailed, at worst it is fatally compromised. Children represent the future, they must be given a good start.

**Action ED2: Review the existing distribution of primary schools**

In the context of small class sizes, falling school rolls (primary school enrolment is likely to fall by around 20% in the next 5 years\(^{74}\)) and the pressure on education expenditures, this review could result in a more cost effective distribution of primary schools and teachers.

As a first step, the current distribution of primary schools should be plotted along with their enrolments. Next, schools with pupil teacher ratios below 25 or class sizes below 20\(^{75}\) would then be highlighted. Opportunities for rationalisation could then start to be identified by assessing the relationship between these schools and adjacent schools taking into account the ease of access from one to the other. Issues to be taken into account in this exercise must include the additional transport costs likely to be involved (at present, around 2/3rds of children walk to their primary school), the capacity of ‘merged’ schools to accommodate the increased enrolment and the redeployment of teaching staff.

**Action ED3: Establish ad hoc committee involving government and NGOs responsible for education programmes**

Government and NGO experience in pro-poor education programmes should be shared so as to improve targeting and cost effectiveness, identify priorities and co-ordinate funding requests in the context of reduced government expenditure and increasing demand for education-related assistance. The presence of CCF is critical to the success of this workshop as they assist more households (over 3,500) than any other agency; they also hold detailed records of their beneficiaries. Agenda items for the initial meeting would include:

\[?\] Brief descriptions of each programme: number of beneficiaries, costs, selection criteria, number of rejected applications (and reasons), potential for improvements, ‘security’ of funding.

\[?\] General discussion as to how programmes could be improved and/or made more cost effective including inter-agency collaboration.

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\(^{74}\) From SLC: number of 0-4 year olds is 78% of that of 5-9 year olds.

\(^{75}\) As suggested by the World Bank, Aide Memoire, op. cit.
Targeting: discussion of advantages and disadvantages of introducing targeting for SFP and TBS, and revising criteria for programmes that are already targeted (e.g. ETF).

Actions: e.g. preparation of targeting proposals, preparation of applications for external funding (including specification of necessary beneficiary research).

Time-tabling: establishing a time-bound programme for the preparation of action proposals.

(c) Infrastructure / Housing

**Action INF1: Prioritise maintenance activities for water and roads**

Safe water and good roads are essential for the economic and physical health of the country. Current networks cover the majority of the population. The maintenance of these networks is an absolute priority. Prolonged neglect of maintenance requirements can result in their complete disintegration. Necessary expenditure on the maintenance of water treatment works, distribution networks and roads therefore needs to be ‘ring-fenced’ from any cuts.

**Action INF2: Reinstate standpipes in areas where significant numbers of households do not have individual supplies or are being disconnected for non-payment of bills.**

Safe water is a basic human right and its absence reduces the quality of life, and increases the risk of ill health infections – 27% of households rely on standpipes around half of whom are poor or indigent households. Priority should be given to reinstating/ installing standpipes in areas where the incidence of house connections is low.

(d) Other Social Sectors

**Action OS1: Establish ad hoc committee involving government and NGOs responsible for assistance to vulnerable groups**

Similar to ED4. There are numerous agencies (Government and NGO) providing assistance to vulnerable groups. Funding pressures are likely to increase in the short-term. The rationale for this committee is to provide an institutional mechanism to evaluate current programmes, identify priorities, discuss options for pooling resources, making existing programmes more cost effective and replicating those which are most effective. Given the number of programmes involved, meetings should, in the first instance, be assigned to particular groups, e.g. family and gender issues, children and the elderly. The Ministry of Community Development and Gender Affairs would be the lead organisation in all cases but NGOs and other agencies would attend depending on their specialisation, REACH for the elderly,

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76 For instance, as occurred with the water supply system in Georgetown, Guyana.
6.3.4 New Initiatives

This group of priority actions are, for the most part, designed to improve the conditions of those currently living in poverty and to reduce the potential causes of future poverty. They are termed ‘new’ initiatives as they do not represent current programmes. Several have however been under consideration for some time and / or reflect current policies as set out in departmental strategy documents. Available finance for these initiatives is likely to be limited. Accordingly, the majority involve the implementation of studies, reviews, awareness campaigns and tasks that could be undertaken using existing staff resources. They are nonetheless all considered to merit a high priority. The proposed actions are categorised sectorally.

(a) Health

Action NewH1: Develop intense public awareness campaign relating to HIV/AIDS, teenage pregnancy and condom usage

HIV/AIDS is not yet a serious problem in Dominica although the evidence from other Caribbean countries is that it could become one unless prompt action is taken. The economic, social and human consequences are potentially devastating. Teenage pregnancies are significant and an acknowledged cause of poverty. There should therefore be an intense public awareness campaign about HIV/AIDS and unprotected sex targeted at adolescents and young adults by focussing on bars and discos as well as the general media. Associated with this campaign would be a review of the availability of contraception (condoms) and whether these are available when they are most needed, e.g. after parties and discos.

It is recognised that there may well be conflicts between the explicitness of the proposed campaigns and the attitudes of some organisations, e.g. the churches, and parents. This may be unavoidable but it points to the need to both involve and educate these groups at the same time as the sexually-active are being targeted. Unless one believes that one can reduce teenage sexual activity, such explicitness is inevitable if a major effort is to be made to reduce the incidence of unwanted pregnancies (especially amongst the young), sexually-transmitted diseases and HIV/AIDS.

In developing this programme, reference could be made to two initiatives currently being formulated by CAREC (a Knowledge, Attitudes, Behaviour and Practices study to inform the National AIDS Programme’s future health activities, messages and campaigns, and an “eductainment” project that uses theatre and music as a means to provide HIV/AIDS
However, recent reports from Barbados suggest that this softly softly approach may not be effective and that more aggressive tactics may be required. In Barbados, evidence suggests that unsafe sexual practices are continuing despite a high degree of HIV/AIDS awareness. This ‘disconnect’ has to be resolved. In this context, African initiatives should be examined for their relevance in the Caribbean: amongst these are the loveLife programme in South Africa and Uganda’s, less explicit, strategy of changing community of sexual behaviour. It is therefore strongly recommended that TV documentaries on the impact of the AIDS situation in Africa be obtained and shown in schools with the message that this could happen here if sex is carried out unprotected. Another approach to be considered is bringing in persons who are HIV positive or drug abusers to demonstrate the impact that these can have on their personal and social life.

This campaign should be developed by the Ministry of Health in consultation with NGOs such as the DPPA and church groups.

(b) Education

Action NewED1: Continue to implement the strategies of BERP2 with particular reference to curriculum development and expanding vocational/technical education

Not everyone is academically inclined nor does every job require advanced academic qualifications yet basic numeracy and literacy are critical in virtually any occupation. Current reviews of school curricula should be implemented so that school-leavers achieve an agreed minimum standard of literacy and numeracy.

A successful Technical Vocational Education and Training (TVET) programme is vital for the future development of the country. It will provide youth with the technical skills to gain employment, run businesses, operate equipment and deal with the needs of clients. It will also help achieve higher educational retention rates, especially of adolescent males. Courses at secondary and tertiary levels, should be geared to sectors such as building construction, vehicle repair, small scale cultivation, and IT. In the longer term, a dedicated vocational training facility could be constructed.

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77 The Nation, April 2003, Barbados

78 Guardian, 22 May 2003.
Action NewED2: Develop a programme for secondary school children to provide education in life skills and personal and societal responsibility

A number of problems that can lead to future impoverishment have their origins in adolescence, e.g. teenage pregnancy, substance abuse, educational under-achievement, physical abuse, lack of respect for other persons (inside or outside the family), anti-social behaviour, and crime. A co-ordinated programme of ‘life skills education’ aimed at older secondary school pupils should be introduced. It would include topics such as sex education, family planning and safe sex (use of contraception by both parties), nutrition and fitness, job hunting, communications skills, parenting, and social responsibility.

Concerning HIV/AIDS and sexual practices, a number of initiatives are being developed and are recommended as part of NewHE1 above. The Ministries of Health and Education should work together to incorporate the relevant elements of this campaign into the Life Skills curriculum.

Throughout these classes the emphasis has to be on raising adolescent awareness about the long term repercussions of their actions – the refrain needs to be ‘Whatever you do, think before you act’. Specialist training will be required as discussing several of these topics can cause embarrassment amongst pupils.

(c) Other Social Sectors


Public Assistance is the primary safety net for the poorest households. At present, the current level of Public Assistance is below the adult indigence line, current criteria exclude many indigent households (and are not available for scrutiny) and there is no legal basis for the welfare system as a whole. Addressing these shortcomings is of paramount importance even if the potential financial implications (Table 6.3) are such that implementation has to be delayed. Other actions are the re-drafting of the eligibility criteria to enable currently ineligible but needy households to access Public Assistance and the drafting of a new Welfare Act.

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79 Anecdotal evidence suggests that applicants for some semi-skilled jobs have little idea as to how to present themselves for interview.
Table 6.3. Financial Implications of Raising the Level of Public Assistance (indicative)

<table>
<thead>
<tr>
<th>AMOUNT OF PA</th>
<th>ELIGIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As at present</td>
</tr>
<tr>
<td><strong>Annual PA Requirement</strong></td>
<td></td>
</tr>
<tr>
<td>As at present*</td>
<td>$2,400,000**</td>
</tr>
<tr>
<td>Indigence line#</td>
<td>$3,300,000</td>
</tr>
<tr>
<td><strong>Increase in Annual Expenditure required</strong></td>
<td></td>
</tr>
<tr>
<td>As at present</td>
<td>$0</td>
</tr>
<tr>
<td>Indigence line</td>
<td>$900,000</td>
</tr>
</tbody>
</table>

* $100 and $85 per month for adults and children respectively.

** Estimated based on 2,200 beneficiaries of which half are children.

*** i.e. 10% of household, 15% of population.

# The cost of the minimum food basket, i.e.$.5.5 per day for an adult and assuming child equivalent is 0.5.

Source: Consultants’ Estimates.

**Action NewOS2: Initiate research and activities into male under-performance, disaffection and parental irresponsibility**

Male under-achievement at school, often followed by anti-social behaviour (e.g. vandalism, crime and drug abuse), has been identified as a growing concern in Dominica, as it has elsewhere. There is also a perceived unwillingness on the part of some males to take over some of the child rearing and household duties from their partners who are increasingly going out to work. To date, gender studies have largely concentrated on women. A research study that concentrates on male attitudes and perceptions (especially young adults) would assist in redressing the balance and reducing these problems in the future. This research must however be participatory in nature and action-oriented so that it both involves the young men and leads to the development of programmes that prevent their alienation from mainstream society.

**Action NewOS3: Prepare a funding proposal for the establishment of a facilities for young offenders**

A proposal for such facilities has recently been prepared by the National Children’s Home Juvenile Justice Reform Project. Funding for this project should be sought to cater for the absence of current facilities which results in young offenders either being ‘lost’ in jail or returning to the streets with no rehabilitative measures.
**Action NewOS4: Streamline procedures for child maintenance claims**

At present, the legal system is providing little assistance to parents trying to secure child support following family breakdowns. Lack of child support is a major cause of financial hardship and vulnerability to single parents. Measures should be drawn up which minimize the need for legal assistance, and provide effective enforcement and collection proceedings. Maximum publicity should be given to these proposals once they have been introduced. The maximum amount of maintenance payable also needs to be substantially increased as the current amount ($75 per month) is grossly inadequate. Successfully implemented, this proposal would reduce the pressures on the limited funds available for Public Assistance.

**Action NewOS5: Improve the operation of the magistracy**

The magistracy is the backbone of the legal system dealing with the great majority of all court proceedings. Yet it is under-resourced and is overwhelmed by a massive backlog of cases. Staffing levels should be improved and case backlogs reduced by all means possible (including withdrawing outdated criminal proceedings) so as to enable current cases to be efficiently dealt with. The small claims limit should also be revised upwards so as to increase the number of litigants who can seek resolution through the magistracy rather than the considerably more costly high court system. Along with Dominica’s participation in the CIDA-financed Legal Aid Project, these measures would improve access to legal services by the poor.

**Action NewOS6: Establish task force to review law related to families and children.**

Current laws are fragmented, often inconsistent and/or outmoded. This problem occurs throughout the Caribbean. The OECS is undertaking an initiative in respect of family law and a report dealing with child legislation has also been produced (see 5.8.5). These will provide a starting-point for the revision of Dominica’s laws.

**Action NewOS7: Examine Housing Land Delivery**

In several communities, the lack of land for new housing was identified as an important issue. Inadequate land delivery is also a major cause of squatting. An inventory of state land (including that held by government departments) should be compiled so that its suitability for housing can be ascertained. Options for the use of this land by low-income families, including sites and services and the sale of plots with minimal servicing, should then be formulated.
(d) Environmental Management

Action NewENV1: Maintain the ‘integrity’ of the national parks and forest areas

Dominica’s natural environment is one of the best in the world and represents an asset for nationals and foreigners alike. Substantial expansion of tourism will depend on this environment. It must be conserved at all costs. A continuous system of inspections and monitoring should be introduced so that areas of environmental degradation resulting from deforestation and/or slash and burn cultivation are quickly identified.

Perpetrators should then be visited with a view to developing sustainable approaches to natural resource use and using existing projects as models\(^80\).

6.3.5 Summary of Priority Actions

Table 6.4 contains a summary of the proposed priority actions. Many of these are not new programmes or policies. They are however considered to be those that are most urgently needed in order to achieve sustainable poverty reduction in Dominica. As previously mentioned, the Table omits some important programmes and projects as they are considered to be fully committed.

The reduction of poverty in Dominica is unlikely to occur in the short-term as the main economic proposals (EC1-5) can only be effective after some years. Furthermore, finance is unlikely to be available to revise the level of PA or widen eligibility criteria in the near future. Nevertheless, taken together, the proposals contained in Table 6.4 will, if implemented:

? Maintain the current, favourable, educational and health status, of the poor as well as the key water and highway networks that are so critical to the well-being and future development of the population as a whole; .

? Provide the foundations for sustainable poverty reduction in the medium and long terms.

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\(^{80}\) Existing projects are listed in Section 5.9.
Table 6.4. **Priority Poverty Reduction Actions**

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>Ref.</th>
<th>ACTION</th>
<th>Responsible Agency(ies)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Development / Job Creation</td>
<td>EC1</td>
<td>Promote agricultural diversification</td>
<td>Finance, Agriculture</td>
</tr>
<tr>
<td></td>
<td>EC2</td>
<td>Promote of micro and small businesses</td>
<td>Finance, NDFD, AID Bank</td>
</tr>
<tr>
<td></td>
<td>EC3</td>
<td>Establish permanent private-public forum for tourism development</td>
<td>Tourism, private sector operators</td>
</tr>
<tr>
<td></td>
<td>EC4</td>
<td>Identify and market potential sites for hotel development</td>
<td>Tourism, Lands, Public Works</td>
</tr>
<tr>
<td></td>
<td>HE1</td>
<td>Maintain immunisation programme and distribution of primary health care facilities.</td>
<td>Finance, Health</td>
</tr>
<tr>
<td>Maintenance, Rationalisation and targeting of Existing Programmes</td>
<td>HE2</td>
<td>Investigate feasibility of graduated health charges</td>
<td>Health, Finance</td>
</tr>
<tr>
<td></td>
<td>HE3</td>
<td>Secure participation in OECS Drug Procurement Programme</td>
<td>Health, Finance</td>
</tr>
<tr>
<td></td>
<td>ED1</td>
<td>Maintain government pro-poor education assistance programmes</td>
<td>Education, Finance</td>
</tr>
<tr>
<td></td>
<td>ED2</td>
<td>Review distribution of primary schools</td>
<td>Education</td>
</tr>
<tr>
<td></td>
<td>ED3</td>
<td>Establish committee on educational assistance programmes</td>
<td>Education, CDGA, NGOs (CCF)</td>
</tr>
<tr>
<td></td>
<td>INF1</td>
<td>Prioritise maintenance of water supply and road networks</td>
<td>Communications and Public Works, DOWASCO</td>
</tr>
<tr>
<td></td>
<td>INF2</td>
<td>Reinstatement of standpipes</td>
<td>DOWASCO</td>
</tr>
<tr>
<td></td>
<td>OS1</td>
<td>Establish committee on assistance programmes for vulnerable groups</td>
<td>CDGA, NGOs, Education, Health</td>
</tr>
<tr>
<td>New Initiatives</td>
<td>NewHE1</td>
<td>HIV/ AIDS/ Teenage Pregnancy Awareness Programme</td>
<td>Health, Education, CDGA, NGOs, Media</td>
</tr>
<tr>
<td></td>
<td>NewED1</td>
<td>Introduce curricula improvements and extend TVET</td>
<td>Education</td>
</tr>
<tr>
<td></td>
<td>NewED2</td>
<td>Introduce courses in life skills education</td>
<td>Education, Health, CDGA, NGOs</td>
</tr>
<tr>
<td></td>
<td>NewOS1</td>
<td>Review operation of welfare system</td>
<td>Welfare Division, Attorney General</td>
</tr>
<tr>
<td></td>
<td>NewOS2</td>
<td>Initiate research into adolescent and young adult males</td>
<td>Education, CDGA, NGOs</td>
</tr>
<tr>
<td></td>
<td>NewOS3</td>
<td>Prepare funding proposal for a facility for young offenders</td>
<td>Finance, CDGA, Education, NGOs</td>
</tr>
<tr>
<td></td>
<td>NewOS4</td>
<td>Improve operation of child maintenance system</td>
<td>Attorney General, BGA</td>
</tr>
<tr>
<td></td>
<td>NewOS5</td>
<td>Reform magistracy operations</td>
<td>Attorney General</td>
</tr>
<tr>
<td></td>
<td>NewOS6</td>
<td>Establish task force to review legal framework for families and children</td>
<td>Attorney General, Education, CDGA</td>
</tr>
<tr>
<td></td>
<td>NewOS7</td>
<td>Examine housing land delivery</td>
<td>Town &amp; Country Planning</td>
</tr>
<tr>
<td>Environ.</td>
<td>NewENV1</td>
<td>Maintain integrity of national parks and forests</td>
<td>Environment, CDGA, NGOs</td>
</tr>
</tbody>
</table>
6.4 Implementation, Monitoring and Resourcing

6.4.1 Implementation

It is anticipated that the recommendations contained in this report will be incorporated into the (I)PRSP that is now in preparation. The (I)PRSP will, after an extensive consultation exercise, contain GOCD’s overall development strategy, policies and programmes for the years to come. There is thus every reason to believe that a substantial proportion of these proposals will be implemented. Furthermore, the NAT co-ordinator has indicated that the NAT will continue to function, not necessarily in its present form, but with a similar membership, as a standing committee involved in matters related to poverty reduction such as (I)PRSP formulation, promotion of the proposals contained in this report and the development of monitoring indicators.

However inclusion of these proposals in the (I)PRSP is one thing, their actual implementation is another. It is considered that many of the proposed actions could be implemented over the next two to three years:

? They do not, for the most part, require substantial expenditure and could be accomplished by current personnel as part of their normal duties;

? They involve the maintenance of existing programmes and increasing the effectiveness of these through rationalisation and improved targeting;

? They are aimed at securing assistance from overseas donors (see 6.5 below) or represent the preparation of medium and long term programmes;

? They involve a number of different agencies thereby reducing the pressure on any single agency.

Successful implementation of these proposals will require:

? The designation of a unit, e.g in the Prime Minister’s Office or the Ministry of Finance, charged with implementing the proposals contained in this report. The constitution of this unit could be based on the current NAT membership.

? The involvement of many government and non-government organisations.

? A much increased degree of inter-agency co-ordination and co-operation, especially between government agencies and NGOs.

? The establishment of inter-sectoral ad hoc committees to tackle key social issues such as HIV/AIDS and unsafe sexual practices, male adolescent under-achievement and anti-social behaviour, assistance to vulnerable women and families

? A willingness to set priorities and re-evaluate existing programmes leading to their rationalisation.
Improved targeting and the introduction of targeting into programmes where none now exists.

The preparation of thorough and convincing proposals for external funding agencies.

Commitment at the highest level of government to these processes

Assistance from international donors.

It is only by carrying out the above measures that Dominica will be able to effectively and efficiently reduce the level of poverty.

6.4.2 Monitoring

Monitoring of both the social and economic evolution of the island as a whole and of targeted poverty reduction programmes is essential. Effective monitoring is best achieved through the identification of relatively few, easily obtainable, key indicators using data routinely collected by government agencies rather than by continually undertaking sample household surveys which are resource hungry and are often seen as unnecessarily intrusive. The Central Statistical Office is responsible for government statistics. However it is hampered by limited resources, in particular when it comes to undertaking primary data collection. Emphasis should therefore be given to obtaining relevant information held by other government departments and NGOs, collating these data and providing the results to policy makers:

The replication of the SLC is unlikely to be feasible in the near future due to the absence of funds and technical personnel. Alternative means of monitoring overall trends therefore need to be developed. Data on PA and CCF (the largest pro-poor programmes now operating) will be invaluable in this respect. However, it is recommended that an annual programme of school surveys (children are disproportionately affected by poverty) be established. These surveys should use a combination of questionnaire surveys of schoolchildren (which take no more than an hour per class).

We therefore recommend that the proposed inter-agency committees and working groups should, as part of their remit, develop a limited number of key poverty-related indicators that can readily be derived from the information that they routinely compile (see Box 5).

The quantitative indicators should be supplemented by annual workshops of relevant agencies to discuss perceived poverty-related trends and panel discussions with teachers, health personnel and community development officers working in the communities.
Box 5. Potential Indicators for Poverty Monitoring

1. Health: incidence of malnutrition, water-borne diseases, HIV/AIDS and STD’s (by age group).
2. Education: school non-attendance, applications received for ETF including numbers approved and reasons for non-approval.
3. Welfare: applications for PA received, approved and refused (and reasons for refusal) classified by type of applicant, e.g. elderly, disabled, single parent household, etc.
5. NGOs: number of beneficiaries.
6. Utility disconnections: incidence of long-term (e.g. 3 months) non-payment of bills and disconnections, categorised by community (from DOMLEC and DOWASCO).

When collated this information would serve the following purposes:

? To disseminate to government departments with responsibility for some of the proposed poverty reduction programmes.
? To monitor the socio-economic evolution of the island and, in particular, trends in poverty.
? To provide quantitative justification in applications for donor assistance.

6.4.3 Resourcing

Accurate resourcing of the above programmes cannot be done at this stage as, in most cases, investigation will be necessary to develop the programmes, to evaluate the impacts of the programmes on the poor, to identify costs and to assess financial and economic feasibility. It is generally anticipated that these investigations would be undertaken by government officials as part of their ongoing duties and would thus have negligible short-term financial implications. Given the current financial situation, no additional recruitment has been assumed unless specialist expertise is required. Several of these programmes will have longer-term financial implications related to the implementation of recommendations arising from these investigations.

Resourcing is also complicated by the necessary emphasis on maintaining existing programmes. There is already intense budgetary pressure on these programmes. The 2002/3 budget was a deficit budget and indications are that the 2003/4 budget will necessitate further cuts. Pressure on these programmes will thus increase. Yet, given that poverty is likely to increase in the short-term, there is a clear demand for their expansion. Some savings should come from the rationalisation and targeting measures but it is almost certain that the maintenance of these programmes will require cuts in other areas of government expenditure.
The costs of these programmes cannot therefore be assessed although reference is made to current costs where these are available.

The financial implications of increasing the level of public assistance have been estimated (Table 6.3) as have those where outside expertise will be required.

Bearing the above in mind, Table 6.5 provides an assessment of the short-term financial implications of the priority actions proposed in Table 6.4.

**Table 6.5. Financial Implications of Priority Poverty Reduction Actions (indicative)**

<table>
<thead>
<tr>
<th>Ref.</th>
<th>ACTION</th>
<th>Financial Implications</th>
<th>Cost estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>EC1</td>
<td>Promote agricultural diversification</td>
<td>Recruitment of afro-marketing expert.</td>
<td>US$100,000**#</td>
</tr>
<tr>
<td>EC2</td>
<td>Promotion of micro and small businesses</td>
<td>Needed for outside expertise over a two year period</td>
<td>US$150,000* per annum for 2 years.</td>
</tr>
<tr>
<td>EC3</td>
<td>Establish permanent-private-public forum for tourism development</td>
<td>None – any expenditure would be obtained by redirecting existing funds.</td>
<td>None</td>
</tr>
<tr>
<td>EC4</td>
<td>Identify and market potential sites for hotel development</td>
<td>None for study of potential sites but needed for significant for tourism expert and marketing.</td>
<td>US$45,000 (3 months at $15,000 per month)* + US$25,000 for marketing.</td>
</tr>
<tr>
<td>HE1</td>
<td>Maintain immunisation programme and distribution of primary health care facilities.</td>
<td>Existing programmes.</td>
<td>Not applicable</td>
</tr>
<tr>
<td>HE2</td>
<td>Investigate feasibility of graduated health charges</td>
<td>None unless done by outsider.</td>
<td>US$16,000** (if done by outsider) (2 months at US$8,000 per month)</td>
</tr>
<tr>
<td>HE3</td>
<td>Secure participation in OECS Drug Procurement Programme</td>
<td>Would produce net savings</td>
<td>Not applicable</td>
</tr>
<tr>
<td>ED1</td>
<td>Maintain government pro-poor education assistance programmes</td>
<td>Existing programmes. Current annual costs of TBS, ETF, and SFP are $180,000, $45,000, and $50,000 (for administration only) respectively but these may be inadequate to maintain these programmes and provide negligible scope for their expansion.</td>
<td></td>
</tr>
<tr>
<td>ED2</td>
<td>Review distribution of primary schools</td>
<td>None – would be done internally. Likely to result in savings.</td>
<td>None</td>
</tr>
<tr>
<td>ED3</td>
<td>Establish committee on educational assistance programmes</td>
<td>None.</td>
<td>None</td>
</tr>
<tr>
<td>INF1</td>
<td>Prioritise maintenance of water supply and road networks</td>
<td>From existing budgets.</td>
<td>None</td>
</tr>
<tr>
<td>INF2</td>
<td>Reinstatement of standpipes</td>
<td>Would be part of normal duties but could increase water usage in some areas.</td>
<td>Not assessed</td>
</tr>
<tr>
<td>Ref.</td>
<td>ACTION</td>
<td>Financial Implications</td>
<td>Cost estimate</td>
</tr>
<tr>
<td>------</td>
<td>--------</td>
<td>------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td>OS1</td>
<td>Establish committee on assistance programmes for vulnerable groups</td>
<td>None.</td>
<td>None</td>
</tr>
<tr>
<td>NewED1</td>
<td>Introduce curricula improvements and extend TVET</td>
<td>Some re-training of teaching staff may be required as well as equipment.</td>
<td>Not assessed.</td>
</tr>
<tr>
<td>NewED2</td>
<td>Introduce courses in life skills education</td>
<td>None unless overseas staff re-training required.</td>
<td>Not assessed but unlikely to be significant.</td>
</tr>
<tr>
<td>NewOS1</td>
<td>Review operation of welfare system</td>
<td>Initial review would cost little but outside expertise would be required to draft new legislation and annual costs of raising PA and increasing eligibility could exceed $10 million annually (see Table 6.3).</td>
<td></td>
</tr>
<tr>
<td>NewOS2</td>
<td>Initiate research into adolescent and young adult males</td>
<td>Say 50 case studies/ focus groups @ $50 each +$2,500 for analysis and reporting</td>
<td>$5,000 (over and above staff–time).</td>
</tr>
<tr>
<td>NewOS3</td>
<td>Prepare funding proposal for a facility for young offenders</td>
<td>None for study and proposal but eventual cost would be significant.</td>
<td>Not assessed</td>
</tr>
<tr>
<td>NewOS4</td>
<td>Improve operation of child maintenance system</td>
<td>None unless additional staff can be hired. Should eventually be self-financing and reduce pressure on PA.</td>
<td>None</td>
</tr>
<tr>
<td>NewOS5</td>
<td>Reform magistracy operations</td>
<td>None unless additional staff can be hired.</td>
<td>None (no additional staff assumed)</td>
</tr>
<tr>
<td>NewOS6</td>
<td>Establish task force to review legal framework for families and children</td>
<td>None unless outside expertise required for legal drafting.</td>
<td>US$24,000** (if outsider hired) (3 months at $8,000 per month)</td>
</tr>
<tr>
<td>NewOS7</td>
<td>Examine housing land delivery</td>
<td>None for study. Eventual costs would depend on preferred approach and degree of subsidy.</td>
<td>None</td>
</tr>
<tr>
<td>NewENV1</td>
<td>Maintain integrity of national parks and forests</td>
<td>None for monitoring but could be substantial for projects that could ensue.</td>
<td>Not assessed</td>
</tr>
</tbody>
</table>

* Expertise unlikely to be available within the Caribbean; assumed annual rate - $75,000.

# Includes allowance for expenses.

** Expertise likely to be available in the Caribbean.
6.5  **External Assistance**

6.5.1  **General**

Dominica is already fortunate in the extent of financial and technical assistance for pro poor programmes received from overseas both to government and NGOs and from a wide variety of sources – international and regional lending organisations (e.g. CDB, IMF, World Bank, EU, UN), bilateral agencies (e.g. DFID, CIDA, USAID) and charities (e.g., SAVE, CCF). There is every likelihood that assistance will continue to be received in the future provided that:

- Funding proposals are framed explicitly within the macro-economic and policy contexts of the PRSP.
- Funding proposals are clearly targeted, show clear benefits in terms of economic growth and / or poverty reduction, where possible build on current demonstrably effective programmes, and are supported by government and beneficiaries alike.

It is also to the good that the proposed priorities emphasise programmes, institutions and capacity building rather than physical projects as this is the trend amongst several agencies, e.g., DFID. Accordingly, it is considered that assistance should be sought primarily for **Technical Assistance and Programme Assistance**.

6.5.2  **Technical Assistance**

Priority areas for obtaining external funding for technical assistance are:

- Financing of international agro-marketing expert – the number one priority
- Financing of international tourism consultant
- Financing of small business development unit
- Redrafting of welfare legislation
- Review of health care financing
- Given the Caribbean-wide extent of issues related to HIV/AIDS/ teenage pregnancy and male disaffection, the following issues should be part of an OECS (or CARICOM) programme:
  - Investigations into the needs and aspirations of young men
  - The formulation of a curriculum for life skills education in schools.
6.5.3 **Programme Assistance**

Priority areas for obtaining programme aid from foreign donors are:

- Support for **pro-poor education programmes** is already being obtained, by government and NGOs, from a variety of external donors. Every attempt should be made to increase this assistance.

- Support for the strengthening of safety nets through increases in the level and scope of Public Assistance.

Even with substantial rationalisation, GOCD will have difficulty maintaining these programmes, let alone expanding them to accommodate current and future demand. In this situation, programme assistance from international donors will be essential in maintaining and improving the conditions of the poorest families in Dominica.

6.6 **Concluding Remarks**

At first sight, the proposed priority poverty reduction actions presented above may appear modest in scope – there is little capital expenditure, many of the programmes are ongoing and have a range of committed government and non-government agencies to implement them.

But these proposals do not constitute a modest programme. The government may remain in a fiscal deficit situation putting increasing pressure on existing pro-poor programmes and the implementation of new initiatives. Simultaneously economic hardship will increase adding to the demands on these programmes. Dominica is also unlikely to escape other regional social trends such as single parenthood, HIV/AIDS, disaffected youth and the abandonment of the elderly; these too will increase poverty unless they are checked.

In this context, poverty reduction in Dominica in the short and medium terms represents a major challenge. This challenge will require substantial institutional change and flexibility in terms of:

- Increased co-operation between government and NGOs in education and social programmes leading to the pooling of resources and a reallocation of responsibilities between these two sectors as well as a co-ordinated approach in preparing funding proposals for external assistance;

- Allocations of government funding that play to the strengths of programmes operated by the government and NGOs;
Reductions in areas of government expenditures not shown to be effective in either economic growth or poverty reduction in order that existing health and education programmes can be maintained;

The increased involvement of local communities and the public in decision-making.

Above all it will require committed political leadership willing and able to implement these changes. The recent budget address has started this process. Preparation of the PRSP with its participatory requirements will continue it. Implementation of the proposed actions will be the next stage in the process of putting Dominica on the road to long-term sustainable development.
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