65+ AGE GROUP

Table A-7 presents the detailed distribution of males and females by five-year age groups, while Table A-8 gives the distribution of the household members in the male-headed households and female-headed households, respectively.

SLC 96 showed the individuals in the age group 65 years and above being 8.1 per cent of all household members compared to 7.7 per cent in 1995 (Table 1.1c). Individuals in this age group formed 3.7 per cent among males and 4.5 per cent among females. The share of the elderly was the highest in the Rural Areas at 8.7 per cent among the males and 9.8 per cent among the females. Other Towns was next with 7.5 per cent among the males and 8.9 per cent among the females and KMA was last, with 5.3 per cent among the males and 7.3 per cent among the females.

The estimates for the 60+ age group followed the same pattern but with slightly higher percentages because of the larger sample size. They were 10.4 per cent of all household members in 1996, and 11.4 per cent in 1995.

The elderly constituted 8.5 per cent of the membership of male-headed households and 7.7 per cent of female-headed households. On the other hand, 20.8 per cent of all the household heads were from this age group; forming 19.3 per cent among the male heads and 22.8 per cent among the female heads (Table 1.5). Some of these individuals were principal earners in their households and, for these households, 41.8 per cent of their earnings were derived from farming. Mixed crop farming was the most frequent occupational activity among these farmers at 37.0 per cent. Among the elderly male household heads who were principal earners, 44.7 per cent were mixed crop farmers compared with 25.3 per cent of the elderly who were female household heads.

Government provides assistance for persons who are incapacitated or who earn little or no income through a public assistance programme. Needy persons who may or may not be institutionalized, are granted assistance through a poor relief programme. SLC 96 showed that 22.6 per cent of the household heads falling in the 65+ age group received some government assistance in the form of public assistance or poor relief.

There were other households in which the principal income was in either of the two forms of government assistance mentioned above. These households constituted 3.2 per cent of all households headed by an elderly person. Pension, savings or property income, and remittances were other forms of principal income for 32.1 per cent of these households. Pension accounted for 11.7 per cent, savings or property income 6.9 per cent, and remittances 13.6 per cent.

Few elderly people can fully support themselves from their current income. SLC 96 showed the mean per capita annual consumption expenditure - a proxy for income - to be $43,050.00 for Jamaica, $55,460.00 for KMA, $44,126.00 for Other Towns, and $34,352.00 for Rural Areas, which has the largest concentration of old people. These estimates, when deflated to 1990 prices, show a 5.1 per cent decline for Jamaica overall, 10.1 per cent and 11.0 per cent decline for KMA and Other Towns, respectively, and a 2.5 per cent increase for Rural Areas. However, in 1995, the Rural Areas estimate had increased by 5.5 per cent over the 1990 estimate, signalling that the rate of increase declined in 1996.

As mentioned earlier, the elderly population has been the fastest growing population over the period 1970 to 1996 (Table 1.1b). With this rate of increase, it will take approximately 35 years for the proportion of 65+ years to double. This means that in the year 2031, the share of the elderly should be 16.2 per cent, *ceteris paribus*.

The implications here are noteworthy for this young population. Much consideration has to be given to the nature of the policies that will have to be implemented to meet the needs of the older population and to lessen the economic burden of the productive population. Social policy makers need to take a serious look at our social security system for the elderly and recognize that because of the broad diffusion of medical knowledge and declining fertility, the elderly 65+ years as a share of the population is increasing much faster for Jamica and other developing countries than it did for the industrial countries at what might be considered a corresponding stage of development."[3]

Indeed, as the SLC data show, many of our elderly depend on income from the land, remittances from friends and relatives, or government assistance of one form or another, whether it be public assistance, poor relief or food stamps. It means, therefore, that we need to take a more detailed look at our national pension scheme, and our welfare programmes with a view to addressing the erosion of their purchasing powers. Additionally, we need to introduce saving schemes which will encourage people to save for their golden years and relinquish the age old practice of

[3]World Bank (1994), Averting the Old Age Crisis, Washington DC: Policy Research Report, New York: Oxford University Press, page 1- Overview.

relying solely on their offsprings for support in those years.

AGE PROFILE BY REGION

In 1995, and in the earlier years, Rural Areas had the largest proportion of children 0-14 years (37.0 per cent) and elderly persons 65+ years (9.0 per cent) among the three regions of SLC classification. These two population groups formed 35.2 per cent and 8.1 per cent in the Kingston Metropolitan Area (KMA) and 35.1 per cent and 8.3 per cent in Other Towns, respectively (Table A-8).

Table 1.1c shows a statistically significant increase in the proportion of children in the KMA from 1993 to 1996 and a corresponding decline in the proportion of the working age (15-64 years) population for the same period. On the other hand, while there have been no statistically significant changes in the proportion of these populations in Other Towns and Rural Areas during this period, the share of the elderly, 65+ years, in each of these two areas has shown statistically significant changes. In Other Towns, the share of the elderly has increased over the three year period from 6.0 per cent to 8.3 per cent, and in the Rural Areas it has declined from 10.6 per cent to 9.0 per cent. Despite these regional changes, the overall age profile for Jamaica for this period has not changed significantly.

The KMA showed some interesting changes for the three age groups during 1995 to 1996. The proportion of working age and elderly populations showed statistically significant changes for this period. SLC 95 showed the proportion of working age individuals and 65+ individuals to be 61.6 per cent and 5.7 per cent, respectively, whereas SLC 96 showed these proportions to be 56.7 per cent and 8.1 per cent, respectively. Although the proportion of children in this area increased by 2.4 percentage points in SLC 96, this was not a statistically significant change.

A detailed look at the sample size for each of the three regions during this period is instructive. For SLC 95 and SLC 96, KMA had the largest reduction (12.2 per cent) in sample dwellings for 1996 with the working age population in these dwellings showing the largest percentage decline (8.0 per cent). However, the number of elderly individuals increased. In this context, it is relevant to mention that the sample dwellings in SLC 95 are identical to those in SLC 96 (See Appendix I for sample design).

The differences observed in the estimates for SLC 96 from those of SLC 95 are a reflection of both typical and atypical changes in the sample households and the environment. There have been intermittent, and at times persistent, violent activities in the KMA since 1995 which has had the effect of contributing to a higher non-response rate for KMA in SLC 96. Section VIII of Appendix I documents the non-response rates for these surveys since 1990 and also points to the effect violent activities have had on these rates for the 1995 and 1996 surveys. Whereas in 1995, the non-response rate for Jamaica was 20.8 per cent, with KMA accounting for 37.0 per cent of this amount; in 1996, the corresponding rates were 24.2 and 41.1 per cent respectively. As mentioned in the Appendix, non-interviews falling in the category Other Reasons - primarily violent activities - were also higher in SLC 96 being 19.0 per cent of all the non-responses versus 6.1 per cent in SLC 95. For KMA, non-interviews due to Other Reasons were 39.8 per cent and 7.5 per cent of all the non-responses for the region in SLC 96 and SLC 95, respectively. The violence in these areas has resulted in an increase in the number of non-interviews of households and this, no doubt, is what is reflected in the SLC 96 estimates for KMA.

As the population ages, social policy makers normally revisit the question of how best to cater for individuals 65 years and over who tend not to be fully self-reliant economically even when in gainful employment. In considering this question, it is also necessary to note that the working age population is increasing at 0.5 per cent per annum. In the long run, the best way to ensure an adequate capacity to cater for the needs of the elderly is to increase the productivity of the working population, especially by expanding and improving employment options. The last Business Behaviour Survey done jointly by the PSOJ and USAID in 1994 reported that firms believed that the main impediments to expanding employment were labor and labor-related issues such as the quality of labour, tardiness, literacy problem, numeracy problems, poor work habits, labour's tools, and inadequate entry skills.[4]

[4] PSOJ/USAID (1994), Business Behaviour Survey.

TABLE 1.1c
AGE PROFILE OF POPULATION BY AREA (PERCENTAGES), 1993-1996

YEAR	SOURCE	AGE GROUPS (YEARS)											
		KMA			OTHER TOWNS			RURAL AREAS			JAMAICA		
		0-14	15-64	65+	0-14	15-64	65+	0-14	15-64	65+	0-14	15-64	65+
1993	SLC	31.1	61.8	7.2	36.5	57.6	6.0	37.4	51.9	10.6	35.3	56.2	8.6
1994	SLC	30.1	62.2	7.7	34.6	58.4	7.0	37.0	53.0	10.0	34.4	56.9	8.7
1995	SLC	32.8	61.6	5.7	34.4	58.4	7.2	37.3	53.6	9.2	35.4	57.0	7.7
1996	SLC	35.2	56.7	8.1	35.1	56.6	8.3	37.0	54.1	9.0	35.2	56.7	8.1

TABLE 1.2
HOUSEHOLD COMPOSITION, JAMAICA, 1990-1996

Survey	Mean household size	Mean number of		
		Adult males	Adult females	Children
SLC 90	3.9	1.2	1.3	1.4
SLC 91	3.9	1.2	1.4	1.3
SLC 92	3.9	1.2	1.3	1.3
SLC 93	3.8	1.2	1.3	1.3
SLC 94	3.7	1.2	1.3	1.3
SLC 95	3.8	1.2	1.3	1.3
SLC 96	3.8	1.2	1.3	1.3

Note: the difference in totals and mean household size are due to rounding.

One important subgroup which has some of these characteristics and therefore tends to benefit the least from expanding job opportunities is Out-of-School population (i.e., 12 - 18 years) of which only 54.4 per cent were exposed to some upper secondary education (Table E-6). Policy makers should keep in view the recommendations made in the Education Chapter of this Survey that studies be undertaken to determine the factors which contribute to early exit from the school system and to consequent unacceptable levels of literacy and numeracy, and ultimately employability. On that basis, and while recognizing the important role of HEART since 1982, it may be necessary to ploughed even more resources into the education of the young, particularly the Out-of-School population, to create a working age population that is better trained and more equipped to bear the economic burden of the increasing old-age dependents.

HOUSEHOLD SIZE

Between 1990 and 1996, mean household size and composition in Jamaica has been virtually constant, showing only marginal variations (See Table 1.2).

In 1990, the mean household size was 3.9 and in 1996 it was 3.8. The estimates for the mean adult males and females have been 1.2 and 1.3, respectively, since 1990. In the case of the mean number of children, this estimate was 1.4 in 1990. It declined marginally in 1991 to 1.3 and has remained constant since.

Household size by region

The regional pattern for mean household size remained almost the same in SLC 96 (Table A-4). This estimate was the largest at 4.0 members per household in the Rural Areas, followed by Other Towns and KMA, each with 3.7 members. KMA's estimate increased by one percentage point over that of SLC 95.

These figures reflect a small increase in the mean household size in KMA and Other Towns compared to those in 1994. The corresponding mean sizes in SLC 94 were 4.0 members in Rural Areas, 3.6 members in Other Towns, and 3.4 members in KMA.

DISTRIBUTION OF HOUSEHOLDS BY SIZE

According to SLC 96, the proportion of households with a single member, 2 to 4 members, and 6 or more members, were 21.0 per cent, 46.6 per cent, and 21.2 per cent, respectively (Table 1.3). These percentages showed no significant change over the corresponding percentages for SLC 95 and SLC 93. However, since 1975, there has been a marked decrease in the proportion of families with 6 or more members and a corresponding increase in the proportion of families with 1 to 4 members. There was a steady increase in single member households from 16.5 per cent of all households in 1975 to 21.0 per cent in 1993; in 1996, it was 21.0 per cent. The proportion of households with 2 to 4 members increased from 39.3 per cent in 1975 to 46.7 per cent in 1993. It has since hovered around this value, being 46.8 in 1994, 44.3 in 1995, and 46.6 in 1996.

TABLE 1.3
DISTRIBUTION OF HOUSEHOLDS BY SIZE, 1975-1996

HOUSEHOLD SIZE	1975 HES	1984 HES	1990 SLC	1991 SLC	1992 SLC	1993 SLC	1994 SLC	1995 SLC	**1996 SLC**
1	16.5	18.7	20.7	19.3	21.1	21.0	22.3	22.2	**21.0**
2	13.9	14.5	15.6	16.3	15.9	16.4	16.5	15.5	**17.0**
3	13.2	13.8	14.4	15.7	14.8	15.7	14.6	15.5	**15.3**
4	12.2	13.5	15.0	14.2	14.7	14.6	15.7	13.3	**14.3**
5	11.9	11.8	11.2	12.2	11.2	11.8	11.9	11.3	**11.3**
6	8.8	7.8	7.9	7.7	8.0	7.4	6.6	8.9	**8.4**
7	7.9	7.0	6.5	5.5	5.1	4.5	5.2	4.8	**5.1**
8+	15.6	12.8	8.7	9.1	9.2	8.7	7.4	8.4	**7.7**
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	**100.0**

For households with five members, the percentages have moved within the range of 11.2 to 12.2. The percentage was 11.2 per cent in 1990 and 11.3 in 1996. On the other hand, the proportion of households with 6 or more members declined from 32.3 per cent in 1975 to 19.2 percent in 1994; in 1996, it was 21.2 per cent.

In the three regions, the percentages of single member households were as follows: 19.1 per cent for KMA, 22.2 per cent for Other Towns and 21.7 per cent for Rural Areas (Table A-3). KMA had the largest share of households with 1 to 4 members at 71.3 per cent, followed by Other Towns with 70.3 per cent and Rural Areas with 63.7 per cent. Not surprisingly, Rural Areas, which had the largest mean household size, also had the largest share of households with 6 or more members, at 24.1 per cent. The corresponding percentages for Other Towns and KMA were 19.4 per cent and 18.3 per cent, respectively.

SEX OF HOUSEHOLD HEAD

In SLC 96, 1,824 households were analysed and 43.8 per cent of these households reported females as the head of the household (Table A-11). In 1995 and 1994, the figures were 44.0 and 44.2 per cent, respectively. Corresponding percentages for 1990 to 1993 showed a steady increase and are as follows: 41.5 percent in 1990, 42.3 per cent in 1991, 43.7 per cent in 1992, and 45.4 per cent in 1993. The increase in the proportion of females as head of households for the 1990 to 1993 period was statistically significant at the 5.0 per cent level of significance. However, the decline observed in this estimate since 1993 is not significant.

SLC 96 also confirmed the observation from the earlier rounds - that the households with females as head had a larger mean household size with more adult women and children than those with males as head (Table 1.4).

In 1996, the mean size of households with females as head was 4.2, compared to 3.6 for households with males as head. The mean number of adult males, adult females and children in female headed households during 1996 were 0.9, 1.7, and 1.6, respectively. In male-headed households, the corresponding numbers were 1.4, 1.0 and 1.2, respectively.

A closer look at the size distribution of these households revealed that male-headed households with only a single member (25.2 per cent) and with four or less members (70.8 per cent), outnumbered similar female-headed households (15.4 per cent and 63.4 per cent, respectively). On the other hand, females outnumbered their male counterparts by heading more households with 6 or more members (25.3 per cent and 18.2 per cent, respectively).

Tables A-9 and A-10 present the distribution of female-headed households according to the presence of a man or children or both. It is interesting to observe that 75.2 per cent of all female-headed households did not have a man (spouse) in the household while 44.5 per cent had children but no spouse in the household. Among the poorest households headed by females, 60.7 per cent had children without a spouse being present.

In 1996, households with females as head formed 52.2 per cent in KMA, 41.5 per cent in Other Towns and 37.6 per cent in Rural Areas.

TABLE 1.4
HOUSEHOLD COMPOSITION BY SEX OF HOUSEHOLD HEAD,1990-1996

SEX OF HEAD	SURVEY	MEAN HOUSEHOLD SIZE	MEAN NUMBER		
			ADULT MALES	ADULT FEMALES	CHILDREN
Male	SLC 90	3.8	1.5	1.1	1.2
	SLC 91	3.7	1.5	1.1	1.2
	SLC 92	3.8	1.5	1.1	1.2
	SLC 93	3.6	1.4	1.0	1.2
	SLC 94	3.5	1.4	1.0	1.2
	SLC 95	3.6	1.4	1.0	1.2
	SLC 96	3.6	1.4	1.0	1.2
Female	SLC 90	4.1	0.9	1.7	1.6
	SLC 91	4.2	0.9	1.8	1.5
	SLC 92	4.0	0.9	1.7	1.5
	SLC 93	4.1	0.9	1.6	1.5
	SLC 94	3.9	0.9	1.6	1.4
	SLC 95	4.1	0.9	1.7	1.5
	SLC 96	4.2	0.9	1.7	1.6

SINGLE GENDER HOUSEHOLDS

In the country as a whole, 18.4 per cent of all households contained only males, but 14.3 per cent of them were single member households (Table A-12). On the other hand, only 10.8 per cent of all households contained all females, comprising 6.7 per cent single member households and 4.1 per cent with two or more members. Both Rural Areas and Other Towns had equal shares of all-male households while all-female households were more numerous in KMA.

The percentages of single gender households progressively increased across the poorest to the wealthiest quintile. In the wealthiest quintile, the all-male households (mostly single member) formed as many as 35.5 per cent of all households, compared to only 5.7 per cent in the poorest quintile; while the all-female households formed 14.4 per cent of all households in the wealthiest quintile compared to 7.5 per cent in the poorest quintile.

AGE DISTRIBUTION OF HEADS OF HOUSEHOLDS

Table 1.5 shows the heads of households according to their sex and age groups in 1996, with corresponding percentages for 1995.

Overall, there are similarities in the age distribution of male and female household heads with only marginal variations occurring between 1995 and 1996. For 1996, 22.8 per cent of female heads belonged to the 65+ age group compared to 19.3 per cent in the case of male heads. This is not surprising, as females have a longer life expectancy than males. In Jamaica, 50.1 per cent of all household heads are under 44 years of age and 20.8 per cent are 65 and over years old.

TABLE 1.5
PERCENTAGE DISTRIBUTION OF HOUSEHOLD HEADS BY SEX AND AGE GROUPS, 1996

AGE GROUP (YEAR)	MALE HEADS		FEMALE HEADS		ALL HEADS	
	1995	1996	1995	1996	1995	1996
0-14	0.0	0.0	0.0	0.0	0.0	0.0
15-24	4.5	5.2	4.3	4.5	4.4	4.9
25-34	23.2	20.4	23.4	23.6	23.3	21.8
35-44	25.1	24.7	22.4	21.6	23.9	23.4
45-54	17.8	18.9	13.3	14.4	15.9	16.9
55-64	12.2	11.6	13.2	13.1	12.7	12.2
65+	17.0	19.3	23.4	22.8	19.8	20.8
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 1.6
HOUSEHOLD CHARACTERISTICS BY PER CAPITA CONSUMPTION QUINTILES, 1990 TO 1996

HOUSEHOLD CHARACTERISTICS	SURVEY	QUINTILE				
		POOREST	2	3	4	5
Mean Size	SLC 90	5.5	4.9	4.6	3.8	2.5
	SLC 91	5.7	5.0	4.3	3.7	2.6
	SLC 92	6.0	5.2	4.3	3.6	2.5
	SLC 93	5.5	4.9	4.4	3.5	2.4
	SLC 94	5.3	4.7	4.2	3.4	2.4
	SLC 95	5.9	4.8	4.5	3.5	2.4
	SLC 96	6.2	5.1	4.2	3.6	2.4
Percentage with Female as Head	SLC 90	47.7	42.5	42.5	42.9	34.2
	SLC 91	42.1	47.9	43.3	45.8	37.3
	SLC 92	44.1	46.9	46.4	41.0	38.9
	SLC 93	49.5	49.5	47.4	45.8	34.8
	SLC 94	55.0	48.4	41.9	40.9	35.3
	SLC 95	50.2	47.6	48.8	42.4	35.4
	SLC 96	49.3	50.7	44.8	44.1	33.0
Percentage with Single Member	SLC 90	6.0	12.0	11.7	16.5	39.3
	SLC 91	6.1	12.3	12.4	18.4	34.8
	SLC 92	8.5	8.6	12.2	18.9	38.7
	SLC 93	9.6	9.8	10.3	17.3	40.3
	SLC 94	8.9	14.0	12.2	18.4	39.9
	SLC 95	9.3	10.5	13.9	16.6	40.9
	SLC 96	7.9	7.6	12.8	14.9	40.8
Percentage with 2-4 Members	SLC 90	38.3	38.3	43.0	49.3	47.2
	SLC 91	29.1	40.2	46.7	47.3	52.2
	SLC 92	26.7	38.9	47.1	53.3	49.1
	SLC 93	27.7	41.9	49.4	55.6	48.2
	SLC 94	33.3	38.4	50.3	57.4	48.2
	SLC 95	25.7	35.8	42.7	55.7	49.0
	SLC 96	26.5	33.0	46.5	58.2	49.9
Percentage with 5+ Members	SLC 90	55.6	49.2	45.2	34.4	13.5
	SLC 91	64.8	47.5	40.9	34.3	13.0
	SLC 92	64.7	52.6	40.7	27.9	12.3
	SLC 93	62.7	48.2	40.3	27.1	11.5
	SLC 94	58.0	47.7	37.5	24.1	12.0
	SLC 95	65.0	53.7	43.4	27.7	10.2
	SLC 96	65.7	59.5	40.7	26.9	9.3
Percentage Household Members from:						
KMA	SLC 96	15.7	21.9	24.9	37.4	48.7
Other Towns	SLC 96	14.9	18.5	20.5	22.3	20.2
Rural Areas	SLC 96	69.4	59.6	54.7	40.3	31.1

HOUSEHOLD CHARACTERISTICS BY QUINTILE

Appendix II describes the method of dividing the members of the sample households into quintiles based on per capita consumption expenditure. Table 1.6 summarizes the important characteristics by quintiles. The table confirms the expected inverse relationship between the proportion of households with 5+ members and the quintile number, i.e., the lower the quintile number, the higher the percentage of households with 5+ members.

Moving from the poorest to the wealthiest quintile, the proportion of households with 2-4 members increased steadily, with most of these households falling in the fourth and fifth quintiles. Compared with 1995, the largest increase was observed in the third quintile, which moved from 42.7 to 46.5 per cent.

Single member households, which are more dominant in the wealthiest two quintiles, showed marginal decline in each quintile in 1996. Overall, the proportion of this group in the wealthiest quintile was approximately thrice that in quintile 4 and almost five times that in the poorest quintile.

The 1996 data also showed that the Rural Areas had the greatest proportion of household members in the poorest two quintiles, 69.4 per cent and 59.6 per cent, respectively. Conversely, KMA accounted for the largest proportion in the wealthiest two quintiles with percentages of 37.4 per cent and 48.7 per cent, respectively. Other Towns, however, showed relatively more evenly distributed proportions across quintiles.

CONCLUSION

Analysis of SLC 96 revealed the following baseline data about the population and allowed one to conclude:

1. Jamaica is passing through a period of demographic transition where this young population is aging at a moderate rate. The 65 years and over population is growing at a faster rate than the children and working age populations. Social policy makers therefore need to take a more detailed look at our national pension scheme and our welfare programmes with a view to addressing the erosion of their purchasing powers.

2. The working age population (15-64 years), needs to be better equipped to bear the economic burden of the increasing old-age dependents. The data show this population is growing at a rate of 0.5 per cent per annum and that 54.4 per cent of the Out-of-School population (12-18 years) have some degree of upper secondary education. Coupling these results with the findings of the less than acceptable levels of literacy and numeracy of the last Business Behaviour Survey by PSOJ and USAID, it must be concluded that more resources need to be ploughed into the education of the young to enable them to enter the labour market as employees competent in literacy and numeracy and having suitable entry skills.

3. The Kingston Metropolitan Area showed a statistically significant decline in the working age population in SLC 96 over that of SLC 95. At first glance one may attribute the decline to a greater proportion of this population leaving the region, however this is not so. Close scrutiny of the data shows the decline to be due to a higher non-response in KMA and this increase in non-response is as a result of increased violent activities during the survey year.

4. In terms of quintile distribution, the Rural Areas has the greatest proportion of household members in the poorest two quintiles, KMA has the largest proportion in the wealthiest two quintiles and Other Towns has the proportions almost evenly distributed across the quintiles.

Chapter 2

Household Consumption

INTRODUCTION

A household's consumption expenditure on goods and services is related to the amount of income that it has at its disposal. Hence, the Survey of Living Conditions (SLC), utilizes consumption expenditure as a proxy for income and continues to gauge the movement of income through its estimates of consumption and non-consumption expenditures. The consumption data also continues to have some relevance for government policy as it provides a possible basis for assessing the effects of particular government programmes and policies, such as structural adjustment, tight interest rate policies and poverty alleviation on the well-being of various groups in the society.

The format used for all SLC reports is to deflate the consumption estimates to the 1990 price levels. This process was also repeated for 1996 using the Consumer Price Index (CPI) series compiled by the Statistical Institute of Jamaica for Kingston Metropolitan Area (KMA), Other Towns, Rural Areas and All-Jamaica as the deflators. The CPI figures are compiled for major subgroups of commodities as well as for all groups of commodities put together. The All-Group index is a weighted average of the group indices, the weights being the percentage share of the group in the total consumption for the base period.

The constant price estimates of mean consumption by commodity groups are calculated using these group indices. With the exception of Personal Care and Health Care which are grouped together, and the Education and Recreation group which forms part of the Miscellaneous group, all the other groups for which estimates are calculated in the SLC are identical to those adopted in the compilation of the CPI.

With most of the field work for the SLC 96 being completed during the months of May and June 1996, the average monthly CPI for April to June 1996 was used to deflate the SLC 96 consumption estimates. The 1995 SLC survey was also completed mainly during the May/June period of that year, hence the deflation estimates were similarly calculated.

PER CAPITA CONSUMPTION

The mean per capita consumption expenditure includes the value of home production and gifts. At current prices, this expenditure for Jamaica was $43,050.00 in 1996 which represents a 21.2 per cent increase over the 1995 figure of $35,522.00. However, when the per capita consumption figure was deflated to 1990 prices there was a decline of 7.8 per cent between 1995 and 1996 (See Table 2.1). Of note is the fact that, at constant prices, the 1995 per capita figure of $7,793.00 had regained the ground lost following the decline of 20.2 per cent from $7,616.00 to $6,080 between 1990 and 1991 when structural adjustment was introduced to facilitate investment and economic growth. The recovery has now been wiped out. The 1996 mean capita expenditure of $7,230.00, while remaining substantially above the 1991 level is now 5.1 per cent below that of 1990.

There had been an annual increase in the mean per capita consumption expenditure at constant prices for Jamaica between 1991 and 1995. This came about partly because of wage settlements in both the public and private sectors which had, to some extent, compensated for the 20.0 per cent decline in real per capita consumption between 1990 and 1991 when steep price increases without the accompanying increases in incomes had seriously eroded the purchasing power of consumers (See Table 2.3). However, an inflationary environment prevailed in the last five months of 1995 and into the early months of 1996[1] - in particular between April-June 1995 and April-June 1996 - the relevant survey year. This inflation was contained through more restrictive demand management policies which eventually steadied the trading value of the Jamaica dollar.[2] However, the associated high interest rates which averaged over 55.0 per cent, and contracting liquidity, dampened credit expansion in the first half of 1996[3] and led to an overall decline in aggregate demand and output during the year. In particular, the manufacturing sector continued to decline as it adjusted to the liberalized environment.

[1] Bank of Jamaica: Economic Bulletin, Volume 11, No.2

[2] Ibid

[3] Ibid

The combined effect of all this was a fall in mean income and hence mean per capita consumption at constant prices below the 1995 level, and more significantly, below the 1990 level.

Each year the SLC examines the influence of each area division on the overall performance of the country. In 1991, all areas contributed to the significant decline in per capita income, while in 1992 and 1993, the main contributor to the positive increase in Jamaica's mean per capita consumption was the Rural Areas. In 1994, the three area divisions, all showing positive change in mean per capita consumption in real terms, influenced significantly the performance of the country with a 12.5 per cent increase over 1993. In 1995, a lower rate of increase (1.8 per cent) was observed over that of 1994. The main contributor to the lower rate was the KMA with a 2.6 per cent decline in its mean per capita consumption. However, in 1996, all areas contributed to Jamaica's 7.8 per cent decline in mean per capita consumption (See Table 2.3).

One of the effects of government economic policies and programmes on the period under review has been the curtailing of inflation to acceptable levels. However, the control that has been exercised on the upward movement in the rate of inflation has not been similarly passed on to real consumption levels which has now again fallen to below 1990 levels. This generalised decline in real consumption will significantly affect the social welfare of most households, including the vulnerable who should be the least affected. The policies will therefore have to be reviewed in the light of these negative effects.

CONSUMPTION EXPENDITURE BY AREA

In SLC 96, the mean per capita consumption expenditure for KMA, Other Towns and Rural Areas was $55,460.00, $44,126.00, and $34,352.00, respectively. The indices of mean per capita consumption with the average for Jamaica as 100, again showed a decline in the KMA. However, the small increases in Other Towns and Rural Areas evident in 1995 were maintained for 1996. Here the movement in the Cost Of Living Index (COL) may have had some influence on the indices of mean per capita consumption (See Table 2.2). Between January and June 1996, these increases were 8.3 per cent, 8.4 per cent and 7.4 per cent for KMA, Other Towns and Rural Areas, respectively.

In 1995, while there was positive annual growth of 3.4 per cent and 4.6 per cent, respectively, for both Other Towns and the Rural Areas, over 1994 the KMA had a negative growth of 2.6 per cent resulting in a small net annual growth rate of 1.8 per cent for Jamaica (See Table 2.3). On the other hand, the annual growth rate for Jamaica, as shown by SLC 96, was a negative 7.8 per cent. This decline was as a result of the negative annual real growth in all the three areas, with KMA, Other Towns and Rural Areas declining by 10.6 per cent, 7.2 per cent and 2.9 per cent, respectively.

Where the movement of real per capita consumption expenditure is concerned, the 1996 estimate for Jamaica declined by 5.1 per cent, relative to 1990, against an increase of 2.3 per cent in 1995, relative to 1990. For 1995 over 1990, the KMA and the Rural Areas both had increases of 0.5 per cent and 5.5 per cent, respectively, while Other Towns declined by 4.1 per cent.

TABLE 2.1
MEAN PER CAPITA ANNUAL CONSUMPTION EXPENDITURE, 1988 - 1996

Survey	Period of Investigation	CPI (Base: Jan. 1988)	Months Covered	Mean Consumption	
				At Current Prices ($)	At Constant Prices ($)
SLC 88	August	103.4	July - Aug.	4,700	7,309
SLC 89-1	May - June	115.6	April - June	5,581	7,763
SLC 89-2	Nov - Dec	124.9	Oct - Dec	6,304	8,116
SLC 90	Nov - Dec	160.8	Oct - Dec	7,616	7,616
SLC 91	Nov - Dec	278.6	Oct - Dec	10,384	6,080
SLC 92	Aug 92-Mar 93	415.1	Aug 92-Mar 93	16,998	6,586
SLC 93	Nov 93 - Mar 94	553.3	Nov 93-Mar 94	23,408	6,805
SLC 94	Nov - Dec	687.4	Oct - Dec	32,712	7,652
SLC 95	May - June	733.0	April - June	35,522	7,793
SLC 96	**May - June**	**960.0**	**April -June**	**43,050**	**7,230**

TABLE 2.2
INDICES OF MEAN PER CAPITA CONSUMPTION BY AREA, 1989 - 1996
(BASE: JAMAICA = 100)

Survey	Jamaica	KMA	Other Towns	Rural Areas
SLC 89-2	100	138	112	78
SLC 90	100	139	108	73
SLC 91	100	141	110	72
SLC 92	100	143	106	74
SLC 93	100	131	101	79
SLC 94	100	141	99	74
SLC 95	100	135	100	77
SLC 96	**100**	**129**	**103**	**80**

However, for 1996, only the Rural Areas improved, with the 2.5 per cent increase being lower than the 5.5 per cent increase for 1995 while KMA and Other Towns declined to 10.1 and 11.0 per cent, respectively, down from a positive 0.5 and a negative 4.1 per cent, respectively, in 1995 (See Table 2.3).

The continued improvement in the real per capita consumption of the Rural Areas, even when the other areas have shown declines, must be carefully interpreted, but may be a reflection of the multiplier effect of certain types of expansion on the Jamaican economic landscape. For example, the nature and scope of the current tourism product makes it an industry which has some special positive influence on rural society. It provides much needed direct income for farmers and spinoff employment for others in related industries such as transportation. Of significance also, is the influence of remittances, expansion in education, utilities and entertainment. The entertainment industry has now spread across the entire country and is no longer concentrated in the metropolitan areas.

FOOD AND NON-FOOD CONSUMPTION

At current prices, the difference between food and non-food expenditure on an island-wide basis was maintained in SLC 96. The largest difference between the two, 11.0 percentage points, was observed in SLC 91 while the smallest of 6.2 percentage points was observed in 1990. In 1992, the difference between both expenditures was 8.6 percentage points, declining to 6.8 points by 1994. In 1995, the difference between food and non-food expenditures increased to 9.4 percentage points, and for 1996 the difference between both expenditures again declined, this time to 8.2 percentage points. For the country as a whole, the mean per capita expenditure on food as a percentage of total consumption expenditure in 1996 was 54.1 per cent as compared to 54.7 per cent in SLC 95 (See Table 2.4).

In 1995, the conclusion was that real food expenditure was increasing at a faster rate than non-food expenditure. For 1996, however, there has been a decrease in the amount spent on food with a corresponding increase on non-food expenditure (Table 2.7). In real terms, for 1996, expenditure on Food and Beverages decreased by 6.7 per cent against an increase of 0.5 per cent in 1995. The all commodities expenditure, which had increased by 2.3 per cent in 1995 (SLC 1995), decreased by 5.1 per cent in 1996.

It should be remembered that during 1990, the government shifted from a policy of price controls to emphasis on a free market system particularly with respect to price determination.[4] Over the period, subsidies were removed from a substantial number of basic food items. There was also a shift of subsidy from imported powdered milk to fresh cow's milk, which led to increased prices for dairy products. In 1991, there was a 25.0 per cent depreciation of the Jamaican dollar against its United States counterpart. This depreciation, together with the shift in subsidy and the decontrol of basic food prices, was instrumental in fueling inflation, and by extension, created the wide gap between food and non-food expenditure for the calendar year 1991. In this year, price increases were recorded for every item included in the Consumer Price Index, with multiple price movements being recorded for many items during the course of the year. However, the level of price movements, the frequency of occurrence, and the importance of food and drink items to the household expenditure made Food and Beverages the most influential group in the movement of the index in 1991.[5]

[4] STATIN (1991), Consumer Price Indices, Annual Review.

[5] STATIN (1992), Consumer Price Indices, Annual Review.

TABLE 2.3
MEAN PER CAPITA CONSUMPTION EXPENDITURE BY AREA, 1990 - 1996

ITEM/ SURVEY	JAMAICA		KMA		OTHER TOWNS		RURAL AREAS	
	Current Prices	Constant Prices	Current Prices	Constant Prices	Current Prices	Constant Prices	Current Prices	Constant Prices
SLC 90	7,616	7,616	10,553	10,553	8,185	8,185	5,562	5,562
SLC 91	10,384	6,080	14,646	8,746	11,445	6,646	7,433	4,295
SLC 92	16,998	6,586	24,311	9,586	18,068	6,963	12,627	4,797
SLC 93	23,408	6,805	30,766	9,036	23,523	6,801	18,517	5,328
SLC 94	32,712	7,652	46,127	10,897	32,406	7,586	24,296	5,612
SLC 95	35,522	7,793	47,801	10,610	35,632	7,848	27,216	5,870
SLC 96	43,050	7,230	55,460	9,484	44,126	7,284	34,352	5,700
Variation at Constant Prices	(%)		(%)		(%)		(%)	
SLC:								
91 OVER 90	-20.2*		-17.1		-18.8		-22.8	
92 OVER 91	+8.3*		+9.6		+4.8		+11.8	
93 OVER 92 93	+3.3		-5.7		-2.3		+11.1	
OVER 90	-10.6*		-14.4		-16.9		-4.2	
94 OVER 93	+12.5*		+20.6		+11.5		+5.3	
94 OVER 90	+0.5		+3.3		-7.3		+0.9	
95 OVER 94	+1.8		-2.6		+3.4		+4.6	
95 OVER 90	+2.3		+0.5		-4.1		+5.5	
96 OVER 95	-7.8		-10.6		-7.2		-2.9	
96 OVER 90	-5.1		-10.1		-11.0		+2.5	

* STATISTICALLY SIGNIFICANT (SEE APPENDIX II)

For 1996, the rate of inflation had been slowing down because of previously mentioned strict government policies and an improvement in the value of the Jamaican dollar. Hence, by the end of June, the exchange rate had reached J$35.88 to US$1, down from J$40.00 during the first three months of 1996. The increase in the cost of food during the first half of 1996 fell below 6.0 per cent, well below the overall rate of 10.9 per cent, with more of the inflation impulses concentrated in the Non-food group.[6]

[6] STATIN (1995), Consumer Price Indices, Annual Review.

TABLE 2.4
MEAN FOOD AND NON-FOOD CONSUMPTION EXPENDITURE BY AREA, 1995 AND 1996

REGION	GROUP	SLC 95		SLC 96	
		($)	(%)	($)	(%)
KMA	Food	23,920	50.0	27,587	49.7
	Non-food	23,881	50.0	28,073	50.6
	Total	47,801	100.0	55,460	100.0
Other Towns	Food	20,008	56.2	23,853	54.1
	Non-food	15,624	43.8	20,273	45.9
	Total	35,632	100.0	44,126	100.0
Rural Areas	Food	16,200	59.5	20,335	59.2
	Non-food	11,016	40.5	14,016	40.8
	Total	27,216	100.0	34,352	100.0
Jamaica	Food	19,439	54.7	23,289	54.1
	Non-food	16,083	45.3	19,761	45.9
	Total	35,522	100.0	43,050	100.0

The Housing, Health Care and Transportation groups contributed significantly to the increase in real consumption in 1995. However, in 1996, while the above mentioned groups continued to positively contribute to real consumption expenditure, the higher decreases in the amount spent on consumption in other groups contributed to the overall decrease in consumption expenditure.

The KMA and Rural Areas showed increases in the percentage expenditure on food in 1995, but in 1996, only the Rural Areas showed any increase. Against an increase of 2.5 per cent in real consumption for the Rural Areas, the KMA declined by 10.1 per cent and Other Towns by 11.0 per cent in 1996.

DISTRIBUTION OF CONSUMPTION BY COMMODITY GROUPS

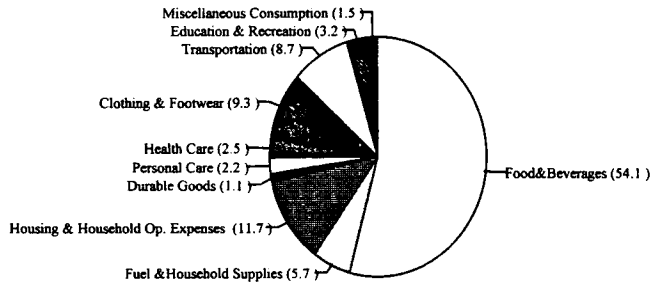
The percentage of total consumption spent on the various commodity groups is shown in Figure 2.1. Table 2.5 reports consumption distribution by commodity groups. For Jamaica, in 1996, only three commodity groups had increases in their share of total consumption, over 1995. These were Fuel and Household Supplies (5.0% to 5.7%), Housing and Household Operational Expenses (10.9% to 11.7%) and Transportation (7.5% to 8.7%). All other groups had declines in their share of consumption expenditure with the important Food and Beverage group moving from 54.7 to 54.1 per cent. Clothing and Footwear dropped from 10.0 to 9.3 per cent, while the Personal Care group moved from 2.5 to 2.2 per cent. All other groups had marginal decreases of 0.1 per cent between 1995 and 1996.

Table 2.5a shows the commodity groups expressed as a percentage of total consumption at constant prices. A comparison of Table 2.5 and Table 2.5a indicates that there are no major differences in the percentage shares of the various commodity groups in total consumption when the computation is done in current prices as compared to constant prices.

A comparison between the commodity weights used to calculate the monthly consumer price index (CPI) and the results of the 1996 Survey of Living Conditions commodity group percentage share in total consumption (Table 2.5b), suggests that it may be time for the CPI basket of goods to be revised. This is borne out by the fact that the SLC results, over the period 1990 to 1996, whether at current or at constant prices, have produced very similar results (Table 2.5 and 2.5a).

FIGURE 2.1

SLC 96 COMMODITY GROUPS AS A PERCENTAGE OF TOTAL CONSUMPTION



The distribution of consumption expenditure by commodity groups in the three regions in SLC 96 is given in Table B-1. Table 2.6 below shows the commodity groups expressed as a percentage of total consumption at current prices for the three regions in SLC 95 and 96.

In 1996, as in other rounds, there are five commodity groups which continue to account for a significant amount (about 90 per cent) of total per capita consumption in the three regions. These are the commodity groups Food and Beverages, Housing and Household Operational Expenses, Clothing and Footwear, Transportation and Fuel and Household Supplies. Between 1995 and 1996, the Food and Beverages group accounted for the largest share of total consumption in all three regions, ranging from a low of approximately 50.0 per cent in KMA in both years to highs of 59.5 per cent and 59.2 per cent in the Rural Areas in 1995 and 1996. In 1995 and 1996, housing expenses accounted for the second highest share of total consumption in all three regions, with clothing and footwear ranking third with between a 10.4 per cent and 15.5 per cent share, and the Transportation group having the next highest share of total consumption.

In 1996, at current prices, the commodity groups Fuel and Household Supplies, Housing Expenses and Transportation had increases in their consumption expenditures in all areas while the groups Durable Goods, Health Care and Recreation had minor consumption increases only in specific areas. For Miscellaneous Consumption, the percentage share for Other Towns remained stable while the other groups had declines in their share. All other commodity groups had decreases across all areas in their share of total per capita consumption in 1996, with most of these decreases being marginal (Table 2.6).

TABLE 2.5
PERCENTAGE SHARE OF COMMODITY GROUPS IN TOTAL PER CAPITA CONSUMPTION
(at current prices), JAMAICA, 1990 - 1996

COMMODITY GROUP	PERCENTAGE SHARE IN TOTAL CONSUMPTION						
	SLC 90	SLC 91	SLC 92	SLC 93	SLC 94	SLC 95	SLC 96
Food and Beverages	53.1	55.7	54.3	53.9	53.4	54.7	54.1
Fuel and Household Supplies	7.1	7.1	5.8	5.8	5.5	5.0	5.7
Housing & Household Operational Expenses	10.5	10.8	11.9	11.9	11.3	10.9	11.7
Durable Goods	2.1	1.6	1.5	1.6	1.6	1.2	1.1
Personal Care	3.2	3.5	2.7	2.6	2.7	2.5	2.2
Health Care	2.3	1.7	2.0	2.4	2.3	2.6	2.5
Clothing and Footwear	10.4	8.8	11.2	11.5	10.6	10.0	9.3
Transportation	5.9	6.2	5.1	5.6	7.2	7.5	8.7
Education*	3.4	1.4	2.7	2.3	2.4	2.9	2.3
Recreation	n/a	1.3	1.3	1.0	1.1	1.0	0.9
Miscellaneous Consumption	1.9	1.8	1.5	1.5	2.0	1.6	1.5
Total Consumption	100.0	100.0	100.0	100.0	100.0	100.0	100.0

*** In 1990, Education and Recreation were combined. Figures for 1991 to 1995 are for Education only.**

TABLE 2.5a
PERCENTAGE SHARE OF COMMODITY GROUPS IN TOTAL PER CAPITA CONSUMPTION,
(at constant prices), JAMAICA, 1990 - 1996

COMMODITY GROUP	PERCENTAGE SHARE IN TOTAL CONSUMPTION						
	SLC 90	SLC 91	SLC 92	SLC 93	SLC 94	SLC 95	SLC 96
Food and Beverages	53.1	53.8	53.2	51.7	50.8	51.9	51.1
Fuel and Household Supplies	7.1	5.5	4.7	5.1	5.2	4.8	4.7
Housing & Household Operational Expenses	10.5	13.5	14.3	15.4	14.0	13.9	16.0
Durable Goods	2.1	1.7	1.7	1.7	2.0	1.4	1.2
Personal Care	3.2	3.4	2.6	2.4	2.6	2.5	2.3
Health Care	2.2	1.6	1.9	2.3	2.3	2.6	2.5
Clothing and Footwear	10.4	9.4	9.5	10.0	10.0	9.2	8.6
Transportation	5.9	6.7	6.6	7.0	8.5	9.0	9.7
Education*	3.4	1.4	2.6	2.1	2.0	2.5	1.9
Recreation	n/a	1.3	1.3	0.9	0.9	0.8	0.7
Miscellaneous Consumption	1.9	1.8	1.5	1.4	1.7	1.4	1.2
Total Consumption	100.0	100.0	100.0	100.0	100.0	100.	100.0

*** In 1990, Education and Recreation were combined. Figures for 1991 to 1995 are for Education only.**

TABLE 2.5b
CONSUMER PRICE INDICES - ALL JAMAICA WEIGHTS AND THE SURVEY OF LIVING CONDITION'S COMMODITY GROUP SHARE IN TOTAL CONSUMPTION

COMMODITY GROUPS	CONSUMER PRICE INDICES ALL JAMAICA WEIGHTS	1996 SURVEY OF LIVING CONDITIONS - SHARE IN TOTAL CONSUMPTION
Food and Drink	55.6	54.1
Fuels and Other Household Supplies	7.3	5.7
Housing	7.9	11.7
Household Furnishings and Furniture	2.8	1.1
Healthcare and Personal Expenses	7.0	4.7
Personal Clothing and Accessories	5.1	9.3
Transportation	6.4	8.7
Miscellaneous Expenses	7.9	4.7
Total	100.00	100.0

TABLE 2.6
PERCENTAGE SHARES OF COMMODITY GROUPS IN TOTAL PER CAPITA CONSUMPTION (at current prices) BY REGIONS, 1995 AND 1996

COMMODITY GROUP	PERCENTAGE SHARE IN TOTAL CONSUMPTION					
	KMA		OTHER TOWNS		RURAL AREAS	
	95	96	95	96	95	96
Food and Beverages	50.0	49.4	56.2	54.1	59.5	59.2
Fuel and Household Supplies	4.2	4.3	5.6	6.6	5.7	6.8
Housing & Household Operational Expenses	14.5	15.5	10.4	12.3	6.9	7.2
Durable Goods	1.6	1.1	0.7	1.3	1.1	1.0
Personal Care	2.2	2.1	2.9	2.4	2.7	2.3
Health Care	2.5	3.0	2.8	2.1	2.7	2.2
Clothing and Footwear	10.4	9.9	9.0	8.7	10.2	9.0
Transportation	8.2	9.4	7.9	8.8	6.3	8.0
Education	3.2	2.6	2.9	2.1	2.5	2.0
Recreation	1.5	1.2	0.4	0.3	0.6	0.8
Miscellaneous Consumption	1.7	1.5	1.3	1.3	1.8	1.5
Total Consumption	100.0	100.0	100.0	100.0	100.0	100.0

TABLE 2.7
PERCENTAGE CHANGE IN GROUP EXPENDITURE IN 1996 COMPARED WITH 1990
AT CONSTANT (OCT-DEC 1990) PRICES BY AREA

GROUP	JAMAICA	KMA	OTHER TOWNS	RURAL AREAS
Food and Beverages	-6.7	-14.3	-8.7	+0.7
Fuel and Household Supplies	-20.9	-36.3	-21.1	-5.5
Housing & Household Operational Expenses	+47.3	+34.7	+21.1	+52.7
Durable Goods	-44.8	-43.4	-44.1	-47.7
Personal Care	-30.0	-34.3	-28.4	-32.8
Health Care	+9.4	+28.9	-30.7	+4.3
Clothing and Footwear	-19.8	-19.3	-30.2	-14.1
Transportation	+58.3	+47.3	+36.1	+91.4
Education and Recreation	-26.7	-34.7	-48.0	+1.6
Miscellaneous Consumption	-38.8	-53.3	-43.7	-8.7
All Groups	-5.1	-10.1	-11.0	+2.5

In 1996, Jamaica had a 5.1 per cent decrease in total consumption at constant 1990 prices. The main contributors to this overall decline in expenditure were Durable Goods (44.8 per cent), Miscellaneous Consumption (38.8 per cent), Personal Care (30.0 per cent), Education and Recreation (26.7 per cent), and Fuel and Household Supplies (20.9 per cent). Other declining groups were Clothing and Footwear and Food and Beverages. Food and Beverages showed the smallest decrease at 6.7 per cent (See Table 2.7).

For all groups, relative to 1990 prices, only the Rural Areas had any positive movement in consumption expenditure, an increase of 2.5 percent. The KMA and Other Towns both declined, moving by 10.1 per cent and 11.0 per cent, respectively. For the individual areas, the largest percentage increases at constant prices occurred in the transportation and housing sectors. These increases were 91.4 and 52.7 per cent, respectively, for the Rural Areas and they were major contributors to the 2.5 per cent increase for the combined groups in the Rural Areas. There were other significant increases for Transportation in the KMA and Other Towns as well as for Housing and Health Care Expenses in KMA, and Housing Expenses in Other Towns. These increases ranged from a low of 21.1 per cent for Housing Expenses in Other Towns to a high of 47.3 per cent for Transportation in KMA. The smallest increase occurred in the Food and Beverages sector, an increase of 0.7 per cent in the Rural Areas.

While all areas are affected by an increase in the amount spent on certain commodities, it is evident that the Rural Areas are more seriously affected by the upward movement in expenses such as those for Transportation and Housing. Rural Area transport costs are usually higher because of the longer distances that have to be travelled and because of a seeming lack of proper control over fare structures. Also, Housing and Household operational expenses have to be met even at the expense of other commodity groups such as Durable goods and Personal Care. Spending on some of the commodities which make up these groups can always be delayed or in some instances can be totally avoided.

FOOD CONSUMPTION PATTERNS

At current prices, Meals Away From Home continue to capture a significant portion of total food expenditure in Jamaica, and in all three regions. In SLC 96, the percentages were 24.3 per cent, 31.6 per cent, 21.7 per cent and 19.0 per cent, respectively, for Jamaica, KMA, Other Towns and the Rural Areas (See Table B-4).

TABLE 2.8
MEAN PER CAPITA CONSUMPTION BY SEX OF HOUSEHOLD HEAD, 1995 AND 1996

SEX OF HEAD	MEAN PER CAPITA CONSUMPTION		MEAN FOOD EXPENDITURE		FOOD AS A PERCENT OF TOTAL	
	SLC 95	**SLC 96**	SLC 95	**SLC 96**	SLC 95	**SLC 96**
MALE	38,140	**46,682**	20,589	**24,967**	54.0	**53.5**
FEMALE	32,536	**39,015**	18,127	**21,424**	55.7	**54.9**

The Meat, Poultry and Fish sub-group had the next highest food expenditure followed by the Cereals and Cereal Products sub-group.

Relative to 1995, there has been a decrease in the percentage expenditure on Meals Away from Home in Jamaica as well as on a regional basis. The other major sub-group food contributors, namely Meat, Poultry and Fish and Cereals and Cereal Products all had declines in their percentage contributions on a regional basis. All other sub-groups had minor percentage changes when compared to SLC 95.

CONSUMPTION BY SEX OF HOUSEHOLD HEAD

Consistent with the findings of the earlier rounds of the SLC, the mean per capita consumption of a household with a male as head continued to be higher than that for female-headed households. The mean per capita consumption of a male-headed household in SLC 96 was $46,682.00 while the corresponding figure for the female-headed household was $39,015.00 (See Table 2.8).

When compared to 1995, the mean per capita consumption expenditure of a male-headed household increased, at current prices, by 22.4 per cent while the corresponding increase for a female-headed household was 19.9 per cent. The rates of expenditure moved up at increasing rates with the rate being greater for male-headed households. The mean per capita consumption of a female-headed household at 83.6 per cent of that of a male-headed household was a reduction on the 85.3 per cent recorded for 1995.

In SLC 96, female-headed households spent proportionately more on Food and Beverages (54.9 per cent) and Clothing and Footwear (10.4 per cent) than male-headed households (53.5 per cent and 8.5 per cent, respectively). Conversely, for the Transportation and Housing & Household Expenses groups, male-headed households spend proportionately more (10.0 per cent and 11.9 per cent) than households headed by females (7.1 per cent and 11.3 per cent) (See Table B-3).

TABLE 2.8a
PERCENTAGE COMPOSITION OF HOUSEHOLDS WITH MALES AS HEAD, BY QUINTILE

Number of Households Analysed		No woman no child	No woman with children	With woman no child	With Woman with children	Total
KMA	269	33.9	8.5	20.9	36.7	100.0
Other Towns	212	33.6	11.2	18.0	37.2	100.0
Rural	572	31.3	9.8	16.2	42.7	100.0
Jamaica	1053	12.7	11.5	13.1	62.7	100.0

NOTE: Estimates for Area and Jamaica adjusted for non-response

It may be instructive to note that in 1996, only 24.7 per cent of households with a female as head had a man as part of the household (Table A-9) while 75.8 per cent of households with a male head had a woman as part of the household (Table 2.8a). Since males tend to earn more than women, this may be one reason why male-headed households have a higher per capita consumption than those households which have females as head. Another reason is that the two income household with male as head is able to cope better than the household with one income, likely to be female-headed.

DISTRIBUTION OF CONSUMPTION EXPENDITURE BY DECILES

Population Deciles

The mean per capita annual consumption expenditure for the wealthiest 10 per cent (decile 10) of the population is 10 times greater than that of the poorest 10 per cent (decile 1), according to SLC 96 figures. The actual figures were $11,641.00 for the first decile and $121,773.00 for the last decile. In 1995, the figure for the wealthiest decile was similarly 10 times that of the poorest decile (See Table B-8).

In 1996, deciles 9 and 10, which represent the mean consumption of the top 20.0 per cent of Jamaica's population, accounted for a 44.5 per cent share of the national consumption compared to 44.7 per cent in 1995 (See Table 2.10). For the lowest 20 per cent of the population, their share of national consumption in 1996 was only 7.0 per cent, a minimal decline from the 7.1 per cent in 1995. It should be noted that the majority of deciles had increases between 1995 and 1996 with only deciles 1 and 9 declining and deciles 3 and 10 showing no movement in their share of consumption.

Between 1995 and 1996 there was no appreciable difference in food consumption expenditure between corresponding quintiles (See Table 2.10).

DISTRIBUTION OF HOUSEHOLDS BY TOTAL CONSUMPTION EXPENDITURE

Tables B-9 to B-11 give the distribution of households according to 16 ranges of total annual household consumption expenditure, by regions, quintiles and sex of household head, respectively. Table 2.9 summarizes the frequency of households by a few monthly consumption expenditure classes for the regions for 1996.

In Jamaica, 17.9 per cent of the households had total consumption expenditures of $20,000.00 or more per household per month, while for 36.0 per cent of the households it was less than $9,000.00. The corresponding regional household percentages for monthly consumption expenditures of $20,000.00 or more were KMA 28.7 per cent, Other Towns 16.0 per cent and Rural Areas 11.2 per cent. On the other hand, households spending less than $9,000.00 were more concentrated in Rural Areas with 44.7 per cent, followed by Other Towns with 31.8 per cent and KMA with 26.0 per cent. Overall, KMA still has the highest consumption levels in Jamaica (See Table 2.9).

CONSUMPTION INEQUALITY

The Survey of Living Conditions seeks information about the welfare of the households canvassed in any given year and one aspect of this welfare is the degree of income inequality. In reading the data on inequality, it is worth noting that economists who favour income inequality focus on its economic incentive effects. Increases in income are the reward for producing more goods or producing them more efficiently, for working harder or longer hours, for undergoing long and expensive years of training for a particular job. Thus, income serves as necessary payment for differences in effort, skill, training, and ability. Proponents of greater equality often base their arguments on ethical grounds and economic justice, noting that the existence of a group of people living in poverty is, in itself, a bad thing and that perpetuation of extreme differences in personal incomes is tantamount to renouncing any concern for the economic wellbeing of disadvantaged persons.

Szal and Robinson, point out that indices of inequality can be constructed using a number of different variables. These include money income, the number of persons in the family, the property owned, the family's spending habits and the availability of resources not normally counted in money income. However, money income is the most important.

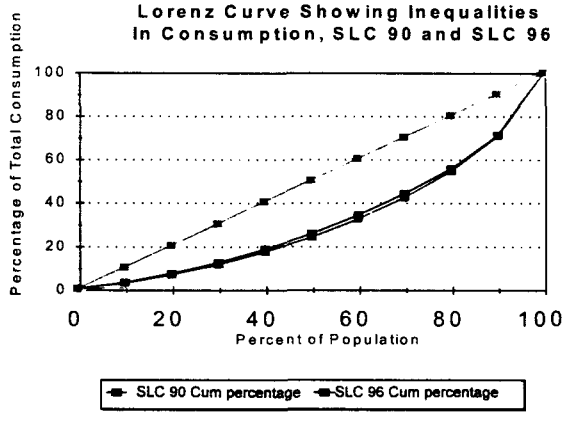
A number of inequality measures have been proposed. These include:

(a) the Thiél information measure which concludes from calculation that the larger the total number of people, the greater the inequality, and

TABLE 2.9
CUMULATIVE DISTRIBUTION (PERCENTAGE) OF HOUSEHOLDS BY MONTHLY HOUSEHOLD CONSUMPTION EXPENDITURE,BY AREA, 1996

MONTHLY HOUSEHOLD CONSUMPTION EXPENDITURE	JAMAICA	KMA	OTHER TOWNS	RURAL AREAS
Less than 1,000	0.3	0.1	0.3	0.4
Less than 2,000	1.6	0.5	1.4	2.4
Less than 3,000	3.4	3.5	3.7	6.5
Less than 4,000	9.1	5.5	8.9	11.7
Less than 5,000	14.2	8.4	11.4	19.4
Less than 6,000	19.0	12.0	16.1	25.0
Less than 7,000	24.0	15.4	21.0	31.3
Less than 8,000	30.2	20.8	26.0	38.5
Less than 9,000	36.0	26.0	31.8	44.7
Less than 11,000	49.1	36.3	45.3	59.6
Less than 13,000	60.0	46.9	57.5	70.2
Less than 15,000	69.6	57.4	67.3	79.1
Less than 17,000	75.4	63.6	74.6	83.9
Less than 19,000	80.1	69.4	81.3	87.0
Less than 20,000	82.1	71.3	84.0	88.8
20,000+	17.9	28.7	16.0	11.2
Total	100.0	100.0	100.0	100.0

FIGURE 2.2



(b) a popular graphical method, the Lorenz Curve (Figure 2.2) which plots the percentage of people, ranked from the poorest up, on the horizontal axis and percentage of total income they receive on the vertical axis.[7]

A Lorenz curve of family income uses the 45 degree line to indicate an equal distribution of income among families. The extent to which the curve of actual income distribution bends away from the straight line indicates the amount of inequality in the distribution of income.

In the Survey of Living Conditions, total consumption expenditure is used as a proxy for income. In order to measure the degree of equality in income distribution using data on consumption expenditure for SLC 90-96 another measurement method associated with the Lorenz curve, the Gini Coefficient, was calculated (See Table 2.10). This measure is widely used in international studies of inequality. A Gini Coefficient of zero indicates perfect equality whereas a coefficient of 1.0 indicates total inequality.

Table 2.10 shows the Gini coefficient for SLC 96 as 0.3604 and for SLC 95 as 0.3624. The benchmark year for SLC surveys was 1990 and the Gini coefficient then was 0.3811. The largest disparity of 0.3969 in consumption occurred in 1991, the year of highest inflation, but since then the coefficient has been decreasing, except for the year 1994 when the inequality level was similar to that for 1990.

[7] Szal, R., and S. Robinson 1978), "Measuring Income Inequality" in Income Distribution and Growth in the Less Developed Countries, edited by Charles R Frank, Jr., and Richard C. Webb (The Brookings Institution/Washington, D.C.)

A further examination of Table 2.10 reveals that the number of deciles which have increased their share of national consumption between 1994 and 1996 are those from decile 1 to decile 7. It could be that the section of the population represented by deciles 1 to 7 are forced to increase their spending on particular costs (Transportation, Housing and Household Operational Expenses, Health Care) at the expense of such costs as Durables and Miscellaneous Consumption. To some extent, the population represented by deciles 1 to 7 may have increased their share of national consumption by their own positive efforts and this is what is reflected in the Gini coefficient having fallen from 0.3816 in 1994 to 0.3624 and 0.3604 in 1995 and 1996, respectively.

CONSUMPTION OF HOME PRODUCTION AND GIFTS

The category Home Production and Gifts increased from 5.8 per cent ($2,047.00) of total consumption ($35,522.00) in 1995 to 6.0 per cent ($2,603.00) of total consumption ($43,050.00) in 1996 (See Tables 2.11 and 2.12).

The components of Home Production and Gifts are Non-food and Food items. Non-food gift items made up 7.6 per cent of all Non-food Expenditures (7.0 per cent in 1995) and Food, either as home produced or gift items, was 5.8 per cent of all food items (4.8 per cent in 1995).

The increase in the share of Home Production and Gifts (Food and Non-food items) as a part of total consumption may be a reflection of people's ability to come to terms with adverse living conditions through their own efforts.

Clothing and Footwear continued to be the largest contributor to the item non-food gifts in all three regions. Its contribution for 1996 was 65.9 per cent, 78.0 per cent and 75.3 per cent, respectively, for KMA, Other Towns and the Rural Areas. For Jamaica, Clothing and Footwear's contribution was 71.5 per cent.

A convenient combination of the sub-groups Roots & Tubers and Fruits & Vegetables shows that these two groups contribute significantly to home produced and food gift items in the Rural Areas (68.4 per cent) and in Jamaica as a whole (70.8 per cent). However, for KMA and Other Towns, the contribution of these combined sub groups was only 34.0 per cent and 31.5 per cent, respectively. Other Food and Drinks dominates the KMA region at 40.9 per cent while in Other Towns the contribution of Meat, Poultry and Fish to the value of home production and gifts consumed was highest at 36.6 per cent.

TABLE 2.10
DISTRIBUTION OF CONSUMPTION BY DECILES, 1990 - 1996

DECILE	PER CENT SHARE IN NATIONAL CONSUMPTION						
	SLC 90	SLC 91	SLC 92	SLC 93	SLC 94	**SLC 95**	**SLC 96**
1	2.53	2.22	2.58	2.42	2.52	2.94	2.78
2	3.85	3.59	3.92	3.88	3.89	4.17	4.26
3	4.84	4.73	5.00	4.98	4.89	5.15	5.15
4	5.78	5.72	5.82	6.08	5.86	6.05	6.07
5	6.90	6.83	6.92	7.17	6.87	6.99	7.26
6	8.15	8.16	8.30	8.45	8.11	8.19	8.43
7	9.83	9.65	9.98	9.94	9.82	9.77	9.84
8	12.21	11.98	12.26	12.24	12.11	12.00	11.66
9	16.31	15.70	15.63	15.98	15.53	15.59	15.39
10	29.59	31.42	29.59	28.86	30.39	29.15	29.15
JAMAICA	100.00	100.00	100.00	100.00	100.00	100.00	100.00
GINI COEF.	**0.3811**	**0.3969**	**0.3752**	**0.3718**	**0.3816**	**0.3624**	**0.3604**

TABLE 2.11
MEAN PER CAPITA ANNUAL VALUE OF HOME PRODUCTION AND GIFTS CONSUMED BY AREA, 1996

Commodity Group	Jamaica		KMA		Other Towns		Rural Areas	
	Value ($)	% of Group	Value ($)	% of Group	Value ($)	% of Group	Value ($)	% of Group
Non-food:								
Durable Goods	53	11.3	74	12.6	50	9.0	40	11.4
Clothing & Footwear	879	21.9	1135	20.7	831	21.7	727	23.5
Other	297	2.9	513	3.8	184	1.8	198	2.4
Total Non-food	1,229	6.2	1,722	6.1	1065	5.3	965	7.2
Food:								
Meat, Poultry & Fish	236	3.1	183	3.1	339	5.7	231	4.4
Roots & Tubers	507	37.7	71	6.4	178	13.6	926	61.0
Fruits & Vegetables	466	17.1	178	8.4	113	6.8	426	30.8
Other Food & Drinks	344	3.1	300	3.1	294	3.0	394	4.7
Total food	1,374	5.8	733	2.7	925	3.9	1,977	9.7
Grand Total	**2,603**	**6.0**	**2,455**	**4.4**	**1,990**	**4.5**	**2,942**	**8.6**

An examination of Table 2.11 indicates that within the Clothing & Footwear, Roots & Tubers, and Fruits & Vegetables commodity groups, gifts, or home produced items are significant contributors to total consumption. Unpublished SLC data indicate that remittances, in whatever form, whether local or foreign, are significant contributors to household consumption in Jamaica. In SLC 1997, this data will be carefully analyzed.

Table 2.12 shows the trends in consumption of Home Production and Gifts in SLC 90 to SLC 96.

For SLC 96, Home Production and Gifts as a percentage of total consumption has increased compared to SLC 95 for the nation as a whole and for the regions Other Towns and the Rural Areas. However, there has been a marginal decline for KMA. The percentages stand at 6.0 per cent for Jamaica, 4.4 per cent for KMA, 4.5 per cent for Other Towns and 8.6 for Rural Areas. The Rural Areas continues to maintain its position as the largest contributor of home produced or gift items to total consumption. The figure for 1996, at 8.6 per cent, was a 0.6 per cent increase over that for 1995.

Within the Jamaican context, home produced food and food gift items are important elements in the consumption pattern of households in the Rural Areas. The increase observed in 1994 for the proportion of home produced foods and food gifts relative to total food in this area was eroded to some extent in 1995 when it fell from 12.0 per cent to 8.0 per cent, the lowest value since 1990. However, for 1996, there has been an increase in this proportion in all the areas, and in Jamaica with the Rural Areas having the largest increase. Culturally, the Rural Areas have had a history of being willing to offer gifts to their neighbours (including those in Other Towns and KMA). Hence, the Rural Areas having the largest increase in the proportion of home produced foods and food gifts relative to total consumption should be considered the norm.

In 1995, the contribution of gifts to the total of non-food items declined in Jamaica, KMA and the Rural Areas when compared to 1994, while Other Towns increased. In 1996, there were declines in Jamaica and all regions in general when compared to 1995, with the level of declines ranging between 0.8 per cent and 0.3 per cent. The 1996 figures have declined relative to the those for 1995, but they continue to be substantially more than those for the year 1990.

NON-CONSUMPTION EXPENDITURE

In all SLC rounds, one module has been devoted to the collection of information on non-consumption expenditures. The items covered include, inter alia, insurance payments, repayment of loans and interest, payments for supporting children living elsewhere, maintenance of relatives living outside the home, legal services, donations and gifts.

Table 2.13 gives the data on per capita non-consumption expenditures with comparative figures for consumption by regions and quintiles for SLC 96.

TABLE 2.12
HOME PRODUCTION AND GIFTS AS PERCENTAGE OF TOTAL CONSUMPTION BY AREA, 1990 - 1996

GROUP/SURVEY	JAMAICA	KMA	OTHER TOWNS	RURAL AREAS
FOOD GROUP:				
SLC 90	6.1	0.9	4.4	12.0
SLC 91	6.0	0.8	4.8	11.7
SLC 92	6.5	1.8	4.5	8.8
SLC 93	5.4	2.8	3.6	8.6
SLC 94	7.2	3.1	5.8	12.0
SLC 95	4.8	2.3	3.2	8.0
SLC 96	5.8	2.7	3.9	9.7
NON-FOOD GROUP:				
SLC 90	4.4	3.7	4.9	5.1
SLC 91	4.2	3.4	5.0	5.0
SLC 92	4.6	3.6	4.9	5.8
SLC 93	5.2	4.4	3.9	7.0
SLC 94	7.1	7.5	3.9	8.1
SLC 95	7.0	6.7	5.6	8.0
SLC 96	6.2	6.1	5.3	7.2
TOTAL CONSUMPTION:				
SLC 90	5.3	2.3	4.6	9.2
SLC 91	5.2	2.1	4.9	9.1
SLC 92	5.6	2.7	4.7	7.6
SLC 93	5.3	3.6	3.8	7.9
SLC 94	7.2	5.4	5.0	10.4
SLC 95	5.8	4.5	4.3	8.0
SLC 96	6.0	4.4	4.5	8.6

The per capita non-consumption expenditure as a percentage of total household expenditure in the country, continued to increase, moving from 5.2 per cent in 1995 to 6.2 per cent in 1996. However, this increase was not reflected in all three regions. KMA and the Rural Areas increased in percentage while Other Towns declined. The increase was also not reflected in all consumption quintiles. Quintiles one, three and five all increased their percentage share while the others declined.

The per capita non-consumption expenditure in SLC 96 has moved to $319.00 (up from $195.00) in the poorest quintile, increasing to $10,224.00 (up from $6,637.00) in the wealthiest quintile. These values translate into percentages of 2.1 per cent in the poorest quintile and 9.7 per cent in the wealthiest quintile.

CONCLUSION

The Survey of Living Conditions continues to be one way of measuring how the Jamaican consumer is able to survive. Any data collected about the income earned by individuals within a household is at best incomplete, but with income being the most important single determinant of consumption, the living conditions survey does capture in a significant way the extent to which households adjust their spending habits in order to survive under prevailing conditions. At the same time, it is possible to use the data collected from a particular survey to determine whether levels of consumption are comparable with those for previous years.

Consumption as determined by income is affected by the level of inflation, and the Consumer Price Index is used to measure the level of inflation on a monthly basis. It shows that during 1996, the government was able to control inflation to what was considered acceptable levels. Under closer scrutiny, however, when converted to 1990 levels, i.e., the base period for SLC reports, it was found that consumers did not benefit from the improved inflationary conditions which prevailed during the year.

In 1990, mean per capita consumption was $7,616.00 but because of devaluation and deregulation in 1990, the full effects of which were felt 1991, mean per capita consumption at constant prices dropped to $6,080.00. It has been argued that wage increases in both the public and private sectors were responsible for the increase in consumption expenditures over the period 1992 to 1995. Because of this, mean per capita consumption had reached a maximum of $7,793.00. During 1996, the inflationary spiral which had developed in late 1995 and early 1996 was brought under control through government's restrictive demand policies.

TABLE 2.13
MEAN PER CAPITA ANNUAL EXPENDITURE ON CONSUMPTION AND NON-CONSUMPTION ITEMS BY AREA AND QUINTILE, 1996

GROUP	SLC 96 PER CAPITA			% NON-CONSUMPTION	
	CONSUMPTION ($)	NON-CONSUMPTION ($)	TOTAL	SLC 95	**SLC 96**
AREA:					
KMA	55,528	4,688	60,216	5.7	**7.8**
Other Towns	44,126	2,297	46,423	5.4	**4.9**
Rural areas	34,352	1,823	36,175	4.6	**5.0**
QUINTILE:					
Poorest	14,647	319	14,966	1.5	**2.1**
2	23,458	608	24,066	3.2	**2.5**
3	32,725	1,003	33,729	2.8	**3.0**
4	44,552	1,472	46,024	3.7	**3.2**
5	94,775	10,224	104,999	7.5	**9.7**
JAMAICA	43,050	2,847	45,891	5.2	**6.2**

However, the benefits of this were not passed on through the real consumption expenditure of individuals. Mean per capita consumption at constant prices, while remaining above that for 1991, deteriorated to below the levels for 1995 and 1991, to $7,230.00 in 1996. Government policies, although ultimately geared towards an improvement in living standards, had the opposite effect without necessarily facilitating economic growth, at least in the short run. The policies should be reexamined in the context of these findings. This is the most important finding from the consumption data in SLC 1996.

On an area basis, we note that for Jamaica in 1996, mean per capita consumption at constant prices declined by 5.1 per cent over 1990. The major contributors to this decline were the KMA and Other Towns. For the Rural Areas, however, there was a 2.5 per cent increase in consumption expenditure. Thus, in the period 1989 to 1996, the Rural Areas coped better with the existing socioeconomic conditions than the other two areas.

When the weights for the commodity groups in the All Jamaica Price Indices were compared with those for the 1996 SLC share of total consumption, it was found that there are notable differences for a number of commodity groups. The 1996 SLC figures are comparable with those for the other survey years and lead one to infer that it may be time for the CPI weights to be revised. We must note, however, that a Household Expenditure Survey was done in 1995 and this should provide the basis for revised CPI weights.

The breakdown of the percentage change in group expenditure at constant prices revealed that the Rural Areas are more susceptible to inflation in certain commodity groups such as Transportation and Housing Expenses. Rural Area transportation costs have to cover longer distances, and increases in housing expenses have to be met, hence, when necessary, there will be increased expenditure in these areas even if at the expense of other commodity groups.

Between 1995 and 1996, the difference between the Gini coefficients calculated for those years was very small. This indicates that there was no appreciable change in the relative conditions in the decile groups between the two years. However, a closer examination of the data suggests that sections of the population, notably those below decile 8, seemed to continue increasing their share of the national cake.

As far as the contribution of Home Production and Gifts to total consumption is concerned, the Rural Areas has always contributed the greater percentage over the years. This would seem to be natural, given that the Rural Areas by its location would be best placed to make such a contribution.

Chapter 3

Education

INTRODUCTION

The chapter continues the usual SLC assessment of whether or not the level of education of the country has improved, and the extent to which any improvements accrued to vulnerable groups. Thus, it presents the usual analysis of the data collected on student enrolment and attendance, participation in various school based feeding programmes, characteristics of the out-of-school population, household expenditure on school and school related items for children enrolled at the primary and secondary levels, and the extent of cost sharing in education.

This year, some of the analysis was modified and extended in an effort to respond more appropriately to international standards and to the planning needs of the education sub-sector. Age group disaggregation was refined, and a more accurate and thorough interpretation provided of data on attendance and participation in the SFP. In addition, an attempt was made to locate enrolment, attendance and education expenditure within the context of the process of structural adjustment, industrialization and the creation of a competitive Jamaica ready and able to meet the challenges posed by the next millennium.

The distinction between enrolment and attendance was drawn more sharply, leading to re-examination of the question on attendance as it was asked in the questionnaire. The question read "During the last 5 school days how many days did ... [NAME] ... go to school?" Responses by parents and guardians did not facilitate an accurate calculation of attendance and the results were better interpreted as the household's effort to send children to school. Factors such as truancy, violence, illness, and road blockages can result in substantial differences between actual attendance and efforts to send children to school. The impact of household characteristics on the enrolment and efforts to send the primary and secondary school age population to school was examined. All analyses by school type took account of the two newly created school types: (1) Primary and Junior High; and (2) Junior High (of which there is only one).

To better reflect internationally accepted disaggregation at various levels of education, the previously constructed age groupings 17-19 years and 20-24 years, were modified. The age group 17-18 replaced the previously used 17-19 group to represent the upper secondary level and the age group 19-24 replaced the 20-24 group to represent the tertiary level. This year also, the Survey instrument was revised to better capture tertiary level enrolment. This category was divided into University and other public and private tertiary institutions.

With respect to data on participation in school-based feeding programmes, the analysis seemed to confirm that results for 1995 reflected some confusion or ignorance on the part of respondents about the type of cooked meal programme in which their children participated at school. A cooked meal could be provided under either the Government's School Feeding Programme (SFP) or another school based initiative and there was no easy way to know which. There was no similar doubt that the Milk and Nutribun snack were part of the Government's SFP. With respect to analysis of school-related expenditure and assistance, a more detailed treatment was provided this year of the meaning of the amounts spent on each item in relation to total school expenditure. Items such as Tuition and Fees, Books, Extra Lessons, and Lunch and Snacks were singled out for treatment.

ENROLMENT

The sample consisted of a school age population (3-24 years) of 3,294 individuals, representing 47.0 per cent of the SLC sample. Since 1992, for which comparable data (on 3-24 year olds) are available, the school age population represented between 46.0 per cent and 47.0 per cent of the SLC sample. SLC 1990 and 1991 saw 17-19 years representing the oldest age group of the school age population while for 1989, it was 20-24 years (SLC, various years).

Some 69.6 per cent of the school age population were enrolled in school in 1996. This represented no real change

over 1995, at 69.0 per cent, and a marginal change over 1993 and 1994, at 67.0 per cent each. In 1989, enrolment was 64.6 per cent (SLC, various years).

The State continued to be the major provider of schooling. Approximately 97.0 per cent of students were enrolled in the public school system (See Table E-3). This represented no significant change since 1992 when this data was first collected, moving from 96.1 per cent to 95.0 per cent in 1993, and up to levels of 96.0 per cent and 97.0 per cent since 1994 (SLC, various years). Public education is therefore overwhelmingly accessed by all consumption groups.

Enrolment by age group and school level

Early childhood education (3-5 age group)

Early Childhood education is provided by Government Infant schools and Infant Departments in Primary and All Age schools, as well as by privately owned and community sponsored Basic schools. The majority of the privately owned and community sponsored Basic schools are recognised and receive support from Government.

As Table 3.1 shows, some 83.0 per cent of this age group were enrolled in school. This represented the lowest level of enrolment since 1993 when some relatively stable trend was observed in enrolment, remaining between 85.0 per cent and 86.0 per cent, up to 1995. The enrolment rate of 74.8 per cent for this age group in 1992 appears to be the result of measurement error, explained by the fact that the Survey was conducted during the summer period and not during the school year. Many of the then 3-5 year olds were not enrolled in a school at that time. Although the 3-5 age group represents the early childhood level, some of these children are enrolled at the primary level. Over the years 1989 to 1996, enrolment at this level declined steadily from 6.0 per cent to 3.0 per cent. Some of this decline can be attributed to a larger number of Basic schools offering early childhood education and more so to stricter enforcement of regulations governing entry into the primary level. Students must be 6 years or turn 6 years by December 31 of the year in which they enter grade 1.

Basic Education - Primary and first cycle Sec. (grades 1-9)

6-11 Age Group

Approximately 99.6 per cent of this age group were enrolled in school, a rate consistent with the norm of near universal enrolment for this age group. Some 92.2 per cent of the group were enrolled at the primary level, 3.0 per cent at the secondary level, and the remaining 4.4 per cent at the early childhood level.

With respect to enrolment at the primary level, the period 1989 to 1996 showed two distinct trends (See Table 3.1). Except for the year 1990 when primary level enrolment was 93.0 per cent, the pre 1993 period showed primary level enrolment at levels below 90.0 per cent. Since 1993, rates above 90.0 per cent have obtained with steady growth from 94.5 per cent to 96.8 per cent between 1993 and 1995. The enrolment rate of 92.2 per cent in 1996 was the lowest recorded since 1993. However, this seems to be a substitution effect as the displaced students were absorbed in early childhood programmes or secondary level schools.

Consistent with the findings on primary level enrolment, enrolment at the secondary level also showed different patterns before and after 1993 (See Table 3.1). Except for 1990 when secondary level enrolment was 3.0 per cent, the period before 1993 showed enrolment above 6.0 per cent. Since 1993, enrolment rates have been lower, ranging from 1.5 per cent to 3.9 per cent. The lowest enrolment at the secondary level was recorded in 1995 and the highest in 1994. The 3.0 percent enrolment rate in 1996 therefore represented a substantial recovery over that for 1995. The difference between the secondary level enrolment rates over the two periods is partly explained by the stipulation by the MOEYC that children entering grade 7 (start of the secondary level) should be 11 years old or must turn 11 years by December 31 of the year in which they would have entered the grade. An unexpected finding for this age group was the increased enrolment rate at the early childhood level in 1996 (Table 3.1). At 4.4 per cent, this represented a reversal of the trend evident between 1993 and 1995 when early childhood enrolment by this age group was at rates below 1.0 per cent. The reversal seems to be an effect of stricter enforcement of enrolment policy.

12-14 Age Group

In keeping with the policy commitment of the MOEYC to provide basic education, Table 3.1 shows that enrolment of this age group continued to be high, at approximately 98.0 per cent. This marked no change over that in 1995 and was the second highest rate of enrolment of this age group since the inception of the SLC. Over the period 1989-1996, primary level enrolment by this age group fluctuated between 15.0 per cent and 25.4 per cent but seems closely related to the availability of places at the secondary level. The enrolment rate of 21.8 per cent at this level in 1996 was one of the highest since 1989 but represented a 14.2 per cent decline over that for 1995. Concomitantly, there was an

TABLE 3.1
PERCENTAGE ENROLMENT BY AGE GROUP AND EDUCATION LEVEL, 1989-1996

Age, Education Level	1989[a](2)	1990	1991	1992	1993	1994	1995	1996
3-5 Years								
Early Childhood	77.0	77.0	77.3	70.0	81.4	81.0	80.8	80.0
Primary	6.0	0.0	5.2	4.8	4.6	4.8	4.3	3.0
None	16.0	23.0	17.5	25.2	14.0	14.2	14.9	17.0
6-11 Years								
Early Childhood	4.0	2.0	3.7	5.6	2.4	0.3	0.8	4.4
Primary	87.0	93.0	87.1	86.1	94.5	95.3	96.8	92.2
Secondary	7.0	3.0	7.7	6.6	2.6	3.9	1.5	3.0
None	1.0	1.0	1.5	1.7	0.5	0.5	0.8	0.4
12-14 Years								
Primary	17.0	16.0	18.4	21.6	17.3	15.0	25.4	21.8
Secondary	80.0	81.0	78.1	74.9	80.0	79.8	72.8	76.1
None	3.0	3.0	3.5	3.5	2.7	5.2	1.7	2.1
15-16 Years								
Primary	2.0	0.0	0.0	0.5	0.0	0.0	0.0	0.0
Secondary	69.0	78.0	76.2	79.2	77.1	81.2	76.9	82.4
Tertiary	1.0	0.0	2.0	0.7	1.5	0.4	0.9	2.9
None	28.0	22.0	21.8	19.7	21.4	18.4	22.2	14.7
17-19 Years								**17-18 Years***
Secondary	14.0	11.0	15.9	20.4	19.1	11.9	22.0	30.0
Tertiary	5.0	2.0	5.2	4.9	6.6	7.4	6.3	4.8
None	81.0	86.0	78.9	74.7	74.4	80.7	71.7	65.2
20-24 Years[b]								**19-24 Years***
Secondary	0.0	-	0.6	0.5	1.2	0.1	0.5	3.0
Tertiary	2.0	-	3.3	2.4	5.6	2.8	2.5	3.8
None	98.0	-	96.1	97.1	93.1	97.1	97.0	93.3

a-Second Round of the 1989 SLC
b-Data not available for this age group for 1990
*-Age group disaggregation not consistent with previous years
NOTE: Percentages adjusted to one decimal place

increase in enrolment at the secondary level over 1995, from 72.8 per cent to 76.1 per cent. This represented some recovery after the decline from 79.8 per cent in 1994.

The apparent decline in primary level enrolment and the corresponding increase in secondary level enrolment between 1995 and 1996 could also be explained in part by adjustment of the measurement method. The 1995 Survey instrument did not include the new school types created under the Reform of Secondary Education (ROSE), while