



**ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN  
(ECLAC)**

**Subregional Headquarters for the Caribbean  
Caribbean Development and Cooperation Committee (CDCC)**

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**Expert group meeting:  
Changing Ages-structures and poverty in  
Latin America and the Caribbean  
Santiago 14/11 – 15/11 2006**

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# Overview

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- Caribbean countries – an introduction;
- Economic framework;
- Demographics: Changing age-structures;
- Health and health-care;
- Poverty & its measurement;
- Summary & recommendations.

# The Caribbean

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- Development cross-road:
  - Demographic, economic and epidemiological transition;
  - Migration (brain-drain);
  - Natural disasters;
  - Large informal sector.

# Economic framework

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- Slow & unequal economic growth;
- High public sector debts;
- Low productivity;
- Large informal sector;
- Dependence on small range of goods & services;
- Expiration of sugar and banana trade agreements.

# Demographic challenges & opportunities

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- Demographic transition ([graph 1](#));
- Low fertility & increased longevity;
- Rapid changes in age-structures ([graph 2](#));
- Demographic window of opportunity.

# Health & health-care

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- Generally good health status & Eradication of most infectious diseases; BUT
  - Population ageing & epidemiological transition;
  - Obesity & related diseases on the rise (gender)
  - Pockets of mal- and under-nutrition;
- Questionable efficiency of PHC system:
  - Recognition of the need to reform?;
  - Financing of PHC system & restructuring;
  - Brain-drain in health sector.

# Poverty

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- Advanced development: high HDI, etc. BUT:
  - Unequal income distribution (high Gini);
  - Vulnerability to natural disasters:  
Hurricane Ivan (2004): 8,000 lives lost, 6 Mio persons affected; damage \$US 5.6 bio;
  - Poverty estimates (most countries don't have officially established poverty lines): 38% (World Bank) – 30% (CDB) ([Table 1](#)).

# Social security & social protection

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- Free public basic health-care & social protection;
- Tax-based non-contributory **Pay-as-you-go** systems; only few contributory schemes;
- In addition: limited cash & in kind transfers;



# Social security & old age

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- Limited pension coverage (1/3 of all elderly covered);
- Limited formal employment in old age;
- Large informal sector in small-scale agriculture, food production and street vending;
- Dependency on own work, family support, informal network of friends, church-groups, NGOs;
- NO pension reform in sight, only curative adjustments.

# Gender aspects in social security

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- Female headed households (50% est.);
- Economic opportunities biased towards men;
- Consequently: Exclusion of women from social security mechanisms such as pensions & other forms of contributory saving plans.

# Financing social protection

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- Presently contributory/ non-contributory schemes rather solid; BUT
- Need to integrate future needs into current mechanisms:
  - Establish contributory and individual RAs;
  - Establish mechanisms for the informal sector;
  - Identify new resources (return migrants?), female employment, enhance productivity;

# Financing social protection, con't

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- Demographic window of opportunity: largest workforce in history (2/3<sup>rd</sup>)!
- Limited contributions: tax-evasion, large informal sector, high unemployment (43% Belize – 32% Barbados), generally low savings-rates;
- Promote culture of '**saving for a rainy day**'.

# Conclusions

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- Health-care:
  - Change from curative to preventive approach;
  - Promotion of healthy life-styles;
  - Reform of health care system (also financing);
  - Address 'brain-drain'; and
  - Need to address institutional & long-term care needs.

# Conclusions, cont'd

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- Social security & protection:
  - Establish contributory & individual RA;
  - Identify and access new resources;
  - Enhance coordination of social service & healthcare providers;
  - Strengthen tax-based systems.

# Conclusions, cont'd

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- Improve governance, transparency and efficiency of social protection schemes:
  - Design needs-based mechanisms (not 'one size fits all').
  - Enhance monitoring & management of programs;
  - Strengthen institutional mechanisms;
  - Enhance outreach & coverage (IEC & accessibility).



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THANK YOU VERY MUCH  
FOR YOUR ATTENTION!