

National report Vanuatu

GLOBAL STUDY ON CHILD POVERTY AND DISPARITIES



THE UNIVERSITY OF
NEW SOUTH WALES
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List of abbreviations

ADB	Asian Development Bank
BNPL	Basic Needs Poverty Line
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CRC	Convention on the Rights of the Child
EAPRO	East Asia and Pacific Regional Office
EPI	Expanded Programme of Immunization
FPL	Food Poverty Line
GoV	Government of Vanuatu
HDI	Human Development Index
HIES	Household Income and Expenditure Survey
LLIN	Long-lasting insecticide-treated mosquito net
MCA	Millennium Challenge Account
MDG	Millennium Development Goals
MICS	Multiple Indicator Cluster Survey
NGO	Non-Governmental Organisation
PAA	Priorities and Action Agenda
PCAE	Per Capita Adult Equivalent
PIC	Pacific Island Country
SWAp	Sector-Wide Approach
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
VAT	Value-Added Tax
VNPF	Vanuatu National Provident Fund
VNSO	Vanuatu National Statistical Office
VUV	Vanuatu Vatu

Executive Summary

Vanuatu has a young population that is growing rapidly. Its 65 inhabited islands are spread across more than 700,000 square kilometres of ocean – a challenge to communication, transportation, and policy implementation.

This study analyses poverty and disparities in well-being as they affect children in Vanuatu, using a multidimensional approach. Its primary aim is to assist the Government and members of civil society to develop more effective policies to reduce children's disadvantages, especially those of the most vulnerable. It also explores the relevance of methodologies used in studying poverty to Vanuatu and the wider Pacific.

In studying child poverty, it is important to consider not only the economic resources enjoyed by households with children but also children's access to important 'pillars of well-being' such as nutrition, health care services, education, child protection and social protection.

Economic resources

One broad definition of poverty is the lack of adequate economic resources to sustain an acceptable standard of living – sometimes called 'income or expenditure poverty'. Using this approach, poverty studies analyse surveys that compare household income or expenditure, adjusted for need using an equivalence scale,

with a poverty line. This study applies this approach using data from the 2006 Vanuatu Household Income and Expenditure Survey. That survey included the estimated cash value of home production when estimating household income – an important consideration in countries such as Vanuatu, where households often have limited cash incomes but, with access to farming or fishing, may be able to produce most of what they need.

Numerous poverty measures and thresholds exist, some intended for global application and others adjusted for local conditions. This study uses several different thresholds in order to provide a more comprehensive picture of poverty measured by economic resources and relies primarily on the following indicators:

- Households living on less than US\$1.08 or \$1.25 a day
- Households under the Basic Needs Poverty Line for Vanuatu, which reflects the cost of a minimally nutritious diet plus essential non-food items
- Households with per adult equivalent expenditure less than 50 per cent of the population median

How many households with children can be considered to be living in expenditure poverty?

The answer varies depending on which poverty measure is used and whether it is adjusted for local price differences. The challenges that low-income households face can vary from province to province – from the high cost of housing in Port Vila to distance from services and markets in more remote provinces like Torba and Tafea.

Other factors that appear to have an important bearing on whether children live in poverty include household size (with larger households more likely to experience poverty) and education (the more educated the head of a household, the less likely it is to be poor). Gender did not seem to play a significant role – at least in this study, which focused on the experience of households rather than individual children, in a country where woman-headed households are relatively rare.

In addition to choosing the most appropriate international, national, or regional poverty measure, it is also necessary to choose an equivalence scale that adjusts the measure for specific household attributes such as number of members and ratio of adults to children. How much do larger households benefit from an economy of scale? How much less does it cost to meet a child's basic needs than to meet an adult's? Further study is needed to determine which of the wide range of existing equivalence scales is appropriate for Vanuatu and other Pacific Island countries.

Pillars of well-being

While the conventional approach to assessing child poverty is important, its close focus on expenditure (even when broadened to include non-cash household production) gives an incomplete picture. Certain needs are universal; the goods and services that meet those needs can be considered pillars of well-being, and the inability to meet them can be considered deprivation. In pursuing this second approach to assessing disparities in child well-being, this study relied on data from the 2007 Multiple Indicator Cluster Survey:

- Shelter (primarily measured by the quality of a dwelling's floor and roof)
- Sanitation (type of toilet facility)
- Safe drinking water (type of water source)
- Information (access to radio, television and telephone)

- Food (existence of stunting, wasting or underweight)
- Education (current and past school attendance)
- Health (immunization status)

Deprivation was subdivided into two categories: 'severe' and 'less severe'. Some types of deprivation depend on a child's age – for example, everyone needs safe drinking water, but infants do not suffer directly from lack of access to information or education – and thus were measured for the relevant age group rather than for children as a whole.

Of these categories, information deprivation was most prevalent among Vanuatu children at the time of the study, but this appears to be changing since the telecommunications reforms of 2007. Health, shelter, and food were other most frequently occurring severe deprivations. Patterns of deprivation vary a great deal from one location to the next within Vanuatu:

- **Rural children** are more likely to experience **at least one severe deprivation**.
- The highest percentage of children experiencing **severe deprivation** is in **Torba Province**, and the lowest in Port Vila.
- **Deprivation is highest in Torba for shelter, in Sanma for sanitation and in Tafea for water deprivation.**
- **Urban areas** tend to have the highest rates of **food deprivation** and the lowest rates of education and information deprivation.
- **Younger children** experience higher rates of severe deprivation than older children.

In Vanuatu, both deprivation and poverty have a strong regional dimension. More remote areas tend to experience the worst shelter, education, and water deprivation, and to face challenges related to transportation and communication. Port Vila experiences the worst food and health deprivation, and must deal with a higher cost of living and greater reliance on cash incomes and the formal labour market. Effectively meeting the different needs of children in remote and urban areas remains a major challenge.

Promoting child well-being

Promoting child well-being in Vanuatu requires an evidence-based approach. More survey data

on aspects of child well-being in Vanuatu are needed, followed by detailed analysis of how children are affected by economic and social disparities. More information is also needed on current government spending on child-related programs.

Improving educational attainment is likely to help reduce poverty and deprivation. Current steps towards abolishing primary school fees are likely to have an important impact in this regard.

Another large step towards social and economic progress in Vanuatu was the telecommunications reform in 2007, which appears to have significantly reduced information deprivation across the country. This proves that policy reforms can have a major positive impact if well implemented.

At the same time, many Vanuatu children still suffer significant disadvantages. Dealing with urbanization and providing jobs for young people in the formal labour market are likely to present growing challenges in coming years.

More community education is needed – for example, to help parents understand the importance of immunisation, nutrition and birth registration, and to improve knowledge about HIV/AIDS and other health conditions.

While Vanuatu has a number of broad policies to promote child well-being, these need to be better reflected in programmes that concretely and measurably improve child outcomes. Policies and programs for child poverty reduction need a more integrated strategic vision. And their regional dimension – especially the difficulties in delivering services to Vanuatu's remote islands and emerging urban child poverty – require more attention.

There is no one-size-fits-all solution to alleviating child poverty in Vanuatu. To be effective, efforts will have to take into account the wide range of problems that poverty causes for families, and the different needs of children of different ages and in different regions. Progress in areas such as education and communications give reasons to hope that Vanuatu is up to the challenge.

Children and Development

This section provides a broad background to understanding disparities in child well-being in Vanuatu. It describes the methodological approaches adopted in the *Global Study on Child Poverty and Disparities* (UNICEF 2007). Next it reviews Vanuatu's geography, political system, demographic characteristics and economic structure. This is followed by a discussion of income and expenditure inequality. The section concludes with an analysis of the role of government in Vanuatu and the components of social sector spending, as well as the important contribution made by international organisations and overseas aid agencies.

Introduction

Vanuatu and Pacific society generally have long been seen as having a traditional culture of caring and sharing within family and clan. Images of hunger and destitution and of absolute poverty frequently seen in other parts of the developing world have been largely absent in the Pacific. Vanuatu's population, now almost 250,000 people, scattered across 65 islands, is largely rural (80 per cent), and most households – including many in urban areas - rely on subsistence production (mainly agriculture and fishing) for their livelihoods. Households living on remote islands may have limited access to cash incomes, but usually have access to traditional land holdings for subsistence crops, and to the sea.

Traditional family and kinship networks are strong in Vanuatu, as are other community institutions such as churches and non-governmental organizations (NGOs). While Ni-Vanuatu (the people of Vanuatu) might not be well off in financial or material terms, their strong family and community ties have traditionally provided a social safety net for the most disadvantaged and vulnerable. Indeed, in a participatory poverty and hardship assessment, poverty was defined as a state of “having nothing” (*no gat samting*), “being hopeless” and “struggling for survival,” and was largely viewed as not existing in Vanuatu (ADB 2002).

Hardship, however, is widely perceived to exist. Communities described hardship (*Laef I had tumas*) as “temporary and manageable life difficulties.” Hardship is characterized primarily by lack of or limited access to basic services such as education, health, good roads, and safe water supply (ADB 2002). The poorest households are likely to lack access to basic services, especially water and sanitation, if they are in the more remote parts of the country, away from urban amenities or in the squatter areas in the urban centres of Port Vila and Luganville. Limited income sources and unemployment were the most cited hardships in urban areas, while lack of or limited access to services and limited income sources were hardships in rural areas. Unemployed people, landless people, widows and single mothers, orphans, disabled and elderly

people, settlers, and 'lazy' people were identified as suffering much more from hardship than the rest of the community (ADB 2002).

Increasing urbanisation and monetisation of the society is perceived as leading to a deterioration of traditional support systems, and widening development gaps between urban and rural areas and rising urban poverty have also emphasized the need to address disparities. Moreover, the geographic constraints (financial and institutional) of delivering social services to the remote and scattered population are an ongoing challenge.

Vanuatu has a young population, with 48 per cent age 0-19 years in 2006. Population growth is high, estimated at around 2.4 per cent per year. Thus, children's well-being is central to any assessment of social development and progress in Vanuatu. Children's well-being and development are also traditionally considered within the larger family and community. According to the 2007 National Children's Policy, the Government "recognizes, upholds and supports the role of the family as the fundamental group of society, creating through traditional culture, wisdom and church guidance the natural environment for growth and well being of the nation's children." (Government of Vanuatu, NCP, 2007, p. 3)

Traditional culture is generally viewed as supportive and nurturing of children: "They enjoy a rich cultural life and bask within the love of their extended family network. Children are treasured and most parents do all they can to ensure their offspring are well fed, go to school and be protected from all harm and danger" (GoV, NCP 2007, p. 3).

But Vanuatu's National Children's Policy recognises that there are also many shortcomings to address: Many children are at risk of falling ill to preventable diseases, especially malaria, acute respiratory infections and diarrhoeal disease. At least half of Vanuatu's children do not benefit from early childhood development programmes. The quality of basic education needs to be improved, and most children cannot enrol in secondary school because places are limited. It appears that many children are at risk of physical, emotional or sexual abuse and neglect, particularly girls. Those who are brought before the law, be it civil or *kastom* law, usually do not know their rights and may be dealt with in a manner inappropriate to children. An investment in children today is not only for future economic and social development,

but also for the protection of children's rights and improved wellbeing today" (GoV, NCP 2007, p. 3).

The Structure of the UNICEF Global Study on Child Poverty and Disparities

The Global Study on Child Poverty and Disparities, carried out in around 50 countries and seven regions in 2007-2008 with UNICEF support, uses the Multiple Indicator Cluster Survey (MICS), Demographic Health Survey and other available data to analyse the poverty and disadvantages experienced by families with children.¹ Until now, no Pacific Island countries (PICs) have been included in the study.

The Global Study uses a comprehensive analytical approach that progressively focuses on outcomes for children. First, it looks at gaps and opportunities in national poverty reduction strategies, including the demographic and economic context, employment, public and private social expenditures, fiscal space and foreign aid. Second, it focuses on the poverty and disadvantages faced by families with children. Finally, it looks in detail at how public policies could more effectively reduce child deprivations by providing better services and protection for all children and all families caring for children, including measures that promote gender equality.

In each country participating in the study, a UNICEF focal point brings together experts in national statistics and policies to carry out evidence-based analyses and produce a country report. The conceptual framework, methodology and data templates of the study are detailed in the Global Study on Child Poverty and Disparities Blog, available online at www.unicefglobalstudy.blogspot.com.

The purpose of the study is to strengthen the profile of children at the national policy table. In particular, it aims to influence the economic and social policies that affect resource allocations, and to make children a priority in national programmes by addressing (1) the poverty of families raising children and (2) the health, education and protection needs of children living in poor, vulnerable households, unsafe circumstances, or disadvantaged communities.

¹ The countries, grouped by region, are: *Americas and the Caribbean*: Bolivia, Brazil, Jamaica, Mexico, Nicaragua; *Central and Eastern Europe/Commonwealth of Independent States*: Kosovo, Kyrgyzstan, Ukraine, Uzbekistan; *Eastern and Southern Africa*: Burundi, Indian Ocean Islands, Lesotho, Madagascar, Malawi, Tanzania, Uganda, Zimbabwe; *East Asia and the Pacific*: Cambodia, China, Indonesia, Lao PDR, Mongolia, Myanmar, Philippines, Solomon Islands, Thailand, Viet Nam, Vanuatu; *Middle East and North Africa*: Djibouti, Egypt, Morocco, Occupied Palestinian Territory, Yemen; *South Asia*: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka; *West and Central Africa*: Cameroon, Congo DR, Congo, Ghana, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo.

Political, geographic and institutional background

Geographic context

Vanuatu is a Pacific Island country in what is commonly referred to as the Melanesian group in the western Pacific and is made up of 80 islands, 65 of which are inhabited, spread over around 650 kilometres of ocean (Figure 1.1). The total economic zone of Vanuatu is around the size of metropolitan France or 60 per cent the size of New South Wales, which in conjunction with its relatively modest population size makes problems of distance and communication very significant, even if these are not as severe as in some other PICs.

Figure 1.1: Map of Vanuatu

The country is divided into six provinces: Tafea (Erromango, Tanna, Aniwa, Futuna and

Aniwa), Shefa (Efate and the Shepherd Islands), Malampa (Ambryn, Malakula and Paama), Penama (Pentecost, Maewo and Ambae), Sanma (Santo, Malo, Aore, Tutuba and Bokissa) and Torba (the Torres Islands, Vanua Lava, the Banks Islands and Gaua). Torba is the most northern province, containing some of the most remote islands and atolls. Vanuatu's capital, Port Vila, is located in Shefa Province, and the other main urban centre, Luganville, is located on the predominantly agricultural island of Espiritu Santo in Sanma Province. Tafea is the southernmost province, also with remote islands and atolls.

The larger islands are mostly volcanic in origin, and there are nine active volcanoes. The country is extremely vulnerable to natural disasters such as earthquakes, cyclones, tsunamis and volcanic eruptions. In fact, of 111 countries ranked by the Commonwealth Vulnerability Index, it is considered the most vulnerable (Easter, Atkins



Table 1.1: Composite vulnerability index and other indices, selected countries, around 2000

	Population	Real per capita GDP (US\$)	Rank	Output volatility index	Rank	Composite vulnerability index	Rank
Vanuatu	161,000	2,500	53	3.61	90	13.295	1
Antigua and Barbuda	65,000	5,369	86	13.38	3	11.246	2
Tonga	93,000	3,740	73	13.18	4	10.439	3
Bahamas	268,000	16,180	110	7.37	25	10.433	4
Fiji	758,000	5,530	89	6.84	32	8.888	8
Maldives	236,000	2,200	47	2.97	97	8.654	9
Solomon Islands	354,000	2,266	49	11.21	9	8.398	11
Dominica	71,000	3,810	76	6.12	41	8.122	12
Guyana	816,000	2,140	45	11.87	5	7.953	13
Grenada	92,000	3,118	61	6.89	31	7.848	15
Sao Tome	127,000	600	4	4.23	79	7.690	17
Jamaica	2,411,000	3,180	63	3.43	91	7.484	18
St Lucia	139,000	3,795	74	6.59	35	7.449	19
Samoa	167,000	3,000	59	6.92	30	7.371	20
Belize	204,000	4,610	82	9.63	15	6.652	23
St Vincent	11,000	3,552	69	6.08	43	6.563	24
Mauritius	1,091,000	12,510	107	6.72	34	6.510	27
Seychelles	72,000	4,960	84	5.90	51	6.375	28
St Kitts	42,000	9,340	103	5.97	50	6.362	29
Papua New Guinea	4,110,000	2,530	55	5.03	65	6.308	30
Barbados	260,000	10,570	105	4.34	74	5.670	38
Comoros	607,000	1,130	26	2.39	106	5.425	43
Trinidad and Tobago	1,278,000	8,670	101	8.75	18	5.264	49
Kiribati	78,000	1,475	32	16.60	1	5.082	59
Cape Verde	370,000	1,820	41	9.08	16	4.956	73
China	1,196,360,000	2,330	51	4.84	66	3.744	108

Source: Easter, Atkins and Mazzi 2000.

and Mazzi 2000).² Table 1.1 shows Vulnerability Index rankings for Vanuatu and a selection of other countries around 2000. It focuses mainly on small island states, but for comparison, it includes China, which at the time the index was developed (2000) had a GDP per capita only slightly higher than Vanuatu's and ranked 108th out of 111 countries in terms of vulnerability.

The reason for Vanuatu's high vulnerability is that it has relatively high export dependence and non-diversified export items, so its economy is highly vulnerable to external economic shocks. Between 1981 and 2006, Vanuatu experienced 28 natural disasters, affecting on average 10,500 people (more than 4 per cent of the population) per year, making its population the most affected by disasters of all states covered in the sample.

² The Commonwealth Vulnerability Index was based on two principles: (1) the impact of external shocks over which a country has little or no control and (2) the country's resilience or ability to withstand and recover from such shocks. In terms of impact, income growth volatility is seen as a direct consequence of vulnerability. About 50 variables, representing the economic, environmental and spatial dimensions of the characteristics of developing countries, were tested in an econometric modeling exercise in order to identify a limited number of highly significant indicators influencing volatility of income (measured as GDP). The three most significant indicators found were lack of diversification, export dependence and the impact of natural disasters. These elements were combined to form a composite index of the impact of vulnerability on developing countries. The resulting index was then weighted by GDP as a proxy for resilience, the second component of the index.

Thus, geography is critical to understanding the development challenges and constraints facing Vanuatu. Basic social service delivery has high per-unit costs, and there are capacity restraints to developing infrastructure. This implies some ongoing disadvantages for remote areas, such as distance from hospitals.

Political context

Vanuatu gained its independence in 1980, after 74 years of joint rule by Britain and France. It is a democratic republic with a 52-member Parliament elected every four years. The Prime Minister, Vanuatu's Head of Government, is elected by the members of Parliament for a period of five years. There are 13 government ministries, which are led by 13 members of the Council of Ministers, which also has a significant role in policy and budget execution.

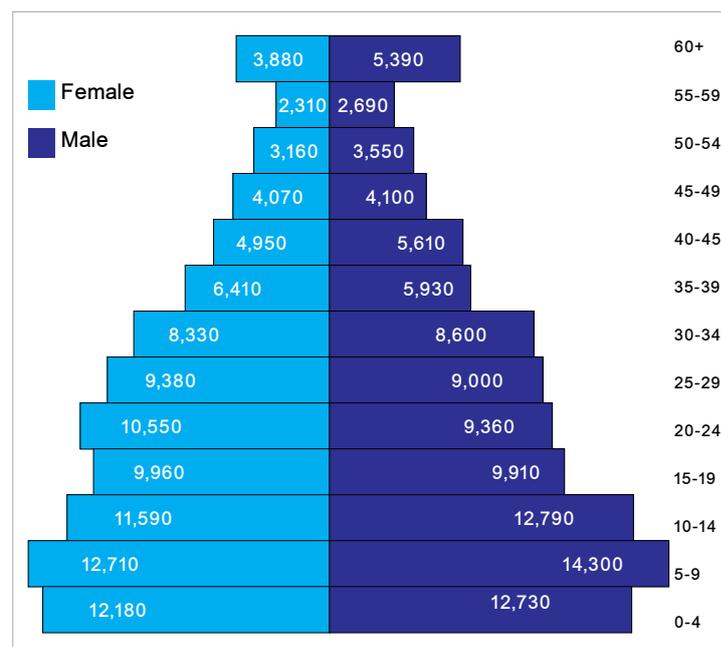
Vanuatu held national elections on 2 September 2008. On 22 September 2008, Edward Natapei was elected Prime Minister by two votes in a secret ballot at the first sitting of the new parliament. After facing numerous votes of no confidence the Natapei government was defeated on 2 December 2010. The Deputy Prime Minister under the Natapei government, Sato Kilman, (People's Progressive Party) became the new Prime Minister. The Kilman-led government is a loose alliance of eight parties.

The relationships between the National Government, provincial governments, and the municipal administrations of Port Vila, Luganville and Lenakel are important. In addition, the National Council of Chiefs has a role under the Constitution, which upholds matters of custom and tradition. Each island has an Island Council of Chiefs, which has responsibility for resolving disputes according to traditional local custom (ADB 2009, p. 47).

Population

The total population of Vanuatu was estimated to be 234,000 in 2009, and it is projected to be 245,000 in 2010. The median age is 20.6 years, amongst the youngest in the Pacific. Figure 1.2 shows the population structure in 2006. The largest age cohort is 5 to 9 years, followed by 10 to 14 years and 0 to 4 years. Boys outnumber girls up to the age of 15, but between 15 and 29 years, women outnumber men. This again reverses over the age of 30.

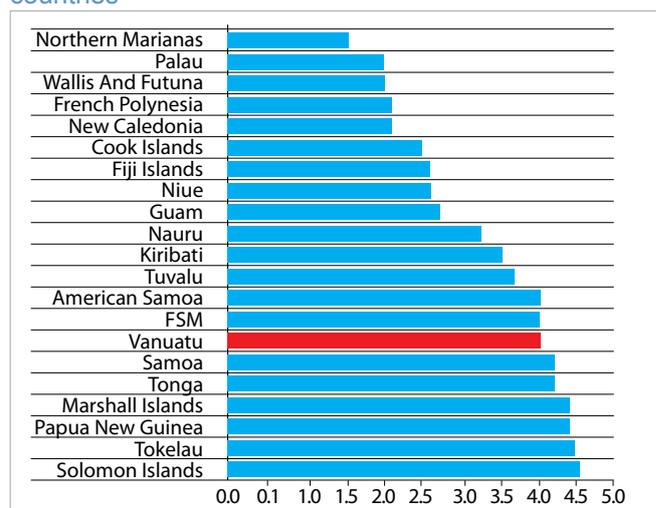
Figure 1.2: Population structure in 2006



Source: ADB, UNDP and GOV 2006.

Although it has declined from 5.3 in 1989, Vanuatu's fertility rate, 4.0 in 2009, was among the highest among the PICs, as shown in Figure 1.3. Fertility rates are significantly higher in rural areas than in urban areas (5.1 compared to 3.8 in 1999).³ Teenage fertility rates are also high, 65 per 1,000 females age 15 to 19 in 2009.

Figure 1.3: Total fertility rates, Pacific Island countries



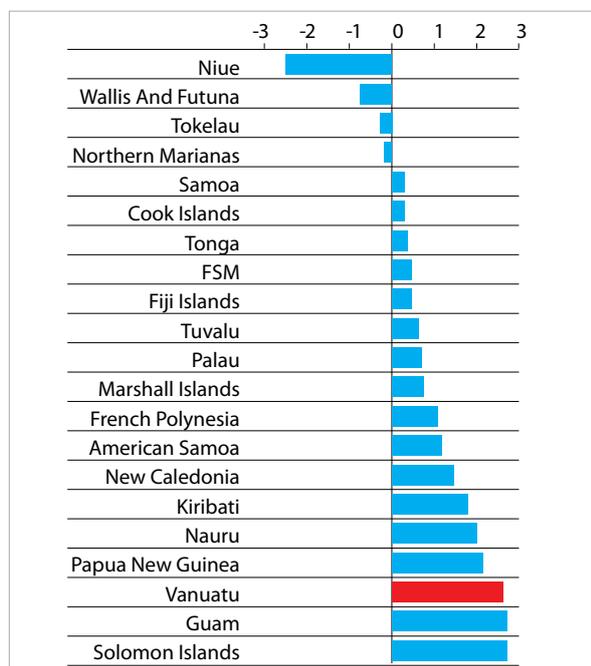
Source: SPC, 2010

A number of PICs have relatively high rates of outward migration, but Vanuatu does not. This factor, in combination with the country's **youthful age structure and high fertility**, means

³ <http://www.spc.int/prism/country/vu/stats/SOCIAL/DEMOGRAPHY/demog-sum.htm>, accessed 23/11/2009.

that Vanuatu has one of the highest rates of population growth in the Pacific, as shown in Figure 1.4.

Figure 1.4: Population growth rates, Pacific Island countries



Source SPC, 2010

High fertility and high population growth rates in Vanuatu pose serious challenges, including for child and maternal health. High fertility increases the risk to survival and proper care as large numbers of children spaced closely together place additional stress on mothers caring for children along with their other responsibilities in the household and in the community. High population growth rates also place pressures on health and education services. The population is projected to more than double from 245,000 in 2010 to 539,000 in 2050, requiring significant additional investment in schooling and health care. As discussed below, growth rates in Port Vila have been about twice the average rate, placing particular stress on service delivery in the capital.

Family and community

Many islands have similar values, customs and cultures, although there are over 100 different languages (many of these are similar). Over 70 per cent of the population speak an indigenous language, with the *lingua-franca pidgin* (known as Bislama) being spoken by a quarter of the population. French and English speakers constitute around 1.5 per cent to 2 per cent of the population.

The family is the basic social unit. The importance, for the household unit and for children, of traditional reliance on family, community and kinship networks has already been mentioned. These networks facilitate wide sharing of resources and provide social support, and are likely a key element in resilience to poverty.

Traditional community and cultural values also play an important role for children in other dimensions of well-being, such as child protection and social protection. For instance, consultation with the Council of Chiefs played an important role in enabling the passing of the Family Protection Act. The community is also expected to engage with the family in child protection. For example, about 80 per cent of incidents of children's non-compliance with the law are referred to the community – and few cases are referred to police or the justice system (UNICEF 2009).

The place of children in a community and household is also important for understanding opportunities and limitations on opportunities. For example, cultural values may determine who receives education; expectations for children to contribute to household farming contradict international norms and can limit education opportunities. Children may be 'adopted' into other families as a means of strengthening kinship (UNICEF, 2009).

The main areas that the traditional *kastom* system deals with today are land disputes, issues relating to marriage and children, disputes over the payment of debts and failure to honour agreements and offences committed by one person against another. All of these are generally referred to as *trabol* (trouble) or *raorao* (a dispute). In *kastom*, the overriding aim is to restore peace and harmony in the community, and therefore the distinction that is drawn in Western legal systems between punishment and compensation for criminal and civil matters does not apply.

Structure of the economy

According to the latest Human Development Report (UNDP 2010), Vanuatu's GDP per capita in purchasing power terms in 2008 was US\$4,084, a little lower than Indonesia's and around 115th in the world. From 1990 to 2002, GDP per capita growth was extremely volatile, ranging from just over 10 per cent in 1991 to negative 5.7 per cent in 1999. This volatility

occurred because of the narrow base of the economy, the significant contribution of agriculture and associated volatile international prices, as well as vulnerability to natural disasters. Political instability and government fiscal policy also played a role (ADB 2009b).

Since 2003, Vanuatu has become one of the fastest-growing economies in the Pacific region, with economic growth driven primarily by tourism, construction and aid inflows. Annual growth, which averaged only 2.5 per cent per year between 1982 and 2003, grew to average almost 6 per cent between 2003 and 2008 and is estimated to have reached 6.8 per cent in 2007 and 6.2 per cent in 2008 (VNSO 2008). The impact of the global recession slowed GDP growth to 3.5 per cent in 2009 and 2.2% in 2010 (Reserve Bank of Vanuatu, 2011). The economy is based primarily on subsistence and small-scale agriculture, which provides a living for the majority of the population. Mineral deposits are negligible, and the country has no known petroleum deposits. A small light industry sector caters to the local market. The economy is small, has few trade restrictions and relies on a few types of exports. The bulk of export earnings come from tourism and the fishing industry, with other exports including copra, coconut oil, beef, kava and timber. During 2002, the government stepped up efforts to boost tourism by improving air connections, resort development, and cruise ship facilities, and since 2004 visitor arrivals have grown by 13 per cent per year (IMF 2009).

The relative importance of agriculture to GDP has declined somewhat, as has industry, but services Livestock farming is a second target for growth, and have grown. Australia and New Zealand are the main suppliers of tourists and foreign aid. Table 1.2 summarises the structure of the Vanuatu economy.

However, although agriculture only accounts for 14.4 per cent of GDP, it is the backbone of the subsistence of the population, with about 80 per cent of the population living in agricultural households (VSNO 2006). From 2000 to 2007, the fastest-growing sectors were finance and insurance, construction and real estate and business services, while agricultural exports, forestry and logging and manufacturing fell in real terms.

Vanuatu is dependent on imports of basic goods and processed food items. The majority of its agricultural products are exported to New Zealand, Australia, Japan, the United States and the European Union, and those countries are also the major sources of imports, together with other Pacific Island countries such as Fiji. Vanuatu is also a member of the Pacific Island Country Trade Agreement, which is the free trade agreement among Forum Islands Countries.

Official development assistance is also significant, accounting for more than 5 per cent of GDP. As

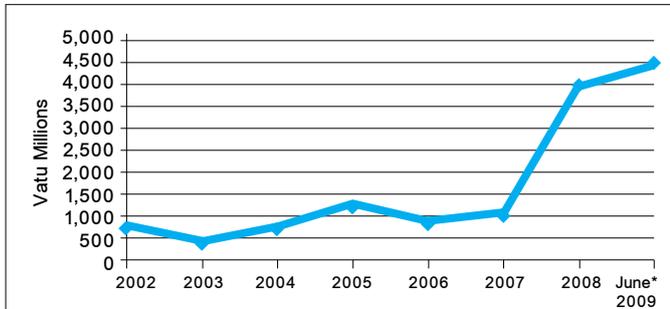
Table 1.2: Structure of the Vanuatu economy, 2000 and 2007

	2000 (%)	2007 (%)
Agriculture, fishing and forestry	15.6	14.4
Traditional agriculture	9.2	9.2
Export agriculture	5.0	4.3
Other commercial agriculture	0.4	0.4
Forestry and logging	0.9	0.4
Industry	9.3	8.8
Manufacturing	4.4	3.1
Electricity	1.8	2.0
Construction	3.2	3.7
Services	75.1	76.8
Wholesale and retail trade	31.7	30.9
Hotels and restaurants	8.1	6.7
Transport and communication	12.1	12.8
Finance and insurance	6.4	8.7
Real estate and business services	5.9	6.7
Government services	13.4	14.6
Personal services	1.1	1.0
Domestic services	1.1	1.1
Less imputed bank service charge	4.8	5.7
Gross domestic product (GDP)	100.0	100.0

Source: VNSO, 2010a

shown in Figure 1.5, amounts have increased significantly in real terms since 2007, due largely to increased contributions from Australia as well as infrastructure funding by the United States through the Millennium Challenge Account.

Figure 1.5: Annual grant aid flows, 2002 to 2009



* June 2009 data annualized. Source: Reserve Bank of Vanuatu 2009.

Vanuatu's relatively limited outward migration has kept remittances much smaller in scope than in a number of other PICs.⁴ However, since 2007 Vanuatu has been part of the Recognised Seasonal Employment scheme with New Zealand and more recently, the Pacific Seasonal Workers Pilot Scheme with Australia. As part of Recognised Seasonal Employment, 2,600 Ni-Vanuatu have been employed on farms in New Zealand, bringing back between NZ\$5,000 and NZ\$10,000 per worker, with roughly two-thirds of the money going to rural areas. The Australian scheme is more recent and smaller in scale but is also likely to contribute to improving household incomes in the future. Given the large share going to rural areas, remittances potentially have a strong role to play in rural poverty reduction. Conversely, the prospect of workers moving overseas may have implications for the domestic skills base as well as potential negative effects for some households during the absence of the worker.

Table 1.3: Selected occupations in rural and urban areas, 1999

Occupations	Rural (%)	Urban (%)
Agriculture and fisheries	86.2	8.3
Services and retail	2.4	17.0
Crafts and related	2.0	15.4
Technical and professional	3.6	13.0
Clerical	0.6	9.5
Unemployed	0.6	6.2

Source: VNSO 2000.

⁴ For example, roughly half the population of Samoa and Tonga lives overseas, and remittances amount to 14 per cent of GDP in Samoa and 39 per cent in Tonga; in contrast, remittances to Vanuatu are around 3 per cent of GDP (Ball et al., 2010).

Employment, incomes and inequality

The labour market in Vanuatu is concentrated in the agricultural sector (Table 1.3). In 1999, 67 per cent of the population were engaged in subsistence farming, with more females (72.9 per cent) than males (62.5 per cent) working in this sector. However, only about a quarter of the workforce was working for pay, salary or profit, and the majority (about two-thirds) of this group were males.

Other than the agricultural sector, 5.4 per cent of labour market participants were technicians and professionals, including teachers and nurses, and 5.2 per cent were shop and market sales workers. Not surprisingly, the proportion of agricultural workers was much larger in rural areas (86.2 per cent) than in urban areas (8.3 per cent).

Table 1.4 provides more up-to-date data on economic activity in Vanuatu from the 2006 Household Income and Expenditure Survey (ADB, UNDP and GOV 2006). This shows that less than 20 per cent of the population age 15 years and over was working for wages and salaries, mostly full-time. The unemployed accounted for 10 per cent of the adult population, but the largest group were those producing for household consumption, at just under 40 per cent of the population age 15 years and over.

Table 1.4: Economic activity, Vanuatu, 2006 (Population 15 years and over)

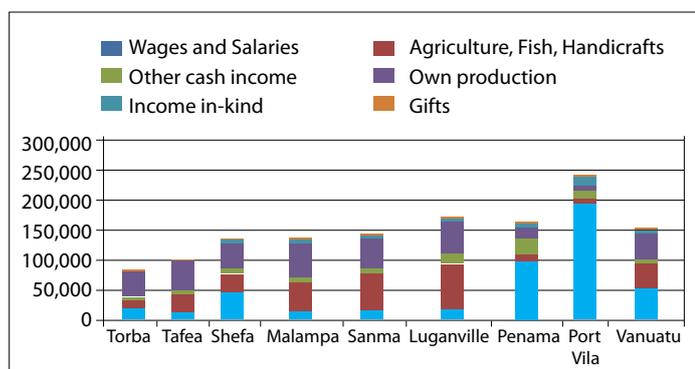
Activity	Number	%
Wages and salaries, full time	20,315	16.0
Wages and salaries, part time	3,201	2.5
Own business	2,813	2.2
Selling products	6,361	5.0
Own household consumption	47,765	37.6
Unemployed	12, 819	10.1
Other	33,651	26.5
Total	126,926	100.0

Sources: National Statistics Office; ADB, UNDP and GoV 2006.

The 2006 survey also found that around 61 per cent of wage and salary earners lived in urban areas (49 per cent in Port Vila). Wage and salary employment increases by age, and peaks at around 22 per cent of those age 40 to 44 years. Wage and salary income is highest in Port Vila at around 196,000 vatu per capita per year in 2006, compared to 96,000 vatu in Luganville and 22,000 vatu in rural areas. In the rural areas of Shefa Province – where Port Vila is located – it is 47,460 vatu per person, more than twice as much as in any other rural province.

As shown in Figure 1.6, wages and salaries account for 80 per cent of total household income in Port Vila and 57 per cent in Luganville, but for much lower proportions in rural areas. Own-account production is broadly similar in most rural areas, but much less significant in urban areas, while agriculture, fishing and handicrafts are most significant in Malampa, Sanma and Penama.

Figure 1.6: Per capita annual household income by source and location, 2006 (Thousands of vatu)



Source: Based on data from ADB, UNDP and GOV 2006 and VNSO.

Not all employed persons escape living in poverty. The working poor exist in Vanuatu;⁵ 7.7 per cent

⁵ The number of working poor is calculated by estimating the number of employed persons living in a household with incomes below the poverty line as a proportion of total employment.

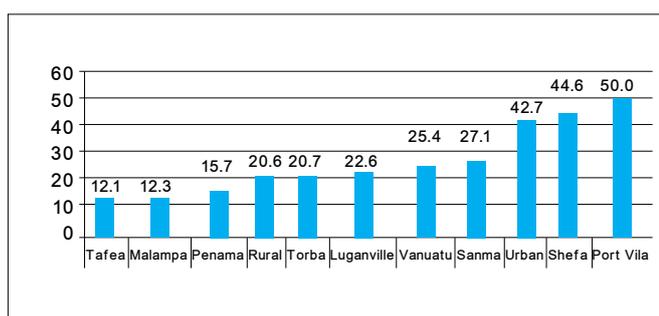
of employed people living in rural areas and 14.3 per cent of employed people living in urban areas were found to lack decent employment, with the income earned from employment or from subsistence being insufficient to lift their families out of poverty (GoV/UNDP, 2010) This suggests that employment, including subsistence gardening, provides a reasonable income for many rural households. On the other hand, a higher proportion of urban households, many of which are not able to supplement their formal-sector employment with subsistence production, find it harder to meet their basic needs.

Family and youth unemployment

Unemployment is a major predictor of who is poor and who is not, particularly in urban areas. Of all unemployed people in Port Vila, 38 per cent are living below the Basic Needs Poverty Line. In this group, 27 per cent have domestic duties, 41 per cent are full-time students, and the remaining 32 per cent reported 'other' main duties (ADB 2009, p.109). Adult unemployment in urban households can seriously affect children living in these households.

Approximately three-quarters of the population lives in rural areas outside the two main urban centres; however, the degree of urbanisation is changing, with considerable movement from rural to urban areas, especially to Port Vila, whose population increased by 50 per cent between 1999 and 2009, a rate of increase nearly twice the national average (Figure 1.7). It is projected that by 2020 Port Vila's population will be as high as 60,000, many of whom will be young and unemployed (ADB 2009, p. 12). These changes place significant pressures on housing, infrastructure and services in Port Vila.

Figure 1.7: Population growth rate (%) by region and urban centre, 1999 to 2009



Source: VNSO 2009.

Because of the growing population and urbanisation, youth unemployment and lack of education and training for urban and rural youth is a growing concern. Where young people have found work, it is often not the work they would prefer, and they face poor working conditions, often taking casual labour when they can find it or working in subsistence activities in order to avoid unemployment.

Income and expenditure inequality

A few studies have looked at indicators of well-being for households in Vanuatu. Some of these reports are now quite dated, but many of their data gaps have recently been filled by the 2007 Multiple Indicator Cluster Survey and the 2006 Household Income and Expenditure Survey.⁶

The Gini Index of household expenditure was 0.41 in 2006 (VNSO 2008).⁷ The 2006 Household Income and Expenditure Survey (HIES)

⁶ According to the VNSO: "Household income consists of all receipts whether monetary or in kind (goods and services) that are received by the household or by individual members of the household at annual or more frequent intervals, but excludes windfall gains and other such irregular and typically onetime receipts. Household income receipts are available for current consumption and do not reduce the net worth of the household through a reduction of its cash, the disposal of its other financial or non-financial assets or an increase in its liabilities. Household income may be defined to cover: (i) income from employment (both paid and self-employment); (ii) property income; (iii) income from the production of household services for own consumption; and (iv) current transfers received. The household income is comprised of income from wages and salaries, sales of agriculture, fish and handicrafts, other cash income, own account production (subsistence), net income-in-kind and gifts received.

Household expenditure is defined thus: "Consumer goods and services are those used by a household to directly satisfy the personal needs and wants of its members. Household consumption expenditure is the value of consumer goods and services acquired, used or paid for by a household through direct monetary purchases, own-account production, barter or as income-in-kind for the satisfaction of the needs and wants of its members. Household expenditure is defined as the sum of household consumption expenditure and the non-consumption expenditures of the household. The latter are those incurred by a household as transfers made to government, non-profit institutions and other households, without acquiring any goods or services in return for the satisfaction of the needs of its members. Household expenditure represents the total outlay that a household has to make to satisfy its needs and meet its "legal" commitments."

The main components of household expenditure are own-account production (subsistence), food purchases, household operation, miscellaneous household expenditure, household items, transport, household income-in-kind, tobacco and alcohol, other and non-consumption expenditure. "Other" is comprised of gifts given, gifts received and clothing. Non-consumption expenditure is comprised mainly of contributions to religious organizations and other non-profit organizations.

⁷ The Gini Index is a measure of inequality that varies between 0 and 1.0, with higher values implying greater inequality.

presented the first reliable national estimates, and there are no reliable comparison data on how this has performed over time.⁸ But data from the 20010 HIES will be available in the near future. The highest levels of inequality, as measured by the Gini, were evident in Port Vila with a Gini coefficient of 0.46 compared with a rural Gini of 0.40.⁹ This level of inequality is about the same as in the United States, for example, which places Vanuatu at a moderately high level of inequality internationally.

As discussed above, total household incomes are highest in Port Vila; in particular, more than half (12,000 out of 23,000) of the richest income decile live in Port Vila, while nearly 90 per cent of the poorest income decile live in rural locations. Indeed, nearly one-third of the poorest decile lives in Torba Province, even though less than 5 per cent of the total population live there. A small number of expatriate households appear to make a relatively significant contribution to overall income inequality. For example, out of the 43,000 households in Vanuatu in 2006, only around 180 had a head who was neither Ni-Vanuatu nor part Ni-Vanuatu, but these households had monthly incomes that were more than five times as high as the overall average for Vanuatu and 3.6 times as high as other households in Port Vila (VNSO; ADB, UNDP and GOV 2006).

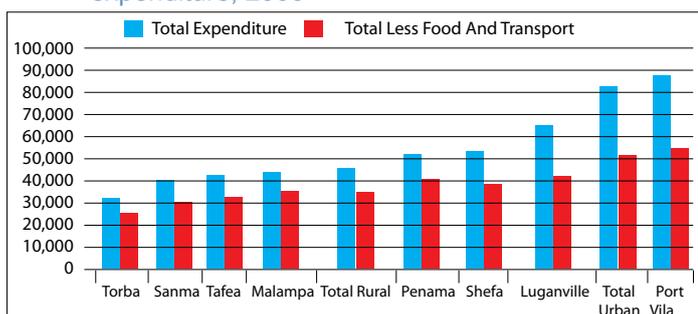
Household income and expenditure and price changes

Inequalities in well-being can also be measured on the basis of household expenditures. Figure 1.8 shows monthly per capita household expenditures by location, as well as total expenditure less cash spending on food and transport. Total expenditure ranges from 32,000 vatu per month in Torba to 88,500 vatu per month in Port Vila, a disparity of around 2.8 to 1. This is slightly lower than the disparity in income between the two locations, which is around 2.9 to 1. Households in Port Vila and Luganville, however, spend considerably more cash on food, clothing and transport than households in rural areas, while rural households consume much more of their own home production. Thus, as Figure 1.8 shows, disparities in total spending less cash expenditure on food and transport are narrower at about 2 to 1.

⁸ Bazeley and Mullen (2006), for example, quoted figures from the 1995 HIES suggesting that Vanuatu then had one of the highest levels of inequality in the world, but this estimate did not include the value of home-produced goods and services, thus significantly exaggerating the level of inequality.

⁹ In reality, the Gini coefficient may be higher; because of sampling and non-sampling errors, the HIES did not include as many high-income households as expected.

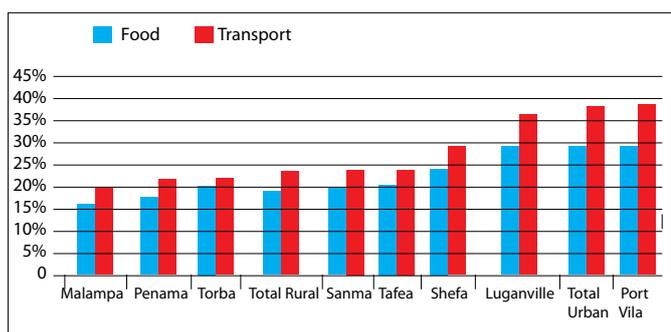
Figure 1.8: Monthly per capita household expenditure, 2006



Source: Based on data from ADB, UNDP and GOV 2006; VNSO.

Another way of looking at this is to consider the share of total cash expenditures on food and transport. Figure 1.9 shows that urban households in Vanuatu allocate more than 35 per cent of their total expenditures to these two categories, compared with less than 25 per cent in most rural provinces.

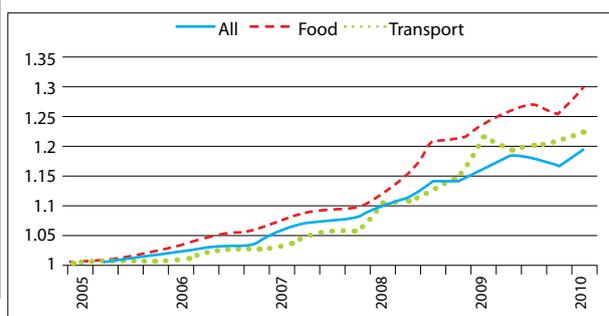
Figure 1.9: Food and transport share of total expenditures by location, 2006 (%)



Source: Based on data from ADB, UNDP and GOV 2006; VNSO

The relatively high share of total expenditure dedicated to cash expenditures on food and transport in urban areas in Vanuatu is likely to be a significant concern, given trends in inflation since the 2006. HIES. Figure 1.10 shows trends in the overall Consumer Price Index and the price indices for food and transport, with March 2005 set as the base. It is apparent that since 2006 food prices have increased at a much faster rate than prices generally, and the same has been true for transport prices since 2008. As a result, the increase in food prices over this period has been nearly 50 per cent higher than the increase in the Consumer Price Index. This is likely to have had the largest impact on urban households, who are much more reliant on market purchases.

Figure 1.10: Trends in price indices, 2005 to 2010 (2005 = 1)



Source: VNSO, 2010

Macroeconomic strategies and resource allocation

The Government of Vanuatu's 2009 strategy document *Planning Long, Acting Short* outlines the most recent policy priorities and strategies, which include macroeconomic and governance priorities as well as strategies focusing on employment, education and health. In terms of macroeconomic policy, the Government's priority is to achieve responsible macroeconomic and fiscal management, including implementing the New Development Budget by 2010 to better align resources with priorities, strengthening the legal regime governing the appropriation and use of public funds, and maintaining payroll costs at a manageable level.¹⁰

Together with *Planning Long, Acting Short*, the priorities and action agenda (PAA) *An Educated, Healthy and Wealthy Vanuatu 2006-2015* (Government of Vanuatu 2006a) sets the government's 10-year policy priorities. The initial PAA was formulated in 2003 with five priority areas, and was later expanded to cover seven priorities: (1) private sector development and employment creation; (2) macroeconomic stability and equitable growth; (3) good governance and public sector reform; (4) primary sector development (natural resources and the environment); (5) improved provision of basic services, especially in rural areas; (6) education and human resources development; and (7) economic infrastructure and support. This policy also emphasizes expanding economic opportunities and economic infrastructure.

Overall, the main policy strategy in Vanuatu is focused on increasing private investment

¹⁰ In 2006, wages and salaries absorbed more than 50 per cent of total government expenditures, the highest level in the Pacific (Amosa, Narayan, Naz and Pandaram 2009). In the key service delivery areas of health and education, these proportions are even higher.

and expanding business opportunities by implementing economic reforms. Key growth areas, and the aim of current donor funding programmes, are road and port infrastructure. Government strategies also include strengthening the accountability and transparency of public offices and institutions. Infrastructure strategies include strengthening the capacity of the Ministry of Infrastructure and Public Utilities, ensuring that telecommunications competition lowers prices and increases access for the population, ensuring that power is more widely available at a fair price, improving shopping, wharf and storage facilities, and expanding a new international airport. With a focus on productivity, investment and employment, a number of strategies address the sectors' capacities, specifically the improvement of farmers' access to markets and information, improved access to credit facilities, strengthening of the fishery and forestry industries, institutional strengthening for livestock services, and encouraging tourism as an important source of foreign exchange.

The introduction of a value-added tax (VAT) in 1998¹¹ and a commitment to capacity building in the tax office have contributed to an increase in government revenues, and the government has also improved its transparency in fiscal management. The privatization of Air Vanuatu is under consideration and is expected to decrease inefficiencies in the state-owned enterprise sector (IMF 2009; ADB 2010).

The Reserve Bank of Vanuatu is responsible for the formulation and implementation of monetary policy in Vanuatu and promotes monetary stability as well as economic growth by maintaining a stable value for the vatu, both domestically and externally. The exchange rate has been relatively stabilized at around 90-105 vatu per US\$1 over the past year. The Reserve Bank of Vanuatu concentrates on maintaining a low and stable inflation rate of between 0 and 4 per cent and maintaining sufficient international reserves to cover at least four months of imports.

Public budgets

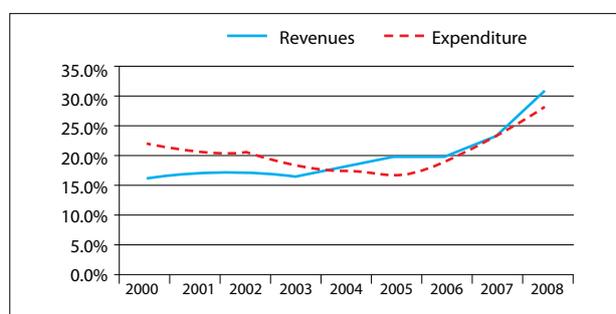
Government revenues and expenditures are managed by the Ministry of Finance and

¹¹ The value-added tax (VAT) of 12.5 percent applies to goods, services, and supplies consumed in Vanuatu. Before its introduction, customs duty rates were very high, and other forms of taxes were applied: turnover tax, head tax, hotel tax, and a cheque levy. When VAT came into effect, these taxes were abolished and customs duties were reduced dramatically. The distributional implications of this reform are unclear, since previous indirect taxes were not progressive, and VAT is likely to fall disproportionately on tourists visiting Vanuatu and on relatively high-income groups in the formal sector.

Economic Management, and the budget process begins in February of each year. The government investment program is also reviewed to consider the government's priorities and available revenue from aid sources.

In Vanuatu, there is no income tax, corporation tax or inheritance tax. Tax revenues come mainly from import duties and the 12.5 per cent VAT on goods and services. Free trade agreements are reducing income from import duties, which are expected to be negligible by 2013. In terms of tax revenue as a percentage of GDP, Vanuatu's tax burden is in line with those of the similar-income countries.

Figure 1.11: Government revenues and expenditures, 2000 to 2008 (% of GDP)



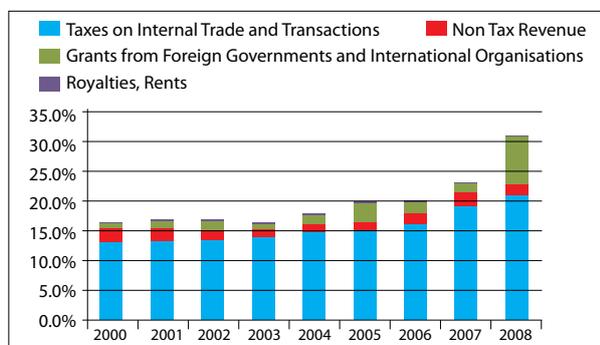
Source: VNSO, Ministry of Finance and Economic Development.

Revenues were stable at around 17 per cent of GDP from 2000 to 2003; they rose slowly to 20 per cent of GDP by 2006, and then more rapidly to 24 per cent in 2007 and 31 per cent in 2008 (figure 1.11). In contrast, public spending declined from 22 per cent of GDP in 2000 to 17 per cent of GDP in 2005, before also rising rapidly to nearly 29 per cent of GDP in 2008. As a consequence of these trends, the budget deficit, which was more than 5 per cent of GDP in 2000, had disappeared by 2004, and Vanuatu has generally enjoyed budget surpluses since then (apart from in 2007). The authorities' successful efforts at fiscal consolidation combined with the absence of new borrowing for several years led to a decline in the debt-to-GDP ratio from over 40 per cent in 2002 to about 14 per cent in 2007 (IMF 2009).

Taxes on international trade and transactions are the largest source of revenue, rising from around 13 per cent of GDP in 2000 to 21.5 per cent in 2008 (Figure 1.12), although some of this is forecast to fall significantly in future years. Non-tax revenue and royalties and rents have been fairly stable, while foreign aid fluctuated between 1 per cent and 2.6 per cent of GDP

between 2000 and 2007, but then rose to 7.5 per cent of GDP in 2008. This was due largely to increased contributions from Australia as well as infrastructure funding by the United States through the Millennium Challenge Account.

Figure 1.12: Composition of government revenues, Vanuatu, 2000 to 2008 (% of GDP)

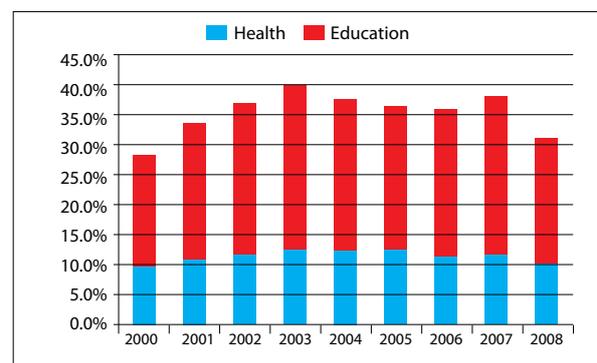


Source: VNSO, Ministry of Finance and Economic Development.

Public spending

The Government of Vanuatu invests a large share of its resources in health and education (Figure 1.13). In 2008, 21 per cent of total government expenditures went to education, representing 6.0 per cent of GDP, while health spending was around 10 per cent of total expenditures and about 2.9 per cent of GDP. Spending on health and education as a percentage of GDP has increased by around 50 per cent since 2000.

Figure 1.13: Government expenditures on health and education in proportion to total government expenditure, 2000 to 2008 (% of total)



Source: VNSO, Ministry of Finance and Economic Development.

Public spending on health and education varies significantly across provinces (Table 1.5), with education spending ranging between VUV 18,700 per child in Penama to close to VUV 28,000 per child in Shefa (which includes Port Vila).

A notable challenge for the Government is the control of the public wage bill, which is much larger than in other PICs, even though the total share of public employment is similar. The IMF (2009) noted that wages constitute about half of recurrent government expenditures, and that the public wage bill increased from 10.5 per cent of GDP in 2005 to 12 per cent of GDP in 2008. By their nature, public health and education spending involve significant wage shares.

Table 1.5: Health and education expenditures at the sub-national level, 2008

	Public health expenditures (VUV)	Public education expenditures (VUV)	Child population (0-17)	Per capita health expenditure	Per child education expenditure
Torba	42,650,228	101,817,646	4,420	9,649	23,036
Sanma	242,574,812	369,252,012	16,081	15,085	22,962
Malampa	125,894,278	357,043,319	13,081	9,624	27,295
Penama	95,891,050	280,191,144	15,059	6,368	18,606
Shefa	395,498,700	658,290,480	23,559	16,788	27,942
Tafea	111,542,128	328,193,525	15,786	7,066	20,790
Vanuatu	1,568,899,324	3,527,378,682	87,986	17,831	40,090

Notes: Total expenditure includes Official Development Assistance going through government accounts; health includes community health and provincial hospital funding only; education includes primary and secondary schools, provincial (education) office expenditure only. Education does not include certain primary school allocations (grants, teachers' incidentals and stationery) and some secondary school teacher salaries, as these expenditures do not have a regional breakdown. Total education expenditure excludes the donor budget in 2008.

Public spending on other social policy functions is very low. Vanuatu has no cash transfers for vulnerable groups such as older people (as exist in Kiribati, Samoa, the Cook Islands, Niue and Nauru), nor for children (as in the Cook Islands and Fiji).

However, as in other PICs, Vanuatu has social insurance schemes for employees in the formal sector. The Vanuatu National Provident Fund (VNPF) is compulsory for all employees between 14 and 55 years of age earning 3,000 vatu or more per month. The rate of contribution is 8 per cent, half contributed by the employer and half by the employee. In 2004 (the most recent year for which data are available), there were 40,300 members, of whom 16,200 were active, with at least one contribution paid in the preceding three months. Benefit payments to members in 2003 were 222.7 million vatu, or about 0.5 per cent of GDP. (VNPF, 2010)

The only significant microfinance programme in Vanuatu is the Vanuatu Women Development Scheme (VANWODS), which started as a pilot project implemented under the then Department of Women and Culture in 1996 with financial and technical support from the United Nations Development Programme (UNDP). The project was initiated in response to the Vanuatu National Plan of Action for Women to provide disadvantaged women with access to microfinance and income-earning opportunities. By 2007, VANWODS had around 2,600 active members, with VUV 29 million in outstanding loans.

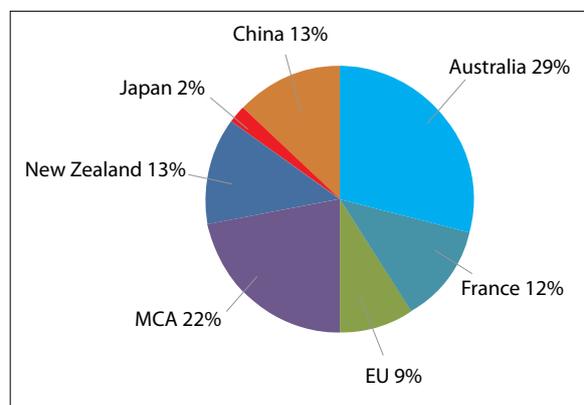
Partnership agreements and initiatives

Aid funds make up 20 to 30 per cent of the Vanuatu budget, depending on the cycles of larger projects and capital investments, and at around 6 per cent of GDP (not including multiplier effects), they are an important driver of the formal economy.

Over the last few years, Vanuatu has increased its use of foreign aid, and much of its policy and development strategies are developed in partnership with outside aid organisations and funding partners. As shown in Figure 1.14, it is estimated that in 2007, Australia was the largest

source of aid flows to Vanuatu – followed by the Millennium Challenge Account (which had increased 10-fold in volume over the previous year), then New Zealand, China (based on unofficial figures), France, the European Union and Japan.

Figure 1.14: Sources of aid to Vanuatu, 2007



Note: MCA = Millennium Challenge Account.
Source: Cox et al. 2007.

Australia

In 2009, Australia and Vanuatu signed a Partnership for Development agreement that focused on four priority outcomes: improved education, health, infrastructure and economic governance. Almost 60 per cent of Australia's country program funding in 2010–11 (A\$29.2 million) is dedicated to these priorities.

In relation to education, Australian technical advisers have helped to design and implement a new school grants program, which will phase out school fees for all government-funded primary schools by 2012. Parents' inability to pay school fees has been a key reason why an estimated 18 per cent of Vanuatu children do not attend school, and why only 76 per cent reach grade six. This initiative will directly benefit over 43,000 children in around 400 schools, and has already resulted in an increase in primary school enrolments of around 10 per cent. It was expected that 70 per cent of schools in Vanuatu would be fee-free by the end of 2010.

Australian aid is also supporting curriculum reform, upgrading school facilities and enhancing teacher training. For example, in 2009, 12 new or upgraded classrooms were provided to primary schools across Vanuatu.

Australian aid is directed to improve the health of people across Vanuatu, including by reducing the impact of malaria. It is hoped that by 2014, malaria will be eliminated in Tafea Province, which is a key tourist destination and agricultural centre.

Australia helps address a shortfall of skilled medical personnel through the provision of a physician, obstetrician-gynaecologist, surgeon and anaesthetist. Each of these specialists helps ensure that Vila Central Hospital, Vanuatu's main hospital, retains its international teaching hospital status so that Ni-Vanuatu medical students can return to Vanuatu to complete their training rather than having to study overseas. The obstetrician-gynaecologist has attended over 1,100 live births with no maternal or infant deaths from birthing complications. AusAID pays for the surgeon to travel to rural communities with a Ni-Vanuatu counterpart to provide surgical services that would not otherwise be available. Australia is also working to address a major nursing shortage by doubling the 2009-2010 nursing student intakes while maintaining quality educational standards.

New Zealand

New Zealand's total bilateral assistance to Vanuatu in 2009-2010 was NZ\$18 million and is projected to rise to \$19 million in 2010-2011. NZAID and the Vanuatu Government have identified education governance and economic development as priority areas in the Vanuatu Country Strategy 2006-2010. In relation to education, NZAID's focus is to increase access to, and quality of, basic education, especially at the primary school level. NZAID has led the donor community's support for Vanuatu's move towards a Sector Wide Approach (SWAp) in education. The aim is for all donors to align funding with the Government of Vanuatu's own national education plan, and channel resources through government systems rather than running separate projects. The education SWAp will support improved resource planning and capacity building, and donor funds will be reflected in national budget allocations and auditing processes.

NZAID's support so far has included establishment of the Education Partners' Group, which has a code of conduct signed by donors to show their commitment to improved donor coordination, alignment and harmonisation. NZAID support has also enabled the establishment of a comprehensive education database (the Vanuatu Education Management and Information System) to support evidence-based policy development and planning. NZAID and AusAID have conducted joint missions to assess the institutional and financial management capacity of the Ministry in order to better build its capacity toward a full future SWAp.

During 2008-2009, NZAID and AusAID channelled up to \$10m for priorities identified by the Ministry of Education, while also assisting the Vanuatu Government prepare for a SWAp in 2010. Schools are receiving teaching materials and stationery, teachers are being supported, and refurbishment of classrooms is underway. Priorities for 2010 included providing school grants for children in years one to six, to replace fees paid by parents and encourage more children to attend school; building classrooms and water tanks; providing reading books and stationery to primary schools and supporting development of a national curriculum and curriculum standards.

In addition, to help Vanuatu meet its human resource needs, each year NZAID provides up to 25 tertiary scholarships for study in Pacific institutions and five awards for study in New Zealand. The scholarships programme is supplemented by a Short-Term Award Scheme to support professional training or attachment to a New Zealand organisation to gain hands-on experience.

France

Education, agriculture and food safety were the main priorities for France's aid to Vanuatu between 2006 and 2010. In the education sector, French cooperation aims at helping Vanuatu to define and implement an education system reform aimed, in particular, at creating true bilingualism in a concerted manner with all the other donors. Within the SWAp context, France participates in a multinational study establishing a diagnosis of the education system and formulating reform

proposals. This contribution focuses especially on the unification of the system on a bilingual basis. It will lead to the implementation of a multi-year program (primary and secondary basic education, technical instruction and professional training and management of the education system by the Ministry).

In the agricultural sector, the Organization Product for Farmers for Associative Marketing (POPACA) is an agricultural development project implemented by the Secretary of Agriculture in Vanuatu and co-financed along with France (MAE/FSP €1,500,00 and the European Union (9th EDF, €1,680,000). The aim of the project is to fight poverty and support rural populations by helping to increase small-scale farming revenues. Its main goal is to participate in creating sustainable small producer organizations within the commercial-family farming development framework.

Millennium Challenge Account

Vanuatu has received a grant of US\$65.7 million from the Government of the United States of America through the Millennium Challenge Corporation to support a five-year programme of investments in the transport sector, aimed at facilitating poverty reduction through economic growth. Vanuatu is now in the implementation phase of the program. By September 2010 just over US\$60 million had been disbursed. The program was developed through a consultative process and is designed to reduce poverty through infrastructure development to enable farmers in rural areas to get their produce to the markets and to foster development of the tourism industry.

Asian Development Bank and World Bank

The Asian Development Bank (ADB) operations in Vanuatu started in 1981. Since joining ADB, Vanuatu has received nine loans totalling US\$51.25 million and technical assistance for 55 projects amounting to US\$16.36 million. More than 50 per cent of the loans were for infrastructure rehabilitation, and more than 40 per cent of the technical assistance funding was for

institutional support and capacity building. There were no ongoing loan projects in the portfolio in 2008, but there are three active technical assistance projects amounting to US\$2.2 million.

Vanuatu joined the World Bank Group in 1981. Since then, credits totalling US\$18.9 million have been committed, the most recent in 2001. World Bank investments in Vanuatu have covered agricultural extension and training (1983), transportation and education infrastructure (1986), primary and secondary education (1988), affordable housing (1991), and an investment to support education in vernacular languages (2001), which never became effective. All of these are now closed. The Bank Group has provided grants for technical assistance to support the Government of Vanuatu's reform efforts.

The Bank Group anticipates significantly scaling up support for Vanuatu over the next few years. Its planned engagement with Vanuatu is focused on encouraging the access of Vanuatu citizens to regional labour markets, promoting private-sector-led growth, and strengthening Vanuatu's disaster preparedness and climate change adaptation efforts.

Poverty and Children

This section examines child poverty and deprivation in Vanuatu using data from the 2006 HIES and the 2007 MICS. The first part of the section describes a range of measures of poverty in order to show the sensitivity of results to the measure of poverty used.

First, the paper discusses the extent of poverty measured by **economic resources** – namely expenditure. The poverty estimates are based on the national poverty line for Vanuatu developed by the Asian Development Bank, the UNDP and the Vanuatu National Statistics Office (2008). In addition, the section analyses the proportion of children living in households with incomes below the international dollar-a-day poverty line and a range of relative poverty lines based on percentages of median household expenditure. It assesses the characteristics of households with children in poverty according to the differing measures used, calculating poverty headcount rates and poverty gaps by the gender and age of household members, household composition, location and a range of other indicators.

The second part of the section presents an analysis of **deprivation**, which includes measures

of shelter, sanitation, access to safe drinking water, information, food, education and health. The analysis of deprivation also assesses its relationship with household characteristics including size, composition, location and characteristics of parents.

POVERTY MEASURED BY ECONOMIC RESOURCES

The expenditure approach to measuring poverty

Poverty research needs to take two steps: poverty must first be defined and then measured. One broad definition of poverty is that it exists when people do not have an adequate level of economic resources to obtain and sustain an acceptable standard of living. This definition can be thought of as embodying the income or expenditure approach. In this approach, poverty is generally measured by social surveys that compare household income or expenditures (adjusted for household need using an equivalence scale) with a poverty line.

The 2006 HIES provides the basis for the analysis of child poverty in this section. This survey estimated the cash value of 'home production' at the household level, which is included in all of the expenditure (consumption-based) poverty line calculations in the Tables below. In poorer countries – including PICs – home production is important. Households often have limited cash incomes and low consumption expenditure; but with access to farming or fishing, they may be able to produce most of what they need to consume. Household income provides only an indirect measure of economic resources, since households may have savings or other forms of wealth that they can draw on to finance consumption.

Child poverty is estimated in this section using three main measures of poverty:

- a national measure, the Food and Basic Needs Poverty Lines, in two variants – poverty lines set at the national average level, and others specific to different locations in Vanuatu
- the international dollar-a-day poverty line – the value used in goal 1 of the Millennium Development Goals (MDGs)
- relative poverty lines (using various percentiles of median equivalised household expenditure)

The reason for using a range of poverty indicators is to develop a more robust analysis of the poverty challenges facing Vanuatu. In a sense, the use of alternative measures is a way of triangulating poverty findings. By using multiple methodologies, the similarities and differences of the results can be seen as validating common findings, but also as a reminder that some conclusions are dependent on the specific methodology used.

Vanuatu national poverty lines: Food and basic needs

The incidence of poverty estimated using the national Basic Needs Poverty Line (BNPL) is a measure of hardship experienced by the poorest households in the country and the main geographic areas. This poverty line was estimated in a separate study undertaken by the Vanuatu National Statistics Office, the Asian Development Bank and the UNDP (2008). It is estimated from the cost of a minimally nutritious, low-cost diet that delivers approximately 2,100 kilocalories per day to provide a basic diet for an average adult male. This is the minimum food-energy intake recommended by the Food and Agricultural Organisation and the World Health Organisation and is referred to as the Food Poverty Line (FPL). To this is added an amount for essential non-food expenditure (such as housing, transport, education, clothing and utilities) that is required to provide an overall basic-needs standard of living.

The next stage is to adjust the poverty line to reflect the different needs of households with different numbers of adults and children; larger households will obviously need to consume more than smaller households, but there may be economies of scale for certain consumption items. This process of adjusting for different household needs is known as 'equivalising' (see box 2 for further discussion). Households whose per capita adult equivalent expenditure is below the BNPL are deemed to be living in poverty.

Box 1: Child poverty and equivalence scales

Equivalence scales take into account the different resources required by households that differ in size and composition in terms of the number of adults and children, as well as the economies of scale within households. Equivalence scales can be expressed as an elasticity – how much does the addition of an extra member in a household change the total level of resources that the household needs in order to achieve a specified standard of living?

At one extreme we could assume that household needs do not change with the addition of extra members: a household with five members needs no more than a household with one or two members. In this case, the elasticity would be zero. The assumption of zero elasticity is unrealistic; additional household members obviously must be fed and clothed. At the other extreme, it could be assumed that the elasticity is one – that is, each additional household member needs as much as a single adult. While this is more realistic than assuming an elasticity of zero, it is also unrealistic, since young children, for example, do not need as much food as adults, and some goods benefit from economies of scale – for example, it does not cost twice as much for a two-person household to cook dinner as for a single-person household.

Equivalence scales are thus assumed to have an elasticity of between 0 and 1. The Table below shows a range of scales used in different studies and the elasticities associated with them. For example, most of the results in this report use the UNDP equivalence scales, which are developed as part of the process of specifying the poverty lines for different types of households in Vanuatu. The UNDP scale assumes that each additional adult needs as much as the first adult in a household, but that each child only needs half as much as an adult. This produces an elasticity of around 0.75. Many overseas studies use either the modified OECD equivalence scales or the square root scale. The modified OECD scale assumes that an additional adult requires half as much as the first adult, and each child requires 30 per cent of what an adult needs. The square root scale assumes that each additional person, adult or child, adds about 40 per cent and then about 30 per cent, and that each additional person needs slightly less than the previous person. Each of these scales has a lower elasticity than the UNDP scales. In the Table below, '1.0' stands for the needs of a household containing one adult only

Household size	Equivalence scales				
	Per-capita income (elasticity = 1)	UNDP (elasticity = 0.75)	modified OECD (elasticity = 0.53)	Square root (elasticity = 0.50)	Household income (elasticity = 0)
1 adult	1.0	1.0	1.0	1.0	1
2 adults	2.0	2.0	1.5	1.4	1
2 adults, 1 child	3.0	2.5	1.8	1.7	1
2 adults, 2 children	4.0	3.0	2.1	2.0	1
2 adults, 3 children	5.0	3.5	2.4	2.2	1

The use of different scales can produce quite different estimates of poverty. As can be seen from the Table, the UNDP scale assumes that a household of five people (approximately the average household size in Vanuatu) needs 3.5 times as much as a single-person household, while the modified OECD scale assumes that a household of five people needs 2.4 times as much as a single person, and the square root scale assumes that this household needs 2.2 times as much as a single person. Different scales therefore produce different poverty lines for each household type, and estimated poverty rates therefore differ. For example, if the modified OECD equivalence scale is used rather than the UNDP scale, then the estimated poverty rate for children would be reduced by up to 60 per cent.

Separate FPLs have been calculated (VNSO, ADB and UNDP 2008) for both national and sub-national dimensions for three areas (rural, Port Vila and Luganville). They were estimated from the actual food expenditure patterns recorded in HIES survey diaries for households in the lowest three deciles of expenditure, measured in per-capita adult-equivalent terms.

To estimate the cost of the FPL in Vanuatu, either the price paid and recorded in the diary was used, or the Consumer Price Index was used to measure the costs of purchased items, and the actual values recorded in the diaries were used to estimate the notional costs of items that were produced for home consumption (subsistence production). In rural areas, subsistence production accounts for 69 per cent of food consumed by the poorest households. Even in Luganville, which is classified as an urban centre, 28 per cent of food consumption is from home production in the lowest three expenditure deciles. In comparison, in Port Vila, subsistence production accounts for 12 per cent of the food consumed by those in the bottom 30 per cent of households.

The weighted average household FPL in 2006 for the country as a whole is estimated to be VUV14,097, or VUV3,064 per capita adult equivalent (PCE) per month. As shown in Table 2.1, for Port Vila, which had the highest food costs, the monthly average household FPL was estimated to be VUV24,163 (VUV5,034 PCE per month). In the two other regions, the corresponding Figures were VUV15,814 in Luganville (VUV3,594 PCE per month) and VUV11,392 in rural areas (VUV2,589 PCE per month).

An additional allowance for non-food expenditure was added to the FPL to form the BNPL, with the amount added varying by location. While the estimated expenditure on food is based on the expenditure patterns of the bottom three deciles, the required expenditure on non-food items was based on the expenditure patterns of the bottom four deciles (VNSO, ADB, and UNDP, 2008). The

allowance for essential non-food expenditure is equivalent to a national average expenditure of VUV21,692 per household per month (VUV4,716 PCE per month). Port Vila is again the region with the highest BNPL at VUV11,075, followed by Luganville at VUV6,110 PCE per month. For rural areas the BNPL is VUV14,809 for the average household or VUV3,366 PCE.

This approach – deriving poverty lines from survey data on the actual consumption patterns of households – is often criticised because it means that low-income households whose expenditures are constrained by poverty influence the level of the poverty line, with the result that the poverty line may be lower than it would be if ‘model’ diets or actual costs of basic needs (normative or derived) were used. The latter approach would increase the level of cash expenditure and ultimately the poverty lines.

The amount households report spending on non-food essentials varies in different regions; rural areas typically have small differences between food and non-food expenditures, while urban areas have higher proportions of non-food expenditure. In rural areas poor households reported spending approximately one third more on non-food items in addition to food; with a higher ratio in Luganville (0.7) than in rural areas (0.3). In Port Vila, non-food expenditure was just over twice as much as food expenditure (non-food expenditure was 1.2 times higher than food expenditure for the bottom four deciles in Port Vila). These proportions of non-food to food expenditure were taken as the basis for the BNPL non-food factor; applying the actual expenditure amounts to the FPL to give the non-food basic-needs factors illustrated in Table 2.1. This Table also summarises the monthly PCE poverty lines.

Table 2.1: Monthly adult equivalent per capita poverty lines – Vatu PCE* per month

VUV per capita adult equivalent per month	Food Poverty Line A	Non-food basic needs factor B	Estimated non-food expenditure C=A*B	Basic Needs Poverty Line D = A + C	Monthly cost per household lowest three deciles a.e.*
Vanuatu average	3,064	0.5	1,651	4,716	21,692
Rural	2,589	0.3	777	3,366	14,809
Luganville	3,594	0.7	2,516	6,110	26,883
Port Vila	5,034	1.2	6,041	11,075	53,159

Note: * per capita adult equivalent. Source: Government of Vanuatu, ADB and UNDP (2008).

Overall Poverty in Vanuatu

Before discussing new estimates of child poverty, it is useful to summarise earlier findings for general poverty levels (for households with and without children) in Vanuatu. An analysis of 2006 household income and expenditure survey data (Government of Vanuatu, National Statistics Office, ADB and United Nations Development Programme, 2008) found that overall, 6 per cent of households, representing 7.4 per cent of the population, did not consume enough to meet basic food needs as defined by the FPL. Nationally, about 12.9 per cent of households, representing 15.9 per cent of the population, spent less than needed to meet the BNPL. Port Vila exceeded the national average, with 27.2 per cent of households below the BNPL.

The 2008 study also found that overall poverty in Vanuatu is relatively low in Pacific terms, with a national poverty gap index of 5.6, compared for example with 7.5 for Solomon Islands and 11.2 for Fiji. However, the poverty gap index for Port Vila, at 10.6, was higher than for the rest of the country, suggesting a large difference between the better off and the poor in the national capital. The poverty gap index indicates that the average expenditure levels of households in poverty are well below the poverty line. Overall, these figures indicate that Vanuatu experiences a slightly lower level of poverty severity than other Pacific countries, except in Port Vila (ADB, UNDP, Government of Vanuatu, 2008).

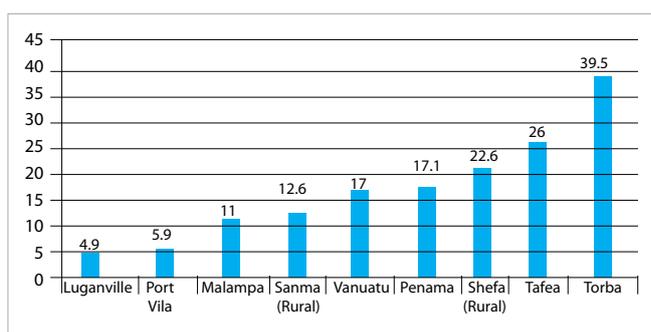
New estimates of child poverty

Estimates of child poverty using the Vanuatu-specific BNPL differ according to whether the poverty line is set at the national level or disaggregated by location.

As shown in Figure 2.1, the total number of children in Vanuatu estimated to be living in households below the national BNPL in 2006 was 14,953, or about 17 per cent of all children (see also Table A1.3 in annex 1 for provincial disaggregation). Of the total population including adults, 15.9 per cent were living in poverty as measured by this definition, compared to 17.0 per cent of children, meaning that children are over-represented among the poor.

About 40 per cent of all children in Torba, and about a quarter of all children in Tafea and Shefa, were living in poverty. Using this measure, Luganville and Port Vila have the lowest levels of child poverty, with about 5 per cent of children in these regions in poverty.

Figure 2.1: Children living under the national Basic Needs Poverty Line (%)

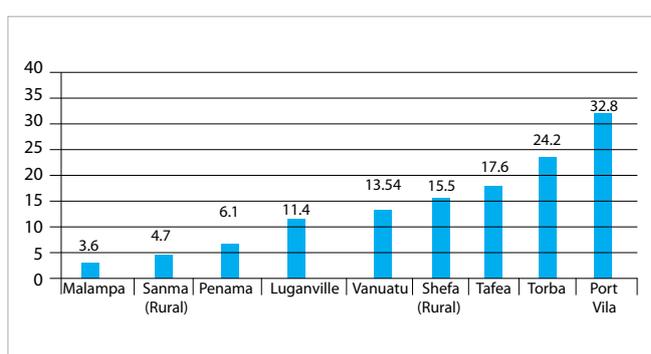


Source: Estimated from 2006 HIES.

Based on the national BNPL, Torba ranks worst in the proportion of children living in poverty (40 per cent). However, the actual number of children living in poverty is larger in Tafea (4,099) than in Torba (1,747), even though the percentage is lower in Tafea (26 per cent).

Figure 2.2 shows the number and proportion of children living under the sub-national BNPLs, which include the regional non-food factors as described above. In Torba, a quarter of all children live in poverty as measured by the sub-national line, compared to 40 per cent when measured by the national line. In Luganville, child poverty based on the sub-national line is twice that measured by the national standard (11 per cent compared to 5 per cent), and in Port Vila it is 33 per cent under the local standard, up from 6 per cent under the national standard.

Figure 2.2: Children under the sub-national Basic Needs Poverty Line (%)



Source: Estimated from 2006 HIES.

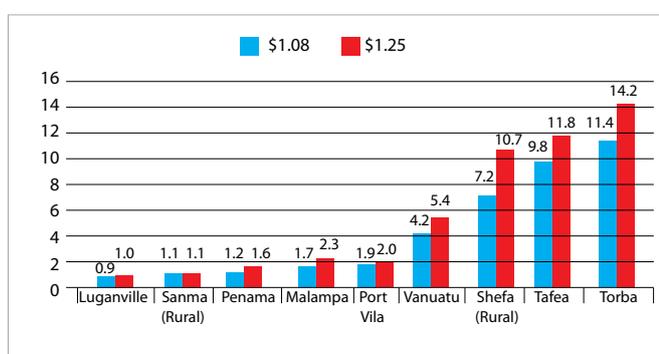
International dollar-a-day poverty line

The measurement of absolute global poverty is usually based on the US\$1 per day PPP value. This measure is the basis of Goal 1 of the

Millennium Development Goals (MDGs) and enables cross-country comparisons of the extent of severe poverty. Recently the dollar-a-day estimate has been calculated at \$1.25 a day (at 2005 PPP), up from \$1.08 a day (at 1993 PPP).

Figure 2.3 shows the proportion of children living in households below these two poverty lines in 2006. For Vanuatu as a whole, 4.2 per cent of children were below the lower poverty line and 5.4 per cent below the somewhat higher line. On the basis of the \$1.25 line, poverty rates for children range from around 1 per cent in Luganville and Sanma to 12 per cent in Tafea and just over 14 per cent in Torba.

Figure 2.3: Children living on less than US\$1.08 or US\$1.25 a day, 2006 (%)



Source: Estimated from 2006 HIES.

Figure 2.3 also shows that between 2 and 3 per cent of children in the rural parts of Shefa and in Tafea and Torba are in households with incomes between \$1.08 and \$1.25 a day. These households are just above the most severe poverty line and are vulnerable to shocks that could push them below it.

Relative poverty lines

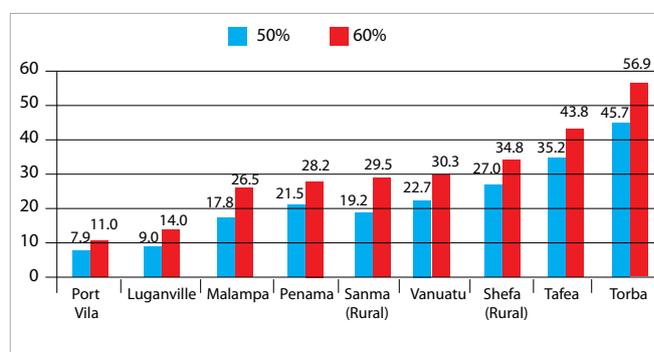
Poverty lines expressed as a percentage of median or mean income or expenditure have grown in use across the world. This approach has been widely used to compare poverty rates internationally, and it is now the most common method employed in, for example, most European and Australian poverty studies. The use of a relative poverty line can be viewed as a method of bringing inequality into the discussion of poverty, since relative poverty rates will be higher in countries where low income groups are at a greater distance from the median income.

Here we estimate a range of alternative poverty lines based on 50 or 60 per cent of national median household expenditure to examine rates of child poverty. While such relative measures are

more commonly used in rich countries, there is no particular reason that they should be regarded as less relevant in developing countries; they are increasingly being used in developing countries where there are difficulties in deriving 'costed' poverty lines. Indeed, the national and sub-national poverty lines discussed above can also be considered as relative since they are based on the expenditure patterns of the poorest 30 per cent of households.

As shown in Figure 2.4, nearly a quarter of Vanuatu children live in households with expenditures of less than 50 per cent of the national median; this proportion rises to just under a third when the line is drawn at 60 per cent. Some of the highest levels of relative poverty in Vanuatu are seen in the regions of Tafea, Shefa and Penama. In Tafea, for example, 35 per cent of children live in households with per-adult-equivalent expenditure less than 50 per cent of the median, and 44 per cent live in households below the 60 per cent line. Relative poverty rates are highest in Torba, with 45 per cent of children living below 50 per cent of the national median and 57 per cent below 60 per cent of the median.

Figure 2.4: Children living below 50% and 60% of median income, 2006 (%)



Source: Estimated from 2006 HIES.

Poverty shares

As well as considering poverty rates, it is useful to assess poverty shares – which areas of Vanuatu contain the highest proportions of children in poverty? The answers to this question could indicate whether there are particular areas of the country to which assistance should be directed in order to achieve a significant level of poverty reduction. For example, Torba Province has the most severe poverty based on many measures, but it also has the lowest population. Thus, policies to reduce poverty in

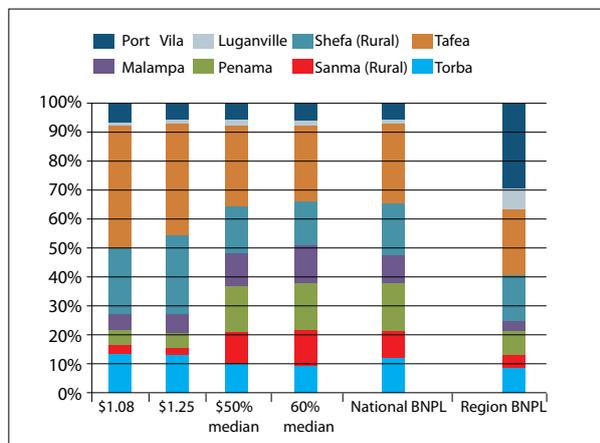
Torba are important in terms of helping the most disadvantaged rural residents, but should not necessarily be expected to have a significant impact on overall poverty in Vanuatu. **A challenge for policies to reduce poverty is to determine ways of helping the poorest while having the maximum impact on overall poverty.**

Figure 2.5 shows that the share of poor children living in different parts of Vanuatu changes depending on the poverty line. Based on all poverty lines except the sub-national poverty lines, **the share of poor children living in Port Vila is under 10 per cent, but using the sub-national poverty line more than 30 per cent of poor children live in Port Vila.** As noted above, Torba has the highest poverty rates; for all approaches to measuring poverty, **around 10 per cent to 15 per cent of poor children live in Torba.** The share of poor children living in Malampa also does not change greatly with the poverty measure used, ranging between 5 per cent and 10 per cent. **Whichever poverty measure is used, quite a high share of poor children live in Tafea – between 25 per cent and 45 per cent,** as Tafea has both high poverty rates and a significantly higher share of the population than Torba.

Correlations between poverty and household characteristics

Location is thus an extremely important influence on child poverty in Vanuatu. But what other characteristics and circumstances influence child poverty? Table 2.2 shows the correlates of child poverty. Two measures of poverty are shown: the poverty headcount rate (the percentage of each group who are living below the national BNPL) and the poverty gap (the average distance between that poverty line and actual household income, with the gap measured as a percentage of the national poverty line). Because this analysis focuses on household characteristics, the Figures refer to households with children rather than the proportion of children.

Figure 2.5: Poor children living in different locations by poverty measure, 2006 (%)



Source: Estimated from 2006 HIES.

Table 2.2: Correlates of expenditure poverty among households with children, 2006

	Poverty headcount (%)	Poverty gap (%)
All households with children (0-17)	12.2	5.9
Individual dimension		
Sex and age		
Male	13.0	4.6
Age 0-14	14.9	5.1
Age 15-24	16.6	5.7
Age 25-44	12.8	4.7
Age 45-64	16.2	5.7
Age 65+	17.7	7.3
Female	13.3	4.7
Age 0-14	15.1	5.2
Age 15-24	15.4	5.5
Age 25-44	14.2	5.0
Age 45-64	15.4	5.6
Age 65+	17.4	6.5
Household dimension		
Household size		
Fewer than 3 members	..	..
3-4 members	8.6	3.2
5-6 members	14.8	4.9
7+ members	23.8	8.3
Education of head of household		
None	19.0	7.3
Primary school	14.7	4.4
Secondary school or more	5.2	1.8
Sex of head of household		
Male	14.6	5.1
Female	10.5	3.6
High dependency ratio (4+ children per adult)	25.5	6.0
Elder person (70+) in household	14.8	5.5
Ethnicity		
Ni-Vanuatu	14.4	5.0
Part Ni-Vanuatu	..	..
Other	..	..
Geographic dimension		
Region		
Torba	37.2	13.9
Sanma (rural)	8.8	2.0
Penama	15.1	3.5
Malampa	9.1	2.7
Shefa (rural)	20.2	8.8
Tafea	24.7	10.1
Luganville	4.2	1.3
Port Vila	4.6	1.5
Urban or rural		
Urban	4.5	1.4
Rural	16.9	5.9

Source: Estimated from data in ADB, UNDP and GOV 2006.

Each of these factors potentially affecting poverty is discussed below.

Gender: The gender of *household members* does not appear to be contributing significantly to household poverty, with on average 13.0 per cent of males and 13.3 per cent of females living in poverty. The poverty gap for males and females is also close to identical (4.6 per cent of the poverty line and 4.7 per cent, respectively). However, this reflects the fact that poverty is measured at the household level, given the nature of the data, and any differential use of goods and services within each household is not observed.

Regarding the gender of the *head of the household*, both poverty rates and poverty gaps are higher for male-headed households than for female-headed households. In part, this may reflect the relatively small number and sample size of female-headed households in Vanuatu.

Age: Households containing **teenagers** and those containing **people over 65 years of age** tend to have the highest poverty rates, while those with members of prime working age (25 to 44 years) have the lowest poverty rates. The poverty gap is highest for those over 65 years of age. For the same reason, households containing a person over 70 years of age have higher poverty rates than those with only younger members.

Household size and dependency: The number of people in the household is highly correlated with poverty and also with larger poverty gaps. Very small households (with fewer than three members) appear not to be poor at all, although this probably reflects small sample sizes. Households with seven or more members have poverty rates that are nearly twice as high as the overall average, and the poverty gap is also much larger for these households. Households with high dependency ratios – that is, four or more children for each adult – have poverty rates that are twice as high as those of all households with children; however, the poverty gap for these households is no higher than the overall average.

Education level of head of household: Education appears to be strongly correlated with poverty risks. Nineteen per cent of households where the head has no schooling are in poverty, compared to 5 per cent of those whose head finished secondary school. The poverty gap is also four times as high for those with no schooling as for those with high school.

Ethnicity: Ni-Vanuatu have higher than overall poverty rates; but due to the very small

representation of other ethnic groups in the population (and therefore in the HIES sample), there are no reliable Figures for other ethnic groups.

Province: Provincial disparities shown in Table 2.2 are broadly similar to the results discussed in previous sections, except that the results refer to households with children and not children themselves. Using the national level poverty line, child poverty rates are highest in Torba and Tafea. **Poverty gaps are significantly wider in Torba, however – more than twice the overall average.** This means that not only are there proportionally more poor households with children in Torba, but that they are further below the poverty line than in other parts of the country.

Poverty risks

Table 2.3 compares the likelihood of experiencing poverty of an individual or household with specific characteristics, compared to that of an individual or household without those characteristics. For example, among households with children, for those with a male in the household the poverty rate is 99 per cent of that for those with no males in the household. Households with a male under 14 years have a poverty rate that is 112 per cent of those with no male children of this age.

These values are expressed as ‘odds ratios’: a ratio of less than 1.0 means that this characteristic could be regarded as a protective factor, reducing poverty risks, and a ratio of over 1.0 means that the characteristic increases poverty risks. The Table shows these risks both for households with children and for all households (with and without children).

For households with children, risks of poverty are heightened if there are older children (age 15 to 25 years) in the household, and if there are people 45 years and over in the household. Poverty risks are much lower for small households, but greatly increased for households with seven or more people or with a high dependency ratio. As noted previously, education is an important factor – the presence of someone with secondary education is the strongest protective factor, even stronger than small household size. The strongest risk factor is large household size, which is considerably stronger than low levels of education. Among all households, the absence of women is also a strong risk factor.

Table 2.3: Probability of experiencing poverty

	Odds ratio*	
	Households with children	All households
Individual dimension		
Sex and age		
Male	0.99	1.29
Age 0-14	1.12	1.29
Age 15-24	1.51	1.53
Age 25-44	0.89	0.94
Age 45-64	1.61	1.55
Age 65+	1.58	1.58
Female	0.94	2.57
Age 0-14	1.14	1.29
Age 15-24	1.39	1.37
Age 25-44	1.09	1.23
Age 45-64	1.43	1.36
Age 65+	1.18	1.27
Household dimension		
Household size		
Fewer than 3 members	..	0.22
3-4 members	0.40	0.49
5-6 members	0.79	0.85
7+ members	2.33	2.42
Education of the head of the household		
None	1.55	1.55
Primary school	1.04	1.02
Secondary school or higher	0.38	0.38
Gender of head of household		
Male	1.35	1.25
Female	0.74	0.80
Work		
No adult in primary working age (18-54)	0.82	0.65
Family vulnerability (not mutually exclusive categories)		
High dependency ratio (4+ children per adult)	1.39	1.46
Elder person (70+) in household	0.99	1.16

Note: .. = not available. * Ratios greater than 1.0 indicate protective factors; less than 1.0 indicates a risk factor.
Source: Estimated from 2006 HIES.

Summary of poverty findings

A number of conclusions, regarding both methodological issues and substantive findings, can be drawn from the poverty estimates presented above. Methodologically, the results show that measurement issues are quite important and that different poverty lines and equivalence scales can have a substantial impact

on the level of poverty measured. A national-level poverty line may yield significantly different results from lines that vary by location. The implications of this are discussed in more detail in the conclusion.

Whichever measure is used, however, children living in the most remote provinces, Torba and Tafea, consistently experience high poverty rates, and a substantial portion of poor children

live in Tafea. Poverty is deeper in Torba, but Tafea appears to have a significant concentration of poverty, due to its higher share of the total population.

Port Vila moves from the bottom of the poverty ranking to the top when the sub-national BNPL is used. It appears that the poverty experienced in Port Vila is related to its much higher cost of living. Apart from location, the most important factors associated with poverty are large household size and low educational attainment. The presence of young adults (15-24 years) also increases poverty risks.

POVERTY MEASURED BY DEPRIVATION

Methodology of UNICEF Global Child Poverty Study

Although income- or expenditure-based poverty measures focus on an important dimension of well-being, they only give a partial picture of the circumstances of disadvantaged families. Income, for example, is a measure of the resources available to households, while expenditures can be thought of as what households achieve with these resources. But in addition, it is important to understand the circumstances of households and the qualitative outcomes they achieve. For example, two households may have similar income levels, but one may have access to electricity and running water while the other may not. Considering evidence of deprivation is a way of supplementing information on household expenditure levels to provide a more comprehensive account of household well-being, and therefore of child well-being.

The Global Study adopts a child poverty concept that builds on existing definitions and measures of poverty, and considers:

- both income and non-income factors of the caretakers or the household, and how these determine whether or not a child enjoys her or his right to survive, grow and develop
- how resource scarcity and deprivation directly affect children, as well as how they are more broadly experienced differently according to gender, age and social status at the family, household or country level
- childhood as a space that is separate from adulthood (life-cycle approach)

- the likelihood that children who are deprived of a safe and caring environment will also experience other deprivations

As the Global Study points out, the first challenge in discussing poverty is how to measure it. A credible measure of poverty can be a powerful instrument for focusing the attention of policy makers on the living conditions of the poor. In the same way, a credible measure of child poverty can be a powerful instrument for focusing the attention of policy makers on the rights and well-being of children. So, for any stakeholder working for children, the way to approach child poverty is of utmost concern.

The Global Study also argues that children experience all forms of poverty more acutely than adults because of their vulnerability due to age and dependency, and because lost opportunities in childhood often cannot be regained later in life. Considering this, UNICEF's 2005 *State of the World's Children* sets out a working definition of child poverty, which is inspired by the principles of the Convention on the Rights of the Child (CRC), focuses on the resources children need to survive and grow: "Children living in poverty are deprived of their rights to survival, health and nutrition, education, participation, and protection from harm, exploitation and discrimination. (...) Children whose rights to safety and dignity are denied are also impoverished. (...), preventing them from achieving anything close to their full potential." (UNICEF, SOWC 2005, p2).

Here material resources include income, food, access to education or health services, and protection from health risks, such as those associated with hard physical work. Spiritual resources include stimuli, meaningfulness, expectations, role models and peer relationships; emotional resources include love, trust, feelings of acceptance, inclusion, and absence of abuse. There are obvious challenges to measuring these, and few available indicators.

Box 2 summarizes three conceptual models for understanding child poverty. Model A presents the way much of the world sees child poverty – as indistinguishable from overall poverty. This approach starts with a macro view of poverty that must be disaggregated (made more specific) in order to reveal poverty at the community or household level. This broad model may present strategic opportunity for advocates of child rights, since it already includes children (although in an implicit or invisible manner) in this broad concept of poverty. Disadvantaged children can benefit from economic growth through two key channels:

employment opportunities for their parents or carers, and social services delivered to them or their household or community.

Model B equates child poverty with the poverty of families raising children. The advantage of this model is that it takes the household-level perspective, which is much closer to the level at which children come into focus. This model can capture the income and labour disadvantages that families (especially women) raising children may face as they seek a balance between work and family responsibilities. However, this level of focus often misses non-material aspects of child deprivation, and could mask child disparities that exist within the household, including gender inequalities.

To capture individual child outcomes as well as non-material aspects of poverty, the Global Study argues that Model C is the best fit. It considers

child well-being and child deprivation to be two sides of the same coin. A comprehensive child poverty concept should therefore build on existing definitions and measures of poverty. It should also acknowledge the unique way that children experience poverty, while also maintaining linkages to broader, systemic policy concerns at family, community, national and even international levels. This approach considers how child poverty fits in as a vital part of the general discussion on poverty, taking note of the strengths and weaknesses of various concepts in given contexts.

Recent research has shed more light on child deprivation, family income and usefulness of composite indicators. The ground-breaking study *Child Poverty in the Developing World* (Townsend et al. 2003) used a model that most closely resembles Model B.

Box 2: Understanding child poverty – three models

Model A (child poverty = overall poverty)

- Implications: focus on material poverty.
- Advantage: seeks solutions addressing the core causes of poverty.
- Disadvantage: child-specific concerns may be ignored.
- Examples of indicators: per capita GDP; people living on less than US\$1 a day (at Purchasing Power Parity) or in different wealth/asset quintiles; households under the national food poverty line; people excluded from political participation.

Model B (child poverty = the poverty of households raising children)

- Implications: focus on material poverty.
- Advantage: seeks solutions addressing the core causes of poverty as well as inadequate support for families raising children.
- Disadvantage: ignores non-material aspects of child deprivation.
- Examples of indicators: children living in households with less than 50 per cent of the median income or under the national poverty threshold (UNICEF IRC Report Card No 6); children with two or more severe deprivations (shelter, water, sanitation, information, food, education or health services) (the 'Bristol concept' in Townsend et al. 2003 or UNICEF 2004).

Model C (child poverty = the flip side of child well-being)

- Implications: strongest focus on child outcomes.
- Advantage: besides material poverty, also addresses the emotional and spiritual aspects of childhood; measure of deprivation therefore includes concerns for child protection.
- Disadvantage: methodologically difficult to produce standard poverty measures (headcount, poverty gap); lack of indicators and statistical data, especially in developing countries.
- Examples of indicators: composite indices on child well-being in rich countries (Bradshaw et al. 2006, UNICEF IRC Report Card No 7); complex child poverty measures in some OECD countries (such as the United Kingdom).

Source: Fajth and Holland 2007.

Source: UNICEF, 2007, p8

The deprivation approach to measuring poverty

Deprivation studies are likely to yield results closer to the reality of people's perceptions of poverty and well-being in Vanuatu. Earlier poverty studies show that hardship, as perceived by Ni-Vanuatu, is characterized primarily by lack of or limited access to basic services such as education, health, good roads, and safe water supply, which fits well with the deprivation approach to poverty. Extensive consultations on appropriate poverty measures for Vanuatu provided the following working definition of Pacific poverty or hardship (ADB, UNDP, Government of Vanuatu, 2008):

- lack of access to basic services such as health care, education and clean water
- lack of opportunities to participate fully in the socio-economic life of the community
- lack of access to productive resources and income generation support systems (rural credit, capital, markets, skills training) to meet the basic needs of the household and its customary obligations to the extended family, village community and church

Box 3 summarises the deprivation measures used in this report, which are derived from the 2007 MICS. Deprivation is measured in seven dimensions – shelter, sanitation, safe drinking water, information, food, education and health. Deprivations are measured as severe or less severe. Children are defined as being age 0-17 years, but, as noted in the box, some deprivations are relevant to a smaller age group within that range.

The discussion of deprivations that follows for the most part excludes information deprivation, as lack of access to media (radio, TV, telephone) was the norm in rural Vanuatu (over 60 per cent) at the time of the MICS, and counting information deprivation would considerably increase the number of children experiencing multiple deprivations and thus potentially skew the profile of children's relative disadvantage.

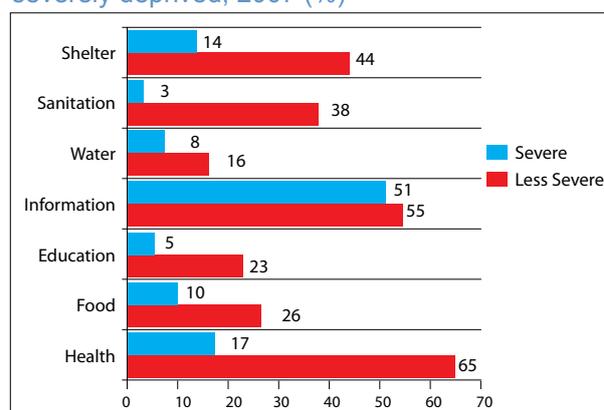
There is also evidence that information deprivation has been subject to rapid change, and the picture provided in the MICS appears to have altered very significantly following amendments to the Telecommunications Act in 2007, opening the telephone market to competition. According to the Pacific Institute of Public Policy (2009), there has been a rapid increase in mobile telephone coverage, particularly in rural areas¹² According to the most recent census, 76 per cent

of households in Vanuatu had mobile phones in 2009, with access varying between 71 per cent in Penama and 87 per cent in Shefa. The two major exceptions are Tafea (63 per cent) and Torba (10 per cent). The entire country can now receive the Radio Vanuatu signal—up from 70 per cent in 2008 and only 15 per cent in 2007. Combined with the expansion in mobile phone coverage, this has significantly reduced information deprivation. Thus, excluding this category is in keeping with the focus of this report on the pillars of child well-being – areas identified by UNICEF as critical to a child's development: health, nutrition, sanitation, water, and education.

Levels of deprivation

Figure 2.6 shows the occurrence of severe and less severe deprivations. Some deprivations are individual (for example, whether a child is immunised or is attending school), and some are experienced at the household level (for example, housing and access to water), but all results are reported at the individual level. It is readily apparent that, with the exception of information deprivation (51 per cent), severe deprivations are relatively uncommon, ranging between 3 per cent for severe sanitation deprivation and 5 per cent for severe education deprivation to 17 per cent for health deprivation. However, significant proportions of the child population experience less severe deprivations, particularly health (65 per cent), information (55 per cent), shelter (44 per cent) and sanitation (38 per cent). Lower but still significant numbers of children experience less severe deprivations in the areas of water, education and food.

Figure 2.6: Children who are severely and less severely deprived, 2007 (%)



Source: Estimated from data in 2007 MICS.

¹² The Pacific Institute of Public Policy has noted that 80 per cent of rural respondents had acquired a mobile phone within the year preceding the study, compared to 51 per cent of all respondents. Positive impacts included more contact with family and friends, improved information on family events, reduced travel costs and increased speed of communication. There is also a positive relationship between perceived access to telecommunications and perceived livelihood improvements. However, interviewees with higher cash incomes expressed anxiety over the added financial burden of having a mobile telephone, including subsidising relatives' credit or charging costs. In rural areas in particular, interviewees were concerned about the unprecedented increases in the speed of information and communication introduced by mobile telephony (Pacific Institute of Public Policy 2009).

Box 3: Child deprivation measures

The following definitions of deprivation, derived from the 2007 MICS, are used in this report.

Shelter

- Severe: Children (0-17) living in a dwelling with no floor material (earth/sand floor)
- Less severe: Children (0-17) living in a house with inadequate roofing (thatch/palm leaf)

Sanitation

- Severe: Children (0-17) with no access to a toilet facility of any kind (no facilities or bush or field, other)
- Less severe: Children using unimproved sanitation facilities: pour flush latrines, covered pit latrines, open pit latrines, or buckets (pit latrine without slab/open pit, no facilities or bush or field, other)

Safe drinking water

- Severe: Children (0-17) using surface water/other
- Less severe: Children (0-17) using water from an unimproved source such as open wells, open springs or surface water (unprotected well, unprotected spring, surface water, other)

Information

- Severe: Children (3-17) with no access to any form of media (radio, television, telephone, or mobile telephone)*
- Less severe: Children (3-17) with no access to broadcast media (radio and television)

Food

- Severe: Children (0-5) who are more than 3 standard deviations below the international reference populations for stunting, wasting or underweight
- Less severe: Children (0-5) who are more than 2 standard deviations below the international reference for stunting, wasting or underweight

Education

- Severe: Children of schooling age (7-17) who have never attended school
- Less severe: Children of schooling age (7-17) currently not attending school

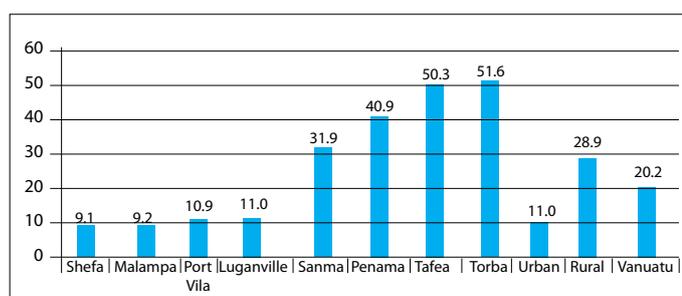
Health

- Severe: Children (1-2) who have not been immunized against any disease
- Less severe: Children (1-2) who had not received eight of the following nine vaccinations BCG, DPT1, DPT2, DPT3, Polio0, Polio1, Polio2, Polio3, Measles.

* Access to newspapers or computers not available in Vanuatu MICS.

Figure 2.7 shows the regional dimensions of severe deprivation (excluding information deprivation). There are significant differences by location – roughly one in ten children in Shefa, Malampa, Port Vila and Luganville experience at least one severe deprivation, compared to nearly one-third in Sanma, 40 per cent in Penama and more than half of children in Tafea and Torba.

Figure 2.7: Children with at least one severe deprivation, by region (%)

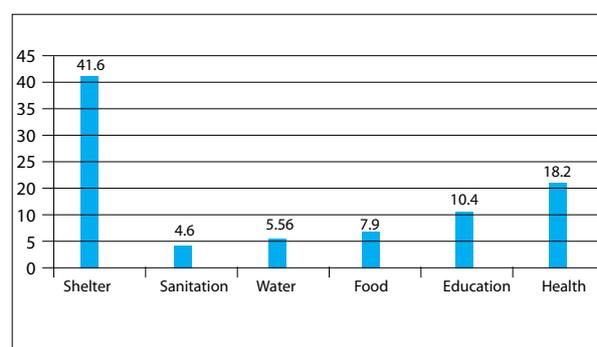


Source: Estimated from 2007 MICS.

Table 2.4 provides details of the nature of deprivation by region. Certain deprivations refer to relatively small sample sizes, so the discussion will focus on deprivations where sample size is less of an issue.

While Torba has the highest percentage of severe deprivation (Figure 2.8), this is primarily because of how poorly it fares on the measure of shelter deprivation. Almost half of the households in this province have floors made of coral or earth, not cement. Torba, like most other provinces and regions, fares poorly on health. But sample sizes are small throughout, as this is based on a narrow age range (0-24 months). As discussed below, on other measures, such as access to hospital beds, the province does not fare poorly. Food deprivation in Torba is at 7.9 per cent, which is just below the rural average.

Figure 2.8: Deprivation in Torba (%)



Source: Estimated from 2007 MICS.

Table 2.4: Prevalence of seven severe deprivations by region and residence (%)

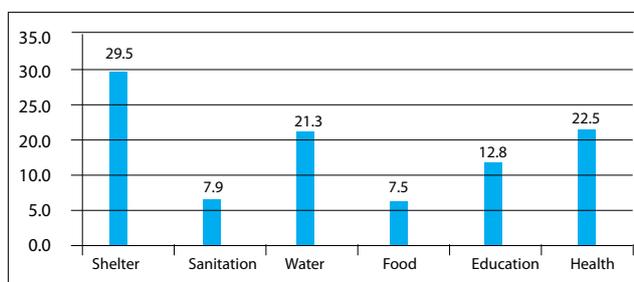
	Shelter (0-17 years)	Sanitation (0-17 years)	Water (0-17 years)	Information (3-17 years)	Food (0-5 years)	Education (7-17 years)	Health (1-2 years)
Region							
Torba	41.6	4.6	5.6	81.7	7.9	10.4	18.2
Sanma	10.7	9.2	10.9	63.0	14.1	2.8	19.2
Penama	37.3	0.0	5.5	73.6	8.1	6.8	18.9
Malampa	3.3	0.0	3.9	66.4	6.9	0.7	2.9
Shefa	0.5	0.5	4.4	34.1	5.0	3.7	16.7
Tafea	29.5	7.9	21.3	69.8	7.5	12.8	22.5
Luganville	3.2	3.1	0.0	12.5	11.4	3.1	26.1
Port Vila	0.9	0.5	1.3	5.9	19.6	4.3	24.6
Residence							
Urban	1.5	1.2	0.9	7.7	17.4	4.0	25.0
Rural	16.7	3.7	9.2	62.4	8.1	5.5	15.4

Source: Vanuatu MICS 2007. Figures in grey-shaded cells are based on fewer than 25 unweighted cases; Figures in grey italics are based on 25-50 unweighted cases.

The province that is arguably the worst off is Tafea (Figure 2.9), which fares poorly on a number of measures – shelter, sanitation, water, education and health – although food deprivation is just below the rural average. While not as badly off as Torba on shelter deprivation, on most other measures it is worse off.

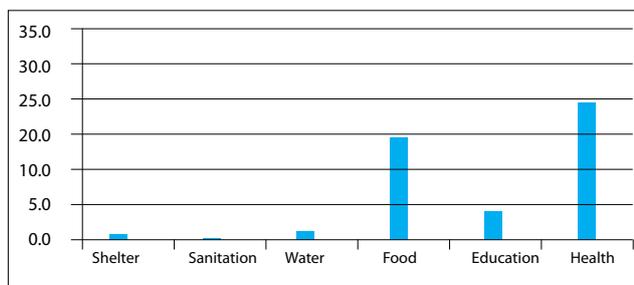
Among rural areas, Sanma fares worst on food poverty (although numbers may be affected by the low sample size). Penama is another province characterized by poor shelter conditions. Urban areas, particularly Port Vila (Figure 2.10), have the highest incidence of food deprivation. Health deprivations are also higher in both urban areas, although the rural average is significantly reduced by the extremely low level of health deprivation in Malampa.

Figure 2.9: Deprivation in Tafea (%)



Source: Estimated from 2007 MICS.

Figure 2.10: Deprivation in Port Vila (%)



Source: Estimated from 2007 MICS.

After information, health is the most frequent deprivation. All regions, with the exception of Malampa, experience high levels of this deprivation. A few observations are worth noting. In the regional analysis, the sample size is low and inferences are thus difficult. However, the MICS survey confirms that the overall immunization rate is low – with only 42 per cent of children under two being fully immunized, and only 24 per cent of children having full immunization by the time they are one year old. This is far below the target set by the World Fit For Children (2002), adopted by Vanuatu, of 90 per cent national coverage of full immunization. Individual immunization rates vary from fairly high coverage for tuberculosis, at 79 per cent, to a low of 37.2 per cent for measles.¹³

Table 2.5 shows the correlates of severe child deprivation. There are no substantial differences based on the gender of the head of the household, the mother tongue of the head of the household, or whether there is an orphan child in the household. Household size is not particularly significant: while the incidence of children with severe deprivation is higher for households with fewer than three members, the sample size is too small for strong conclusions. Severely deprived children are slightly more likely to be found in households with seven or more members (27.8 per cent) than in households of between three and seven (around 23 per cent). In addition, households where there is a person 70 years or older are also more likely to be deprived.

¹³ Measles coverage is an MDG indicator of its own. Discrepancies between reported figures on immunization are a concern. This may be the result of poor reporting in surveys (or poor knowledge of carers), or the survey results may indicate that immunization programmes have been less successful than believed or that immunization rates have declined dramatically in recent years. For example, the PAA reports measles immunization at 66-75 per cent in 2001-2003, and the ADB reports that Australian-funded immunization programmes helped to achieve 90 percent coverage of measles immunizations in 2006. Clearly, the MICS survey does not confirm the latter, and it would be a dramatic decline in health outcomes if the former were correct.

Table 2.5: Correlates of severe child deprivations

	At least one severe deprivation	At least two severe deprivations	No deprivations (not even less severe)
Individual dimension			
Sex and age			
Male	24.93	5.09	31.18
Age 0-2	31.86	7.89	20.71
Age 3-4	26.98	4.89	26.70
Age 5-9	22.41	4.60	36.88
Age 10-14	24.81	5.02	33.96
Age 15-17	25.80	2.68	29.29
Female	25.68	4.84	30.47
Age 0-2	29.92	5.75	23.67
Age 3-4	27.94	4.06	26.37
Age 5-9	25.24	5.12	35.23
Age 10-14	24.05	5.04	34.20
Age 15-17	22.19	3.03	24.50
Household dimension			
Household size			
Fewer than 3 members	33.27	8.11	26.08
3-4 members	23.43	3.87	30.58
5-6 members	23.16	4.32	31.49
7+ members	27.79	5.95	30.45
Mother's education			
None	57.10	22.24	9.38
Primary school	25.39	3.56	26.23
Secondary school or higher	14.81	1.83	51.04
Non-standard curriculum	19.42	0	46.42
Mother not in household	16.55	3.45	36.36
Education of head of household			
None	47.63	16.66	12.55
Primary school	27.03	4.64	24.92
Secondary school or higher	13.80	1.48	50.60
Non-standard curriculum	14.91	0	40.71
Gender of head of household			
Male	25.28	4.86	30.96
Female	25.35	6.8	28.95
Wealth index quintiles			
Q1 (poorest)	57.74	17.59	0.89
Q2	28.58	3.39	5.80
Q3	17.40	1.7	26.03
Q4	9.71	0.2	54.8
Q5 (richest)	7.40	0.34	77.92
Mother tongue of head of household			
Bislama	18.79	1.32	56.62

	At least one severe deprivation	At least two severe deprivations	No deprivations (not even less severe)
Other	17.07	5.51	27.0
Family vulnerability (not mutually exclusive categories)			
Orphan child in household			
No	25.22	5.11	30.59
Yes	23.54	2.76	35.29
Elder (70+) person in household			
No	23.18	4.23	31.68
Yes	32.76	7.59	27.88
Geographic dimension			
Region			
Torba	51.60	8.64	12.1
Sanma	31.94	4.59	17.5
Penama	40.87	9.04	13.18
Malampa	9.25	0.39	12.91
Shefa	9.12	0.76	42.55
Tafea	50.31	15.38	21.77
Luganville	11.01	1.07	64.91
Port Vila	10.92	0.59	71
Residence			
Urban	10.95	0.72	69.35
Rural	28.93	6.05	21.06

Source: MICS 2007. Figures in grey-shaded cells are based on fewer than 25 unweighted cases; Figures in grey italics are based on 25-50 unweighted cases.

There are a number of apparent risk factors. Children up to two years of age are most likely to suffer a severe deprivation, particularly boys (33 per cent) but also girls (30 per cent); but with these exceptions, the gaps between other age groups by gender are not as large. Those least likely to suffer severe deprivation are girls 15-17 years (22.19 per cent) and boys 5-9 years (22.4 per cent), but most age and gender groups have an incidence of severe deprivation of around 23-25 per cent, or nearly a quarter of all children.

The strongest apparent correlation is with wealth quintile, as illustrated in Figure 2.11. The MICS collected information on the ownership of household goods and amenities, and weights were assigned to each household asset, to obtain wealth scores for each household. The assets or goods included were: electricity supply, radio, TV, mobile phone, landline phone, refrigerator, watch, bicycle, motorcycle, cart, car, motorized

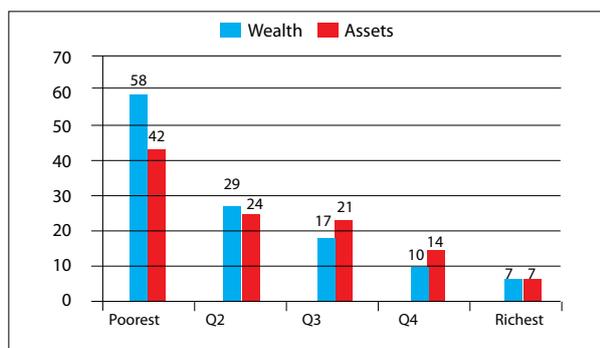
boat and canoe, source of drinking water and type of sanitary facility. The following household characteristics were also included: number of persons per sleeping room, type of floor, type of roof, type of wall and type of cooking fuel. Each household was then weighted by the number of household members, and the household population was divided into five groups of equal size, from the poorest quintile to the richest, based on the wealth scores of their household. The wealth index is assumed to capture underlying long-term wealth through information on household assets.

This study recalculated the wealth index to exclude items that are also included in the deprivation measures. This new index – labelled the asset index and mainly based on material assets – is also shown in Figure 2.11. It can be seen that households with lower levels of assets are also much more likely to experience

deprivation (42 per cent) than households in the richest 20 per cent of the population (7 per cent). Thus, this measure tends to show that material assets are strongly correlated with the likelihood of deprivation, although the gradient is not as marked as it is for the broader wealth measure.

Figure 2.11 shows that nearly 60 per cent of children in households in the lowest wealth quintile experience at least one severe deprivation, compared to only 7 per cent in the richest wealth quintile. This association is not surprising, as the wealth index is in part defined by the deprivation measures. For example, household assets are measured in part by the type of sanitation facilities the household has, as is sanitation deprivation, and also by the type of shelter, as is shelter deprivation.

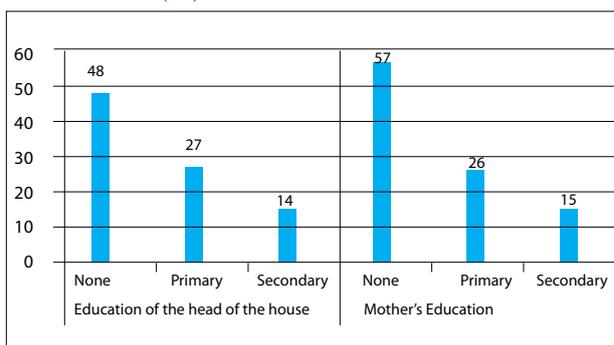
Figure 2.11: Children with at least one severe deprivation by wealth and asset index quintile (%)



Source: Estimated from 2007 MICS.

Other factors that are strongly correlated with child deprivation include the education of the head of the household and the education of the mother, as shown in Figure 2.12. Children in households where the household head or the mother had no education were much more likely to be deprived, and those where adults had secondary education were much less likely to be deprived.

Figure 2.12: Children with at least one severe deprivation by education of head of household and mother (%)



Source: Estimated from 2007 MICS.

Multiple deprivations

An important issue is whether children who are deprived in one dimension more likely to be deprived in another, and whether these deprivations reinforce each other. Table 2.6 shows both the proportion of children in Vanuatu experiencing specific severe or less severe deprivations, and the experience of different combinations of multiple deprivations. As discussed above, the most common severe deprivation is information, but the second most common is health deprivation. At the less severe level of deprivation, the most common problem relates to health.

Disregarding information deprivation, while 20 per cent of children in Vanuatu experience one severe deprivation, only 4 per cent experience two, and negligible numbers experience four or more severe deprivations. Less severe deprivations are naturally more common – nearly one in three children in Vanuatu experiences a less severe deprivation; one in four experiences two less severe deprivations, and one in ten experiences three, with a very small number experiencing four.

Table 2.6 also shows that excluding information deprivation, the most frequent combination of deprivations (either severe or less severe) is health and shelter, while the two second most common combinations are food and water (at the severe level) and sanitation and food (at the less severe level).

Table 2.6: Child poverty as multiple deprivations

	Number of children	Percentage experiencing severe deprivation	Percentage experiencing less severe deprivation
Deprivation			
Shelter (age 0-17)	6,134	13.6	43.9
Sanitation (age 0-17)	6,134	3.2	37.9
Water (age 0-17)	6,134	7.5	16.1
Information (age 3-17)	5,036	51.0	54.5
Food (age 0-4)	1,634	9.9	26.4
Education (age 7-17)	3,638	5.2	22.8
Health (age 1-2)	342	17.1	64.5
Multiple deprivations			
Only one deprivation	6,134	20.3	31.4
Any two deprivations	6,134	4.3	25.2
Any three deprivations	6,134	0.6	10.7
Any four deprivations	6,134	0.0	1.8
Any five deprivations	6,134	0.0	0.1
Any six deprivations	6,134	0.0	0.0
Most frequent combinations of deprivations*			
	Severe	Less severe	
Most frequent single deprivation*	Health	Health	
Most frequent combination of two*	Health, shelter	Health, shelter	
Second most frequent combination of two*	Food, water	Sanitation, food	
Most frequent combination of three*	Health, shelter, food	Health, shelter, sanitation	
Second most frequent combination of three*	Water, education, sanitation	Food, education, water	

* Excluding information deprivation. Source: MICS 2007.

Table 2.7: Correlation among deprivation measures, 2007

	Bottom asset quintile	Shelter	Sanitation	Water	Information	Food	Education	Health
Shelter	0.466***	1.000	0.052***	0.164***	0.267***	0.005	0.163***	-0.017
Sanitation	0.041***	0.052***	1.00	-0.023*	0.057***	0.097***	0.091***	0.070***
Water	0.236***	0.164***	-0.023*	1.000	0.130***	-0.034	0.060***	0.030
Information	0.429***	0.267***	0.057***	0.130***	1.000	-0.044*	0.098***	-0.003
Food	0.014	0.005	0.097***	-0.034	-0.044*	1.000	n/a	0.016
Education	0.148***	0.163***	0.092***	0.060***	0.098***	n/a	1.000	n/a
Health	0.022	-0.017	0.070***	0.030	-0.003	0.016	n/a	1.000

Source: MICS 2007.

* significant at 10% level; ** significant at 5% level; *** significant at 1% level.

Table 2.7 shows the correlation between different deprivation measures, and between deprivation and asset quintile. Shelter and information deprivation are strongly correlated with being in the bottom asset quintile, with correlation coefficients being over 0.40, and the correlations are statistically significant. In contrast, food and health deprivation are only weakly correlated with assets, and the correlations are not statistically significant. This is likely to reflect the fact that these deprivations are relatively common in Port Vila, where people have higher levels of assets but still experience these specific deprivations.

While the correlations between many other deprivations are statistically significant, the degree of correlation is not particularly high, and no deprivations except information deprivation have correlation coefficients over 0.20. In brief, the lack of high correlations between deprivation measures, like the apparent small number of people experiencing multiple severe deprivations, suggests that while deprivations may be reasonably common, entrenched multiple deprivation does not exist. Around 4 per cent of children experience multiple deprivations, which is similar to the proportion of children living in the most severe expenditure poverty (under \$1.08 per day). Because these two indicators are derived from different surveys, it is not possible to check whether those with the lowest levels of expenditure are also those experiencing multiple deprivations, but this coincidence suggests that is a possibility.

Summary of deprivation findings

As with the analysis of expenditure poverty, the analysis of deprivation shows that disparities in child well-being have important dimensions related to location. Torba and Tafea have the highest expenditure poverty rates and the highest poverty gaps (using a national-level poverty line), and they have the highest rates of deprivation. However, based on sub-national poverty lines, Port Vila has the highest poverty rate, as well as the highest levels of food and health deprivation for children.

Many of the other factors associated with higher poverty rates are also associated with higher deprivation risks. For example, households where the head has no schooling have child poverty rates that are 3.7 times those of households where the head has a secondary school education; the corresponding ratio for severe deprivation is 3.4 to 1. The gender of the household head is unimportant both for expenditure poverty and deprivation. Household size has broadly similar effects for both measures of well-being, as does the presence of a person 70 years or older in the household.

The Pillars of Child Well-being

This section discusses the ‘pillars’ of well-being for children: nutrition, health, education, child protection and social protection. These areas not only provide indicators of a child’s present state of well-being, but are also the building blocks for the child’s future physical, emotional and social development.

Introduction

In assessing the impact of policies, one would like to trace a line of causality from policy, programme design, and resource allocation through to children’s outcomes. This is not possible in this case, for a number of reasons. In some instances, the scarce resources available to Vanuatu have not yet been extended to all pillars (for example, social security programmes are largely absent), while in other areas, such as health, expenditure and programme data are not always captured in the manner that would be required to determine causality.

In Vanuatu, education and health are the two main sectors relevant to child well-being. Government expenditure on education as a proportion of the budget has been consistently high for many years, at around a quarter of all public spending. Nevertheless, net enrolment rates have remained poor, even by Pacific Island standards. Health has maintained an average share of over 10 per cent of total government

expenditure since 2001, which is focused on primary health care. However, health outcomes also remain poor in comparison with some countries with similar income levels.

Asides from these sectoral policies (discussed in more detail below), the Government has a number of overarching policy statements that relate to children’s well-being in these core areas. The Government’s strategic directions for the country are set out in the PAA. Policy goals and strategies have been set out further in the Government’s *Planning Long, Acting Short: Action Agenda for 2009-2012*. This document sets out priority areas for children, namely quality education for all, investing in a healthy Vanuatu and strengthening security and the rule of law (child protection).

The Government also recently drafted the National Children’s Policy 2007–2011, which was developed in response to the 2002 United Nations General Assembly Special Session on Children, where the Declaration and Plan of Action – A World Fit for Children was adopted (Government of Vanuatu 2007). The vision of the national plan is to “invest in children now to ensure communities, churches and the nation at large can enjoy a peaceful and rewarding life so that the future generation of Ni-Vanuatu will have a healthy, happy and productive life.” The policy statement outlines the Government’s support for addressing health, education and safety

issues affecting children in Vanuatu. This policy is accompanied by the Monitoring and Evaluation Framework for the Vanuatu Children's Policy 2007–2011 (Government of Vanuatu 2008a), which was established to assist the National Children's Coordination Committee to monitor the implementation of the Children's Policy.

Nutrition

Adequate and appropriate feeding plays an important role in the optimal growth of children. Inadequate and inappropriate breastfeeding and complementary feeding practices can lead to poor health and malnutrition among children, which hinders their proper physical and mental development (MICS 2007).

National laws, policies and programmes

The relevant policies in this field are the Nutrition Policy (1986, updated 2005) and Breastfeeding Policy (1997, updated 2005). High-level government policies such as the PAA and even the Vanuatu Ministry of Health's Health Sector Policy (2009–2015) do not mention child nutrition as a specific goal. A policy focus on child nutrition may well be intended as part of the overall goals of equitable health access and the focus on quality primary health care, but the absence of a specific child nutrition priority may be a disadvantage.

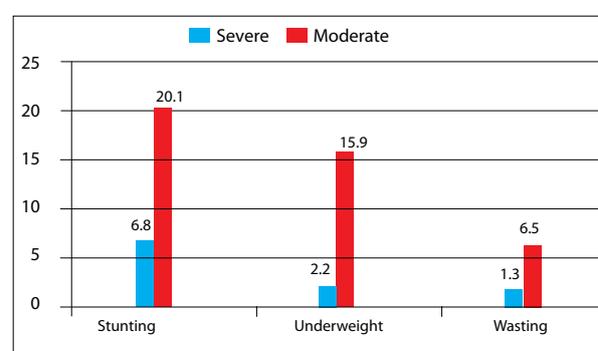
The National Children's Policy explicitly articulates the goal of strengthening existing health policies, including food and nutrition policy, breastfeeding and Expanded Programme of Immunization (EPI) policies and other relevant policies, protocols and procedures that could improve children's health, nutrition and well-being. The Monitoring and Evaluation Framework of the National Children's Policy calls for the nutrition and breastfeeding policies to be updated by 2011. It also proposes by 2011 to update and integrate the nutrition component of the school health curriculum in both the formal and non-formal sectors and the co-ordination and strengthening of integrated food and nutrition programmes at the provincial and national levels within the Government (Government of Vanuatu 2007b).

Additional targets include the supply of safe and potable water in 70 per cent of schools by 2011 (at present, only 47 per cent of primary schools have access to piped water (Ministry of Education, 2007), and to improve health staff and children's knowledge and skills on nutrition through education programs and materials.

Child outcomes, disparities and gender equality

Table 3.1 shows that national nutrition outcomes in Vanuatu have considerable room for improvement. While the percentage of children who are severely undernourished (more than 3 standard deviations below the international reference population) is not high, the percentage experiencing moderate malnourishment (2 or more standard deviations below the international reference population) is much higher, with 20 per cent of children less than five years old moderately stunted, 16 per cent moderately underweight and 6.5 per cent moderately wasted (Figure 3.1).

Figure 3.1: Children age 0-59 months who are severely or moderately undernourished (%)



Source: MICS 2007.

Stunting is the worst of the nutrition outcomes, with nearly 7 per cent of all children severely stunted and 20 per cent moderately. Torba and Sanma are the regions with the highest percentage of severely underweight children (4 per cent in each region); Port Vila and Sanma have the highest percentage of severely stunted children (9 per cent and 10 per cent, respectively), and Port Vila and Penama have the highest percentage of severely wasted children (3 per cent each), followed by Sanma with 2 per cent.

Differences are most marked in relation to mother's education, with much better nutrition outcomes for children with mothers who are better educated, by a ratio of up to two to one. There appears to be no consistent pattern of differences by wealth quintiles.

Table 3.1: Child nutrition outcomes and their correlates, 2007

(Children age 0-59 months who are severely or moderately undernourished)

Background characteristics		Underweight		Stunting		Wasting		Obesity	Number of children
		Weight for age: % below -2 SD*	Weight for age: % below -3 SD	Height for age: % below -2 SD**	Height for age: % below -3 SD*	Weight for height: % below -2 SD***	Weight for height: % below -3 SD	Weight for height: % above +2 SD	
Sex	Male	18.3	1.9	23.4	7.0	7.0	1.1	2.4	620
	Female	13.4	2.5	16.6	6.6	5.9	1.6	2.3	580
Region	Tafea	11.4	1.7	17.7	6.9	1.1	0.6	2.9	175
	Shefa	12.7	0.6	16.5	5.1	5.7	0.0	1.9	158
	Malampa	15.7	2.8	23.1	6.5	4.6	0.9	1.9	108
	Penama	21.8	0.8	21.0	3.4	7.6	2.5	3.4	119
	Sanma	19.6	3.6	22.3	8.9	11.6	1.8	0.9	112
	Torba	19.0	4.0	15.1	3.2	8.7	0.0	0.8	126
	Port Vila	13.3	3.2	22.3	10.4	7.6	3.2	3.6	278
	Luganville	23.4	1.6	16.9	7.3	9.7	0.8	3.2	124
Residence	Urban	15.2	2.9	21.3	9.8	7.9	2.8	3.5	402
	Rural	16.1	2.0	19.9	6.1	6.1	1.0	2.1	798
Age	< 6 months	2.2	0.0	3.0	0.0	0.4	0.0	3.0	80
	6-11 months	6.4	0.9	4.1	1.8	6.3	1.8	4.5	137
	12-23 months	26.0	3.4	25.9	7.3	14.3	2.4	1.9	275
	24-35 months	17.9	2.4	20.5	7.9	4.1	0.5	2.2	244
	36-47 months	11.3	1.4	20.9	7.4	3.9	1.3	0.0	253
	48-59 months	16.8	2.9	28.7	10.2	3.7	1.2	4.2	211
Mother's education	None	21.0	3.1	26.9	12.1	7.9	1.9	5.8	90
	Primary	17.3	2.5	20.1	7.0	6.5	1.5	1.9	709
	Secondary	11.6	1.3	18.1	4.9	5.9	0.9	2.2	399
	Non-standard	(*)	(*)	(*)	(*)	(*)	(*)	(*)	2
Wealth index quintiles	Q1 (poorest)	18.1	4.6	23.2	9.9	6.1	1.0	2.3	226
	Q2	20.5	2.0	18.4	5.0	9.0	0.8	0.9	233

Source: MICS 2007. * MICS indicator 6, MDG indicator 4; ** MICS indicator 7; *** MICS indicator 8; (*) per cent count has been suppressed as the Figure is based on fewer than 25 unweighted cases; § three missing cases.

There is a broadly consistent age pattern across measures of nutritional status: children under six months have the lowest rates of poor nutrition status for all indices; and generally, a higher proportion of children age 12-23 months are undernourished, in comparison to those who are younger and older than this age range, except for severe stunting where older age groups, particularly those age 48 to 59 months, are more likely to experience problems. The better outcomes for children under six months is likely to be due to adequate nutrition during breastfeeding, with this then declining from the age at which many children cease to be breastfed and are potentially exposed to contamination in water, food and the environment, or inadequate complementary feeding (GoV, 2007a).

Gender outcomes also show a mixed pattern, with boys more likely to be moderately underweight, stunted or wasted, but generally experiencing less severe nutrition deprivation, except stunting.

Analysis

As noted earlier, most of the rural population relies on subsistence agriculture. This appears to provide adequate food security for the population, although some families may not consume adequate protein. There is also fishing and poultry rearing in traditional subsistence farming.

Education appears to be a stronger factor than wealth in influencing variations in outcomes. Thus, it appears that some children may suffer from malnutrition not due to lack of food but due to lack of awareness of good nutrition. Therefore, concerted efforts are needed to raise people's awareness of the importance of children's and mother's health and nutrition.

Breastfeeding practices appear to be relatively better than overall nutrition practices, as the youngest infants (many exclusively breastfed) have better overall nutrition status than older groups. About 40 per cent of children age 0-5 months are exclusively breastfed and considered to be adequately fed. Continued breastfeeding at ages 9-11 months and related positive nutrition outcomes were significantly higher in rural areas. This study was not able to assess the contribution of the Breastfeeding Policy to these outcomes.

Given the nutritional outcomes found in the MICS, it is disappointing to see that nutritional policy is not a higher priority in the health sector policy. The high levels of moderate and severe malnourishment of children 12 to 59 months, across all geographic regions and economic quintiles, indicate the importance of improving nutrition education.

Health outcomes

The geography of Vanuatu, with a population scattered throughout many islands, presents a tremendous challenge for resource allocation, health facility distribution and service delivery. Data from 2005 indicate that about 20 per cent of the population does not have access to health services (Vanuatu National Health Accounts team, 2007). Some health indicators show improvements in recent years, such as improved prenatal care and attendance at births by trained health workers.

National laws, policies and programmes

The Health Sector Policy 2009-2015 aims to achieve the MDGs and improve access, quality and capacity to deliver services. Primary health care is the pre-eminent concern. The Ministry of Health intends to track a number of indicators of progress, including the infant mortality ratio, the number and causes of maternal deaths by province, the proportion of deliveries attended by skilled attendants by province, under-five mortality by cause, and the proportion of people with access to safe water and proper sanitation in rural communities. Other program indicators related to

tuberculosis and malaria also still remain in place.

Planning Long, Acting Short articulates four health goals: (1) strengthening the capacity of the Ministry of Health; (2) strengthening the delivery of basic health services to all, in remote, rural and urban areas; (3) vigorously controlling and progressively eliminating malaria from Vanuatu and (4) investing in training and supporting the health workforce, particularly nurses in rural facilities.

The National Children's Policy and its Monitoring and Evaluation Framework also set a number of goals: developing indicators for health, water and sanitation programmes by 2010; improving reporting on child births and deaths; establishing a malaria surveillance information system by 2010; and ensuring that 80 per cent of health staff were able to conduct basic nutrition education in schools by 2010. There were also calls for a 20 per cent increase in the health budget for youth-related activities in the provinces by 2011 and a revised Primary Health Care Policy by 2010, as well as improvements to maternal health. Indicators for these outcomes include 80 per cent compliance by health care professionals with antenatal protocols by 2010, and a measurable increase in contraceptive services linked to immunisation and maternal health with family planning.

The Ministry of Health Maternal and Child Health Programme provides immunisation, antenatal care and contraception, as well as information and advice on parenting, child health development, maternal health and well-being, child safety, breastfeeding, nutrition and birth spacing. In 2006, 61 per cent of reported births took place in health clinics and 29 per cent in hospitals, while 7 per cent were attended by traditional birth attendants (ADB 2009a).

As noted earlier, health as a proportion of total national expenditure has maintained an average share of over 10 per cent since 2001. The main source of health expenditure is the Ministry of Health budget. There are insufficient data available to determine what proportion of this total spending is directed to children's health, but in 2005 about 3.2 per cent of Government health spending (0.6 per cent of GDP) was directed to reproductive health and maternal care (Vanuatu National Health Accounts team, 2007).

A major concern is the wide disparity in outcomes for children in different areas, especially between urban and rural communities. This mirrors the limited access to health services in rural areas.

Malaria is the major public health problem in the country; other communicable diseases include tuberculosis, sexually transmitted infections, acute respiratory tract infections including pneumonia; diarrhoeal diseases, viral hepatitis, typhoid fever and measles. The Ministry of Health has run awareness campaigns for the past 20 years to try to eradicate these communicable diseases.

In 2008, the rapid diagnostic test for malaria was introduced in all health facilities. Annual parasite incidence decreased from a baseline of 73.9 positive cases per 1,000 inhabitants to 23.3 per 1,000 in 2007, 15.6 per 1,000 in 2008, and 13.3 per 1,000 in 2009. This decline has opened up the prospect of further reduction and eventual elimination of malaria.

The Ministry of Health has introduced long-lasting, insecticide-treated nets, using funding from the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, to combat malaria. The use of bed nets now seems to be widespread, with 56 per cent of children sleeping under nets in 2007. In 2009, long-lasting insecticide-treated mosquito net (LLIN) distribution increased to 85 per cent. Nevertheless, concentrated efforts are still needed to achieve the elimination target.

Tuberculosis is a national concern in both urban and rural settings. From 2000 to 2007, the average annual prevalence rate was six cases per 10,000 inhabitants, which corresponds to 120 tuberculosis cases a year. The Ministry of Health has implemented the directly observed treatment, short-course (DOTS) strategy. The case detection rate was 52 per cent in 2008, and the treatment success rate was 93 per cent in 2007. The programme is now concentrating on quality, consistency and sustainability issues.

Dengue fever, dengue haemorrhagic fever and filariasis are also significant communicable diseases, and the Directorate of Public Health

has implemented an extensive vector-borne-disease control programme over the past 20 years. Five rounds of mass drug administration against filariasis have been completed, and the programme is now in an evaluation and surveillance phase.

Sexually transmitted infections have always been suspected of being highly prevalent, and data from health facilities support this belief. Acute respiratory infections and diarrhoeal diseases also contribute significantly to the morbidity burden. Children under two years of age account for about 50 per cent of all hospital admissions for acute respiratory infections.

Non-communicable diseases, especially diabetes and hypertension, have become more prominent in recent years; in 2006, diabetes was the 8th leading cause of illness requiring inpatient care and hypertension the 10th leading cause. Lifestyle changes and growing urbanization appear to be the main causes of this trend.

Child outcomes, disparities and gender equality

Table 3.2 shows the infant mortality rate (the probability of children dying before their first birthday) and the under-five mortality rate (the probability of dying before the fifth birthday). The national rates are 25 and 30 deaths, respectively, per 1,000 live births. There are no significant differences in these rates by gender. Rural areas have somewhat higher mortality rates than urban areas, and the poorest 60 per cent have higher mortality rates than the richest 40 per cent. Mother's education is closely associated with infant and child mortality rates, with rates for children of mothers with no education or primary education two to three times as high as those for children whose mothers completed secondary school.

Table 3.2: Under-five and infant mortality rates and their correlates, 2007

Background characteristics		Infant mortality rate	Under-five mortality rate
Sex	Male	25	29
	Female	25	31
Residence	Urban	23	27
	Rural	26	32
Mother's education	None/primary only	28	34
	Secondary or higher	12	14
Wealth index quintiles	Poorest 60%	27	33
	Richest 40%	22	26
National		25	30

Source: MICS 2007.

Trends over time

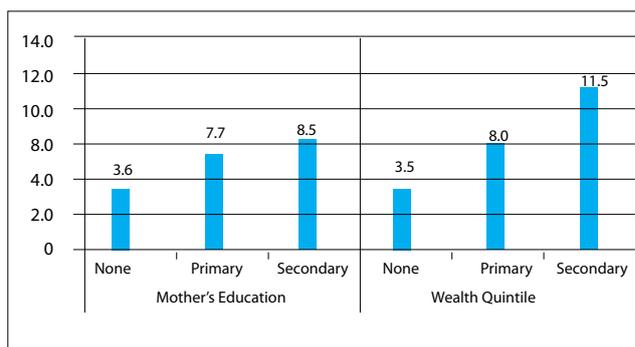
Estimates from the 1999 census indicate that infant mortality was 27 per 1,000 live births and under-five mortality was 33 per 1,000 live births (Ministry of Health, MICS Survey Report, 2008). Thus the current rates (25 and 30) represent only a slight decline in the last decade, after a much sharper decline between 1990 and 1999 (see Table 4.1). Child and infant mortality rates have not been examined by region, given the small sample size of the MICS.

Young child health outcomes

The 2007 MICS found that 14 per cent of children under five had suffered from diarrhoea in the previous two weeks (Table 3.3), which is usually attributed to poor hygiene and sanitation and water-related diseases. Less than half (43.1 per cent) of the children suffering from diarrhoea had received oral rehydration treatment. Tafea had the lowest incidence of cases and Shefa the highest, followed by Sanma; differences between other areas were smaller. Differences based on urban/rural location or mother's education generally seem small, and no consistent pattern emerged based on age or wealth.

The MICS found that few mothers or caretakers could recognize two danger signs of pneumonia (difficulty breathing and fast breathing), but most (72.3 per cent) would take their child to a health facility if the child developed a fever. Mothers' opinions on whether a child should be taken to a clinic in other circumstances varied widely across regions, but not consistently between regions on all health matters. Differences by mother's education and by wealth quintile are illustrated in Figure 3.2; of the two, differences are larger across wealth quintiles.

Figure 3.2: Knowledge of the two danger signs of pneumonia (%)



Source: MICS 2007.

There are significant discrepancies between reported Figures for immunisation. This may indicate poor reporting in surveys or poor knowledge of carers – or that immunisation programmes have been less successful than imagined. For example, the PAA reported measles immunization at 66-75 per cent in 2001-2003, and the ADB reported that Australian-funded immunisation programmes helped to achieve 90 per cent coverage of measles immunizations in 2006. A review undertaken by UNICEF and the Ministry of Health in mid 2010 indicated a measles immunization coverage rate of 80 per cent. The MICS survey in 2007 found, however, that the immunisation rate among children 12 to 23 months was only 37 per cent, and that only one quarter of children were fully immunised against six diseases. Assessment of and sustainability of routine immunisation coverage rates remains an important priority.

Table 3.3: Home management of diarrhoea (percentage of children age 0-59 months with diarrhoea in the last two weeks who took increased fluids and continued to feed during the episode)

Background characteristics		Had diarrhoea in last two weeks	Number of children age 0-59 months	Children with diarrhoea who drank more	Children with diarrhoea who drank the same or less	Children with diarrhoea who ate somewhat less, same or more	Children with diarrhoea who ate much less or nothing	Home management of diarrhoea *	Received ORT or increased fluids and continued feeding **	Number of children age 0-59 months with diarrhoea
Sex	Male	14.4	844	27.7	67.6	71.1	28.7	18.5	49.9	114
	Female	13.3	790	24.1	74.6	66.8	33.2	14.1	35.1	104
Region	Tafea	7.1	240	(*)	(*)	(*)	(*)	(*)	(*)	17
	Shefa	20.1	179	8.3	91.7	91.7	8.3	8.3	38.9	36
	Malampa	13.7	146	(*)	(*)	(*)	(*)	(*)	(*)	20
	Penama	13.4	149	(*)	(*)	(*)	(*)	(*)	(*)	20
	Sanma	18.2	121	(*)	(*)	(*)	(*)	(*)	(*)	22
	Torba	12.3	203	0.0	92.0	68.0	32.0	0.0	32.0	25
	Port Vila	12.3	342	28.6	66.7	66.7	33.3	16.7	50.0	42
	Luganville	14.2	254	30.6	63.9	66.7	30.6	25.0	33.3	36
Residence	Urban	12.8	596	29.2	65.8	66.7	32.5	19.2	44.9	78
	Rural	14.1	1,038	25.4	71.9	69.6	30.4	15.8	42.7	140
Age	0-11 months	14.9	347	16.9	79.4	62.0	38.0	9.6	36.4	49
	12-23 months	18.5	342	24.0	72.7	64.8	35.2	12.8	40.8	61
	24-35 months	12.5	337	28.8	65.7	87.3	11.9	27.3	67.1	42
	36-47 months	12.1	339	29.7	70.3	68.1	31.9	17.2	38.4	36
	48-59 months	10.2	269	37.9	59.6	65.3	34.7	19.0	29.2	30
Mother's education	None	6.9	139	(*)	(*)	(*)	(*)	(*)	(*)	13
	Primary	14.9	960	24.1	71.6	66.4	33.4	17.0	41.5	136
	Secondary	13.8	532	31.9	68.1	77.9	22.1	17.6	50.9	69
	Non-standard curriculum	(*)	2	.	.	.	.	.	.	0
	Missing/DK	(*)	1	.	.	.	.	.	.	0
Wealth index quintiles	Q1 (poorest)	11.4	311	26.9	67.0	65.0	35.0	17.5	38.2	34
	Q2	15.9	295	25.3	74.7	67.5	32.5	11.2	50.5	45
	Q3	10.7	278	30.9	67.2	64.1	35.9	19.8	31.3	30
	Q4	18.8	332	23.7	73.0	74.9	25.1	19.6	40.6	58
	Q5 (richest)	12.5	418	25.2	68.5	72.7	26.2	15.7	52.7	51
Mother tongue of head [§]	Bislama	13.7	280	32.8	61.7	70.7	28.0	15.8	42.4	40
	Other	13.8	1,350	24.5	72.6	68.6	31.4	15.7	42.6	177
National		13.8	1,634	26.1	70.8	69.1	30.7	16.4	43.1	218

* MICS indicator 34; ** MICS indicator 35; (*) percentage count has been suppressed as the Figure is based on fewer than 25 unweighted cases; grey italics = Figure is based on 25-49 unweighted cases; § four missing cases.

Table 3.4: Mothers' and other caretakers' knowledge and beliefs about symptoms that require health care, 2007

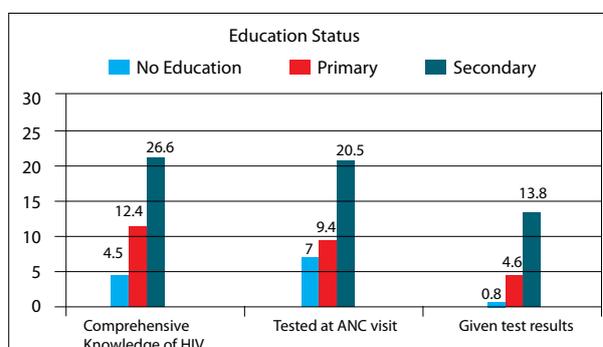
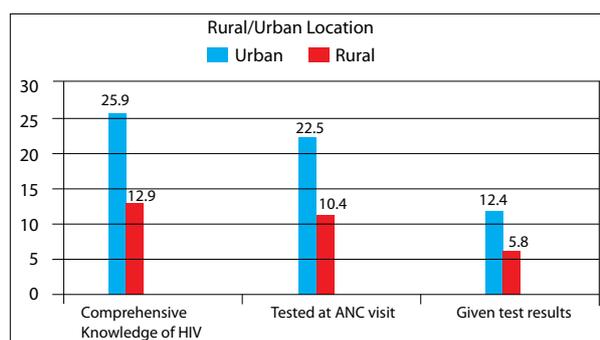
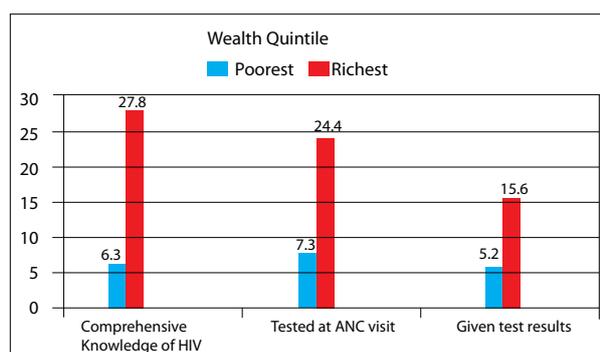
Background characteristics	Percentage of mothers/caretakers of children age 0-59 months who think that a child should be taken immediately to a health facility if the child:										Total number of mothers/ caretakers of children age 0-59 months
	is not able to drink or breastfeed	becomes sicker	develops a fever	has fast breathing	has difficulty breathing	has blood in stool	is drinking poorly	has other symptoms	Mothers/ caretakers who recognize the two danger signs of pneumonia		
Region	Tafea	13.3	53.8	70.4	11.7	11.7	2.1	15.0	10.4	2.9	240
	Shefa	6.1	14.5	54.7	71.5	32.4	2.2	5.0	9.5	21.2	179
	Malampa	2.1	25.3	69.2	0.7	2.1	0.7	0.7	43.2	0.0	146
	Penama	19.5	53.7	85.2	13.4	16.1	1.3	12.8	42.3	4.7	149
	Sanma	13.2	19.8	89.3	16.5	13.2	1.7	17.4	19.8	5.0	121
	Torba	13.3	37.4	88.2	30.5	28.1	10.3	6.9	27.1	17.7	203
	Port Vila	8.2	48.0	62.3	30.4	19.9	3.5	9.4	19.9	11.7	342
	Luganville	20.1	28.7	78.0	16.9	13.4	5.1	13.4	28.0	6.3	254
Residence	Urban	11.4	42.7	66.6	26.7	18.1	4.0	10.5	22.1	10.2	596
	Rural	10.4	33.5	73.6	22.2	15.1	2.0	9.6	24.9	7.0	1038
Mother's education	None	13.5	45.9	78.0	18.9	10.9	3.4	12.6	12.2	3.6	139
	Primary	9.6	31.5	72.2	23.1	16.6	1.6	10.9	24.5	7.7	960
	Secondary	12.0	40.0	70.3	24.2	14.7	4.0	6.3	28.0	8.5	532
	Non-standard	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	2
	Missing/DK	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	1
Wealth index quintiles	Q1 (poorest)	9.6	35.1	72.5	14.1	12.3	2.1	8.8	18.9	3.5	311
	Q2	12.1	38.4	75.7	18.2	12.8	2.2	11.8	29.4	6.0	295
	Q3	9.2	31.0	76.6	26.0	16.4	1.9	9.9	25.2	8.0	278
	Q4	11.1	31.0	65.4	32.3	18.1	2.6	6.1	25.4	11.0	332
	Q5 (richest)	10.8	41.3	69.3	28.8	21.0	3.4	12.1	22.5	11.5	418
Mother tongue of heads	Bislama	9.9	40.0	73.4	22.5	14.7	5.3	11.8	24.1	6.0	280
	Other	10.7	34.7	72.1	23.2	15.8	2.1	9.5	24.3	7.8	1,350
National		10.6	35.2	72.3	23.1	15.7	2.4	9.7	24.4	7.6	1,634

Source: MICS 2007.

HIV/AIDS

HIV/AIDS is a recent concern to the Government, with the first reported case in 2002, and two deaths in 2006 and 2007 (ADB 2009a). However, the Ministry of Health is concerned that the high incidence of other sexually transmitted diseases may indicate that the true Figures could be much higher. The MICS survey found consistent differences in women's access to information, knowledge and testing on HIV and AIDS, depending of their wealth and education status. As Figure 3.3 shows, there is a positive relationship with wealth, education and urban residence for women age 15-49 years who have comprehensive knowledge of HIV transmission, who were tested for HIV at an antenatal visit, and who were provided the results of these tests.

Figure 3.3: Knowledge of and testing for HIV/AIDS, 2007 (Percentage of women age 15-49 years who gave birth in the two years preceding the survey)



*ANC: Antenatal Care. Source: MICS 2007.

Analysis

The geographic constraints on services combined with severely limited human and material resources, including the lack of trained nurses and doctors, are key challenges. The Vanuatu Centre for Nursing Education graduated 21 nurses in 2007, and a further 27 were expected to graduate in 2010, but this does not fill the gap caused by nurses leaving and by increasing demand. The cost of health services is also a barrier to adequate health care; the 200 vatu fee is unaffordable for many people (ADB 2009a).

With high annual population growth, increasing life expectancy and nearly half the population under 20 years old, increasing strains are being placed on health care services. There is a high demand for maternal and infant care and treatment of childhood diseases, plus increased demand for elderly care as life expectancy increases.

Changes in diet and occupation and rural-urban migration, among other factors, have contributed to increasing incidence of diabetes and sexually transmitted infections. Social problems including alcoholism and drug dependency and psychological problems such as depression, anxiety and suicide have also increased. These trends may be partly attributed to rural-urban migration and the associated dislocation and landlessness, unemployment, domestic violence and family breakdown. Young people are the most vulnerable to these factors (ADB 2009a, p. 88).

Tables 3.5 and 3.6 summarize the hospital care available in Vanuatu.

Table 3.5: Hospitals and hospital beds by region, 2005

Province	Hospitals	Beds	% beds	Population	Beds per 1,000
Tafea	1	52	11	34,180	1.52
Shefa	1	146	30	63,247	2.31
Malampa	1	70	15	39,127	1.79
Penama	1	37	8	33,536	1.10
Sanma	1	142	30	42,397	3.35
Torba	1	33	7	9,364	3.52
Total	6	480	100	221,851	2.16

Source: Vanuatu National Health Accounts Team 2007.

As noted above, access to health care is not evenly distributed, and access to hospitals in particular is far greater for those living in urban areas. The two referral hospitals are in Port Vila and Luganville. Vanuatu's ratio of 2.16 beds per 1,000 population is higher than that of many other PICs.

Table 3.6: Health infrastructure, 2008

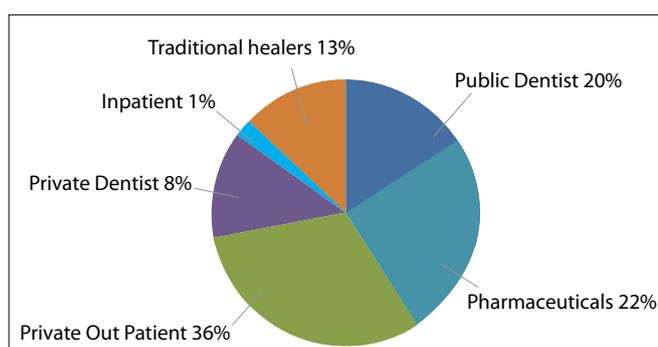
Public health facility	Number of facilities	Number of beds
Tertiary hospitals	2	374
Provincial hospitals	3	443
Specialised hospitals	2	146
Health centres	32	376
Primary health care centres	89	0
Village-based air posts	180	0

Source: ADB 2009b, Table 5.1.

In 2005, Ministry of Health financing accounted for 61 per cent of total financing of health in Vanuatu. Private households contributing 18 per cent and donors 16 per cent, and other sources accounting for the remaining 5 per cent. About one-third of donor funding (or 5 per cent of total spending) was channelled through the Ministry of Health (Vanuatu National Health Accounts Team 2007).

Even though there is a fee for service at government facilities, the services are highly subsidized, and Ministry of Health cost recovery only represents 1-2 per cent of its budget.¹⁴ Figure 3.4 shows the breakdown of private expenditures on health care.

Figure 3.4: Private health expenditures



Source: Vanuatu National Health Accounts Team 2005, 2007.

Given the large challenges in health service provision, donor funding is likely to remain very important. The Government receives a considerable amount of assistance from outside aid agencies, totalling 955.5 million vatu in 2007, of which about 63 per cent went directly to the six provinces. Australian aid has supported the Ministry's Master Health Services Plan priorities, and also provided support for hospital and village

¹⁴ Cost recovery does not revert back to Ministry of Health; income is returned to Ministry of Finance (Vanuatu National Health Accounts Team 2005, 2007).

health services focusing on women and children. The Plan's Village Health Worker Program increased the coverage of rural health care in two provinces, and is expected to help achieve the MDGs on infant and maternal mortality. The 2008–2011 funding commits \$1.5 million from AusAID to enhance rural health and training. In 2008 the Ministry of Health contracted Save the Children to carry out this programme. UNICEF and the Ministry of Health also fund a number of programs to reduce childhood deaths due to preventable diseases, as well as HIV/AIDS prevention (ADB 2009a, p. 92).

Child protection

Child protection in Vanuatu is addressed in a number of recent policy documents by the Government of Vanuatu and through partnerships with NGOs.¹⁵ The National Children's Policy 2001–2011 includes legislative reform to expand protection of children's rights. The recent *Vanuatu Child Protection Baseline Research 2008 National Report* (UNICEF, 2009) provides a benchmark on Vanuatu's standing in terms of respect for children's rights and human rights in general. The project included three components – development of a legislative and regulatory framework, institutional stocktaking and identifying indicators of societal behaviour.

National laws, policies and programmes

The main legislation on child protection is the Family Protection Act 2008, which took effect in March 2009. The stated purpose of the Act (Republic of Vanuatu 2008) is to preserve and promote harmonious family relationships and to prevent domestic violence at all levels of society.

¹⁵ Discussion in this section is primarily based on the Government's National Children's Policy, and its research in partnership with UNICEF. The recent Vanuatu Child Protection Baseline Report as well as UNICEF reports on legislative compliance with CEDAW (the Convention on the Elimination of All Forms of Discrimination Against Women) are the primary sources for analysis.

The Act also states that it is based on traditional values of Vanuatu and on Christian principles and:

- Recognises that domestic violence of any kind is not acceptable
- Ensures effective legal protection for the victims of domestic violence
- Provides for punishment of all persons who commit acts of domestic violence

Developing and presenting the Family Protection Bill in Vanuatu was fraught with difficulty. Once the bill was passed by Parliament it was considered potentially unconstitutional and was subject to several hearings in the Supreme Court. This experience is an example of the challenges in developing child protection laws while engaging the legal tradition of customary systems and customary law. On the positive side, both customs and law agree that children are special and worthy of special love, care and attention. On the other side, certain customary practices are arguably inimical to the child's best interests – for example, requiring children to provide labour and services to the family or community (UNICEF 2008).

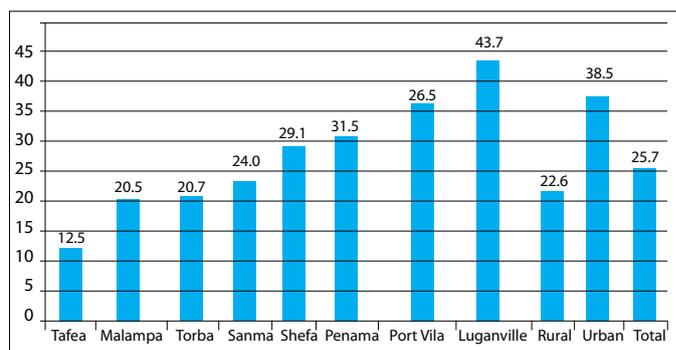
The International Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) includes articles that affect child protection. Vanuatu ratified CEDAW in 1995, and since then a review has been carried out of how Vanuatu's legislation aligns with CEDAW. The review found that Vanuatu laws do not comply with a number of indicators relating to the protection of children (especially girls). In particular, regarding Article 6 (Personal and Family Law), there is no legislation requiring the courts to apply CEDAW and the Convention on the Rights of the Child to domestic family laws, and no legislation to ensure custody of children is based on the best interests of the child. Also, there is only partial compliance with the prohibition of child marriage.

Child outcomes, disparities and gender equality

One of the targets identified in the child protection baseline research is to implement an effective birth registration system covering 70 per cent of new births by 2012 (UNICEF, 2009). Vanuatu has a low rate of registration, with just over a quarter of all children registered nationally. Rates

of registration vary, with Tafea having the lowest and Luganville the highest. Children born into the richest wealth quintiles are more likely to be registered than those born into poorer families (40.9 per cent versus 13.3 per cent). Figure 3.5 shows birth registration rates in Vanuatu. Additional details are provided in Table A1.12 in annex 1.

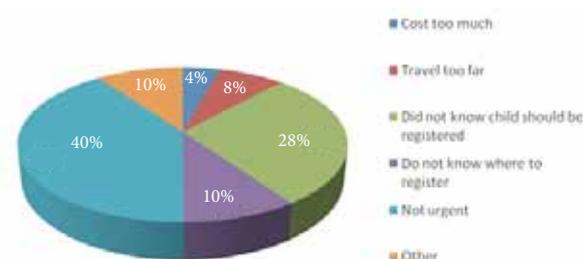
Figure 3.5: Birth registration by region (% of all births)



Source: MICS 2007.

Reasons for not registering births vary (Figure 3.6). In some provinces, travel time and the cost of registration were cited as the main reasons. But in Tafea, the province with the lowest rates of registration, the most common reason cited was “did not know child should be registered,” followed by “did not know where to register children.”

Figure 3.6: Reasons for not registering children at birth



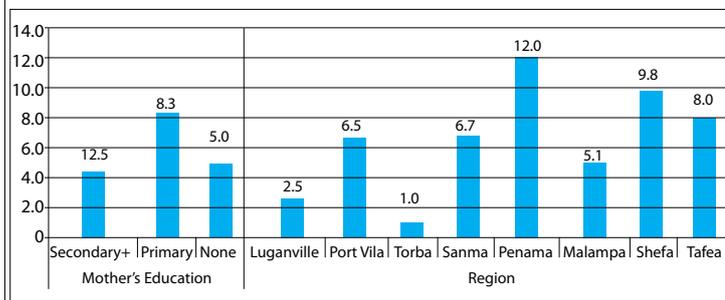
Source: MICS 2007.

Early marriage

Early marriage or child marriage (that is, marriage before attaining physical and mental maturity) can affect girls in a number of ways. It can lead to early pregnancy and deterioration of health, and it deprives girls of opportunities for education, skill development and self reliance.

Figure 3.7 and Table 3.7 present information on early marriage.

Figure 3.7: Women age 15-49 years who were in a marriage or union before their 15th birthday, by mother's education and by region (%)



Source: MICS 2007.

Two indicators of early marriage among females are the percentages of girls married before age 15 and before age 18. About 7 per cent of women in Vanuatu are married before the age of 15, and 13 per cent of women between the ages of 15-19 are currently married. Early marriage differs by region: marriage before 15 is most prevalent in Penama and Shefa (12 per cent and 10 per cent, respectively), and lowest in Torba (1 per cent). While there are no other substantial differences in the percentage of women married before the age of 15 by other background characteristics, the percentage of women 15-19 who are currently in a union is particularly high for women in the poorest and second poorest wealth quintiles – 21 and 27 per cent respectively, compared to 2 to 14 per cent in the other wealth quintiles. Regional differences are noticeable in the marriage rate for women between 15 and 19 years, ranging from 8 per cent in Torba to 32 per cent in Tafea.

Table 3.7: Early marriage and its correlates, 2007

Background characteristics	Women age 15-49		Women age 20-49		Women age 15-19		
	% married before age 15*	Total number in category	% married before age 18*	Total number in category	% currently married **	Total number in category	
Region	Tafea	8.0	268	31.6	237	16.1	31
	Shefa	9.8	279	31.0	233	15.2	46
	Malampa	5.1	209	20.6	181	17.9	28
	Penama	12.0	192	27.8	176	(*)	16
	Sanma	6.7	194	23.0	154	20.0	40
	Torba	1.0	279	8.0	237	11.9	42
	Port Vila	6.5	764	20.0	607	4.5	157
	Luganville	2.5	507	12.9	410	11.3	97
Residence	Urban	5.5	1,271	18.3	1,017	6.2	254
	Rural	7.5	1,421	25.4	1,218	15.9	203
Age	15-19	1.9	457	.	.	12.8	457
	20-24	8.8	522	27.1	522	.	.
	25-29	9.0	470	24.8	470	.	.
	30-34	9.1	405	26.6	405	.	.
	35-39	6.9	393	19.8	393	.	.
	40-44	7.4	241	19.8	241	.	.
	45-49	5.1	204	15.4	204	.	.
Education	None	5.0	171	17.0	154	(*)	17
	Primary	8.3	1,552	26.7	1,304	14.5	248
	Secondary +	4.5	955	18.4	764	10.0	191
Wealth index quintiles	Q1 (poorest)	7.6	358	28.4	308	21.2	50
	Q2	7.8	411	25.0	358	27.1	53
	Q3	8.1	426	24.3	358	14.2	68
	Q4	5.1	549	20.1	463	2.1	86
	Q5 (richest)	6.3	948	20.5	748	5.6	200
Mother tongue of head [§]	Bislama	4.1	592	17.3	487	12.0	105
	Other	7.5	2,090	24.7	1,740	13.0	350
National	7.0	2,692	23.6	2,235	12.8	457	

* MICS indicator 67; ** MICS indicator 68; (*) per cent count has been suppressed as the Figure is based on fewer than 25 unweighted cases; grey italics = Figure is based on 25-49 unweighted cases; § 10 missing cases.

Early marriage may be encouraged for daughters' protection, family honour and social obligation. There is evidence to suggest that girls who marry at young ages are more likely to marry older men and consequently are more likely to become widows at an early age. The MICS survey indicates that 32 per cent of currently married females age 15-19 were married to men 10 or more years older than them, while 10 per cent of women age 20-24 are currently married or in a union with a man who is 10 years older or more.

Education

Education is not compulsory in Vanuatu, and enrolments and attendance are among the lowest in the Pacific. The education system consists of early childhood centres for children age 3 to 5, primary education (years 1 to 6) for ages 6 to 12, junior secondary education (years 7 to 10) for ages 13 to 16, senior secondary education (years 11 to 13/14) for age 17 to 20, and tertiary education for ages 13 to 18. The Ministry of Education is currently in the process of extending primary schooling to year 8, to cater for students to age 14 (ADB 2009a, pp. 93-95). The government has recently announced an initiative to abolish school fees. Instituting free education at the primary level is expected to deliver significant improvements in enrolment and education outcomes.¹⁶

As with health, the dispersed population presents a major challenge to service delivery and per unit costs in the education sector. In 2007, 25.8 per cent of total government expenditure went to education, an increase of 4.5 per cent since 2005. This represented 6.0 per cent of GDP in 2007, compared with 4.8 per cent in 2005 (Ministry of Education 2007). While the level of funding is high, outcomes remain poor. Aside from geography, other significant constraints include a lack of qualified personnel and cultural constraints to school enrolment, such as expectations for children's contribution to subsistence agriculture.

National laws, policies and programmes

In 2006, the Government of Vanuatu endorsed the Sector Wide Approach Planning Strategy to lead the development of the Vanuatu Education Sector Strategy 2007–2016. This strategy was

developed through a consultation process initiated by the National Education Summit of Education in 2006, and was approved by the Development Committee of Offices and the Council of Ministers. Its core goals include achieving universal primary education completion; strengthening literacy, language skills and numeracy; developing a national pre-school curriculum and training programme; improving curriculum at all levels; improving training of teachers and decreasing teacher-pupil ratios; improving facilities and resources; improving relationships with parents and improving management. The high-level PAA also establishes key strategic directions for education: improving access and ensuring a gender and rural/urban balance; raising the quality and relevance of education; improving planning and fiscal management, and developing a distinctive Vanuatu education system. In 2009, *Planning Long, Acting Short* further prioritised improving quality and phasing out primary school fees. As a result of these developments, a more focused plan is elaborated in the draft Vanuatu Education Road Map 2009. Its key targets are increasing net primary enrolments to 85 per cent by 2011 and 100 per cent by 2015 (an MDG goal); increasing literacy and numeracy skills; increasing the number of certified teachers; increasing technical and vocational enrolments and strengthening financial management in the sector.

The key strategy is to ensure fee-free primary schools by 2012. This will be done through government grants to schools so that they can eliminate fees. In 2010 it was expected that parents will see a decline of fees by up to VUV5,000 per child, with grants to schools of about VUV6,800 per child. By 2012 it is expected there will be no need for compulsory parental contributions. The initiative is expected to cost about VUV500 million per year from 2012.

Co-funded by NZAID and AusAID, the Vanuatu Education Support Action Plan was launched in June 2008, expected to build the capacity of the Ministry of Education to deliver a "higher quality of education to all children in Vanuatu." The funds will also enable the Ministry to renovate 25 primary schools and buy supplies for the students (NZAID 2008). The Plan also supports the Primary Education Improvement Project to improve teacher quality. AusAID, New Zealand, the European Union, France and the World Bank also contributed \$2.5 million (to Vanuatu's Education Sector Annual Plan 2007–2008 to improve basic education through curriculum reform, teacher training and purchasing of supplies.

¹⁶ The main source consulted for this section was the Ministry of Education's Digest 2007, which summarizes key indicators and budget allocations for different levels of education across Vanuatu and within each region. Additional information on policy development, strategies and country plans are from outside sources, including the ADB Economic Report 2009 and a review of NZAID funding commitments in Vanuatu.

Another issue in Vanuatu is the language of instruction; bilingualism is enshrined in the Constitution and the draft National Language Policy. While maintaining French language instruction in schools is considered an asset, it is a challenge to provide instruction in both languages because of the duplication and inefficiencies in rural areas and the lack of qualified teachers.

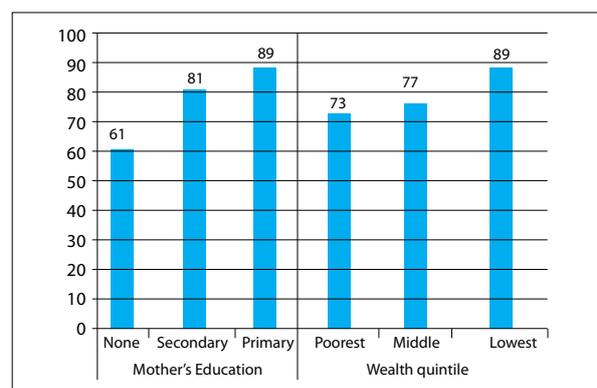
Child outcomes, disparities and gender equality

Approximately three-quarters (74 per cent) of primary-school-age children are enrolled; only 63 per cent reach grade 5, and less than 3 per cent of children who enrol in primary school make it through to year 13 (ADB 2009a). The literacy rate is also relatively low, estimated at 74 per cent and 69 per cent in rural areas. Vanuatu also has the highest proportion of children in the Pacific who have never attended school. Some areas have as high as 65 per cent non-attendance rates, and there are also high rates of drop-outs, withdrawals and absenteeism. These Figures suggest Vanuatu has little chance of reaching the MDG of education for all by 2015 (ADB 2009a).

As Figure 3.8 shows, school attendance rates differ substantially with differences in mother's education and wealth index quintiles. While 61 per

cent of children whose mothers have no education are attending primary or secondary school, the rate is nearly 90 per cent for children whose mothers have secondary or higher education. Net school attendance increases from 73 per cent in the poorest wealth quintile to 89 per cent in the richest wealth quintile.

Figure 3.8: School attendance rates by mother's education and wealth quintile (%)



Source: MICS 2007.

Table 3.8 shows the percentage of children of primary school age attending primary or secondary school. Nationally, 80 per cent of boys and girls attend primary or secondary school. By region, Tafea has the lowest net attendance rate at 70 per cent, and Malampa has the highest at 93 per cent.

Table 3.8: School attendance by region and age, 2007

Background characteristics		Male		Female		Total	
		% attendance*	Number of children	% attendance*	Number of children	% attendance*	# of children
Region	Tafea	71.7	145	68.9	132	70.4	277
	Shefa	82.8	122	82.7	104	82.7	226
	Malampa	93.1	87	93.2	88	93.1	175
	Penama	72.5	131	79.3	87	75.2	218
	Sanma	76.8	99	74.4	86	75.7	185
	Torba	77.5	138	82.2	146	79.9	284
	Port Vila	84.0	256	85.9	206	84.8	462
	Luganville	81.7	208	80.7	166	81.3	374
Residence	Urban	83.3	464	84.4	372	83.8	836
	Rural	79.2	722	80.1	643	79.6	1,365
Age	6	72.6	225	68.2	193	70.6	418
	7	78.2	208	79.8	153	78.9	361
	8	90.0	205	87.6	160	89.0	365
	9	80.9	210	84.6	198	82.7	408
	10	78.2	154	85.6	141	81.7	295
	11	80.9	184	82.4	170	81.6	354
Mother's education	None	59.4	104	62.2	111	60.8	215
	Primary	79.4	661	82.1	527	80.6	1,188
	Secondary +	89.2	246	89.3	225	89.3	471
	Non-standard	(*)	7	(*)	2	(*)	9
	Mother not in household	84.8	168	78.7	147	82.0	315
	Missing/DK	.	0	(*)	3	(*)	3

Background characteristics		Male		Female		Total	
		% attendance*	Number of children	% attendance*	Number of children	% attendance*	# of children
Wealth index quintiles	Q1 (poorest)	73.6	227	72.8	172	73.3	399
	Q2	80.0	181	82.5	197	81.2	378
	Q3	76.5	216	77.1	188	76.8	404
	Q4	84.1	257	85.1	190	84.5	447
	Q5 (richest)	88.9	305	89.3	268	89.1	573
Mother tongue of head§	Bislama	73.0	221	79.5	192	75.9	413
	Other	81.2	962	81.1	818	81.2	1,780
National		80.0	1,186	80.9	1015	80.4	2,201

Source: MICS 2007.* MICS indicator 55 and MDG indicator 6; (*) per cent count has been suppressed as the Figure is based on fewer than 25 unweighted cases; § eight missing cases.

The Ministry of Education's 2007 statistics indicate that net enrolment for primary-school-age children has decreased since 2005, from a net enrolment rate of 95.1 per cent to 85.4 per cent. The male rate is slightly higher (86.2 per cent) than that for females (84.5 per cent). While net secondary school enrolment rates have been increasing, they still remain very low. Only 46.6 per cent of junior secondary-school-age students were enrolled in 2007, which is among the lowest in the Pacific. For senior secondary-school-age youth (17 to 20), only 11.7 per cent were enrolled.

Analysis

As mentioned above, school fees have been a major cause of low enrolments. Other reasons for low enrolment and attendance are long travel distances, poor quality teaching, inappropriate curriculum and poor condition of school facilities. Cultural traditions and *kastom* are also noted as reasons for low enrolment and attendance, as priority is given to domestic and agricultural tasks and family duties (ADB 2009a, p. 94). Tables 3.9 and 3.10 summarize a range of factors that affect school quality and cost.

Table 3.9: Primary schools, expenditures and enrolments

	Number of primary schools			Expenditure per pupil (VUV)			Number of primary enrolments		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
Total	462	456	437	25,104	31,361	41,076	40,327	39,212	37,874
Malampa	99	98	92	na	na	na	7,575	7,438	6,667
Penama	68	65	65	na	na	na	5,450	5,134	4,982
Sanma	99	99	94	na	na	na	7,809	7,797	7,502
Shefa	83	81	80	na	na	na	10,467	10,195	9,940
Tafea	89	89	83	na	na	na	7,130	6,897	7,145
Torba	24	24	23	na	na	na	1,896	1,751	1,638

na: not available

Table 3.10: Primary school teachers and facilities

	Pupils per teacher	Pupils per certified teacher	Pupils per qualified teacher	Teachers with qualifications	Schools with piped water	Schools with power supply
Total	23	52	46	58%	47%	38%
Malampa	22	55	47	60%	na	na
Penama	21	68	55	57%	na	na
Sanma	21	45	40	58%	na	na
Shefa	27	56	50	53%	na	na
Tafea	23	40	37	62%	na	na
Torba	26	86	79	65%	na	na

Source: Ministry of Education Digest, 2007. na: not available

Note: Forms of power supply include generators, mains, and solar/wind/water power.

The Ministry of Education finalised the Vanuatu Education Sector Strategy 2007–2016 in December 2006, and it was endorsed by the Council of Ministers. The Strategy identifies policy reforms and investment for the education system and emphasizes the need for improvement in quality, efficiency, equity and relevance in order to sustain long-term goals and meet national needs. In July 2007 the draft Medium Term Expenditure Framework for 2008–2010 identified as priorities improving access, quality, capacity building, policy development and preparing a national human resources plan (ADB 2009a, p. 99).

In 2008 the Ministry of Education, with support from donor partners, developed the Vanuatu Education Support Action Plan, which includes the SWAp to improve human and infrastructure resources. The ADB report indicates that external finances will be integrated with funds from the national budget and the program will be fully managed by the Ministry of Education; however, this will require “substantial strengthening of MoE’s administrative capacity” (ADB 2009a, p. 100).

Social protection

Vanuatu is still seen as a country where strong social networks and kinship ties will take care of those unable to care for themselves. In 2007, the government allocated 78 million vatu to social protection, which represented only 0.6 per cent of total government expenditure.

An important institution, however, is the VNPF, established in 1986, a compulsory saving scheme with contributions made by both the employer and employee that covers all civil servants and employees in the private sector. That is, it covers those in formal employment, estimated at about 20 per cent of the working-age population.

Those employed in the formal labour market have additional avenues of social protection. Changes in the recent Amendments to the Employment Act 2008 included increased benefits for severance, maternity and sick pay. Severance pay increased from two to eight weeks for every year of employment; the qualifying period for severance pay was reduced from 10 years to one year; eligibility for maternity pay was reduced from six months to three months employment; and annual and sick leave increased from 12 working days after one year of employment to 21 days for each type of leave (ADB 2009c).

National laws, policies and programmes

The Vanuatu Country Programme Action Plan 2008–2012, a partnership between the Government and UNDP, addresses four strategic outcome areas, one of which is poverty reduction and the MDGs. The priorities of the Programme are aligned with two of the Pacific Sub-Regional United Nations Development Assistance Framework Outcomes: equitable economic growth and poverty reduction, and equitable social and protection services. The Plan addresses these priorities by localising MDGs and strengthening planning, statistical and aid management systems. The UNDP supported the development of the national monitoring system to collect MDG data as a basis for developing a national poverty line and ensuring a second national MDG report which was updated in 2010.

A further recent social protection development in Vanuatu is the implementation of the National Disability Policy and Plan of Action, which includes nine policy directives. Most relevant to children’s well-being are numbers 6 (poverty alleviation) and 7 (early detection, early prevention and education). The National Disability Committee was formed in 2006 to oversee progress in this area. In the education sector, there is in principle agreement that disabled children should not be excluded from education. However, at this stage there is little information on disabled children: where they live, how many of them there are, or the nature of their disabilities. In some instances, it would appear that adoption of the principles of rights (for children, or other disadvantaged groups such as the mentally ill) progresses far more quickly than the capacity to implement them.

The Vanuatu Women’s Centre is funded by AusAID and Fiji’s Women’s Crisis Centre to help protect women and children from violence. Funding has been committed for 2007 to 2012. The Centre also lobbied Parliament on the Family Protection Bill, and contributed to the survey on gender-based violence. AusAID and UNIFEM’s Women in Decision-Making and Leadership initiative committed \$100,000 in 2007 toward empowering women to participate in public and community events, and developing leadership opportunities in Parliament.

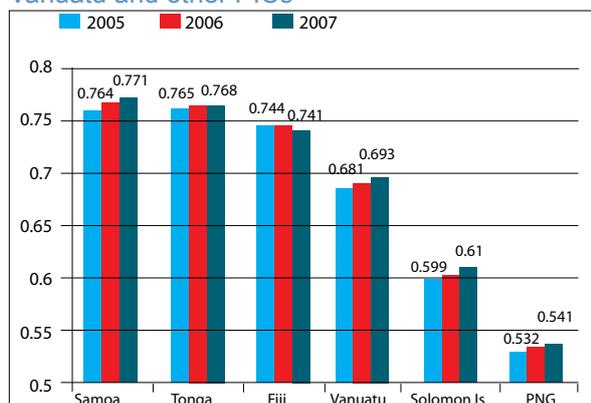
There is also a women’s microfinance project. VANWODS Microfinance is a member-owned NGO that operates in Efate, Santo and Malekula. With over 5,000 members, it has become operationally self-sufficient and is working towards financial sustainability.

Conclusions

Pro-poor growth and child results

Vanuatu has made significant gains in human development over the past 15 years, with the country's HDI (Human Development Index) increasing from 0.425 in 1998 to 0.693 in 2007. This improved Vanuatu's ranking from 140th out of 177 countries to 119th. Figure 4.1 compares Vanuatu's recent progress with other PICs, some of which scored higher than Vanuatu on the HDI and some lower. The rate of improvement in the HDI has been highest in the Solomon Islands and Vanuatu, although Vanuatu still remains behind the best-performing PICs. Even at Vanuatu's more rapid rate of improvement, it would take more than 12 years to attain the HDI level achieved in Tonga.

Figure 4.1: Human Development Index scores in Vanuatu and other PICs



Source: UNDP, Human Development Reports, various years.

As discussed earlier, relatively large numbers of Vanuatu's children suffer from deprivations in areas such as health or sanitation. Infant and child mortality rates have remained relatively high since 1996 (although improvements were made from 1990). Before the global financial crisis, Vanuatu experienced a rapid increase in economic growth – the average annual growth rate was around 2.5 per cent from 1982 to 2003, about the same rate as the population growth rate. Since then, GDP growth averaged 6.6 per cent per year. An obvious question is whether this improvement in economic outcomes has been accompanied by an improvement in social outcomes, particularly for children.

Table 4.1 shows progress towards selected MDGs between 1990 and 2007–2008. The Table excludes results that are not regarded as reliable. It is not possible to say what progress has been made in relation to poverty objectives, due to the unreliability of earlier data. However, there appears to have been an increase since 2000 in the percentage of children under five years of age who are underweight. In addition, the UNDP MDG scorecard indicates that Vanuatu is unlikely to meet its targets in relation to goal 1: ending poverty and hunger.

Table 4.1: Progress towards selected Millennium Development Goals affecting children

Goals and targets	1990	2000	Latest	MDG scorecard
1. End poverty and hunger				Unlikely
% below \$1 per day	na	nr	4%	
% below national poverty line	na	nr	16%	
Poverty gap ratio	na	na	5.6	
Share of poorest quintile in total consumption	na	nr	7.4%	
Prevalence of underweight children under five years	na	12.1%	15.9%	
Proportion below minimum dietary consumption	na	na	nr	
2. Ensure universal primary education				Potentially
Net enrolment ratio in primary education	88%	75%	86%	
% of pupils starting grade 1 who reach grade 8 (last grade of primary)	na	36.2%	66%	
% of pupils starting grade 1 who reach grade 5	na	na	90%	
Literacy rate of 15- to 24-year-olds	32% total	86% 86% men 85% women	92% 92% men 93% women	
3. Promote gender equality and empower women				Potentially
Ratio of girls to boys in primary, secondary and tertiary education	Primary: na Secondary: na Tertiary: 40	Primary: 93 Secondary: 95 Tertiary: 60	Primary: 91 Secondary: 102 Tertiary: 85	
4. Reduce child mortality				Potentially
Under-five mortality rate (per 1,000 live births)	58	33	30	
Infant mortality rate (per 1,000 live births)	45	27	25	
% of one-year-olds immunized against measles	66%	75%	Routine 80% Catch up coverage 97%	
5. Improve maternal health				Potentially
Maternal mortality per 100,000 live births	na	96	86	
Number of maternal deaths per year	na	2	6	
% of births attended by skilled personnel	79%	88%	nr	
Contraceptive prevalence rate	15%	28%	nr	
Birth rate per 1,000 women age 15-19	na	92	64	
Antenatal care coverage	na	na	84%	
Unmet need for family planning	na	24%	na	
6. Combat HIV/AIDS, malaria and other diseases				Insufficient data
Incidence of malaria per 1,000 population	198	33	16	
Deaths associated with malaria per 100,000 population	22	1.6	0.9	
% of children under five sleeping under insecticide-treated bed nets	na	13%	81%	
7. Ensure environmental sustainability				Probably
% of households using improved drinking water source	68%	73%	81%	
% of households using improved sanitation facility	28%	50%	64%	
% of urban households living in a slum	na	na	30%	

Sources: UNDP MDG scorecard; Vanuatu National Statistics Office. Notes: na = not available; nr = not reliable.

Education trends are more positive, suggesting that a decline in the net enrolment ratio in primary school in the 1990s was reversed after 2000, and that there was an increase in the proportion of students reaching year eight. There also appear to have been large increases in the literacy rates of young adults. Gender equity trends are also positive, showing increases in the ratio of girls to boys in secondary and tertiary education.

There also appear to be improvements in relation to child mortality, with the under-five mortality rate and the infant mortality rate each nearly halving since 1990, and with substantial increases in immunisation rates against measles. Maternal mortality trends also show an improvement, with the mortality ratio falling even if the number of maternal deaths increased. Both the proportion of births attended by skilled personnel and the contraceptive prevalence rate appear to have improved, and the teenage birth rate is falling. There also have been dramatic improvements in combating malaria, both in relation to its incidence and the associated death rate, as well as in the proportion of children sleeping under treated bed nets. Finally, there have been substantial improvements in the percentage of households using improved water sources, and even higher increases in the proportion using improved sanitation facilities.

While many social outcomes have improved, it is clearly not possible to ascribe these improvements solely to the better economic performance over the past seven or eight years. In part this is due to limitations of the available data – for example, the lack of reliable trend data on household incomes and expenditures means that it is not possible to see whether the aggregate trends in national income have been mirrored in improvements in household incomes, particularly at lower income levels.

Moreover, some improvements (for example, the increase in literacy rates of 15- to 24-year-olds and the improvements in infant and child mortality) were more rapid between 1990 and 2000 than subsequently – that is, when rates of economic growth were lower. This suggests that policy changes could have been more influential in this earlier period. It is plausible that improvements in some of these indicators could be expected to slow down over time, and that achieving further improvements will become more challenging. Having said this, the fact that recent

economic trends have been favourable and a wide range of social outcomes have improved over the same or longer periods is grounds for cautious optimism. Similarly, the fact that telecommunications reforms appear likely to have dramatically reduced information deprivation in a relatively short time demonstrates that policy reform can have a substantial impact on deprivation.

Provincial disparities

Preceding sections have made it clear that regional differences make a major contribution to disparities in child well-being in Vanuatu. Given the significance of location as a source of disparities, it is worthwhile bringing together as many dimensions of well-being as possible and summarising these findings. Table 4.2 reviews the relative performance of different provinces. The ratio is calculated based on the Vanuatu national average Figure which is set at one. This allows us to understand how better or worse each province performs in relation to the national average. Provinces in which indicators are significantly worse than average (1.5 times the average or more) are shaded in red, average results (between 0.5 and 1.5 times the average) in blue, and better than average results (less than half the average) in green. All rankings are relative to the indicators chosen and give the same weight to each indicator (for example, the proportion of the child population below 50 per cent of median income is treated in the same way as the proportion who are severely underweight).

Torba does significantly worse than the Vanuatu average in 11 of the 22 indicators, and Tafea does worse than average for nine indicators. Penama does worse than average in five indicators and Sanma in four, with no other province or location doing so poorly. However, Torba does better than average for three indicators, while Tafea does better than average in only one category.

Malampa performs around the average or better in all categories, and overall appears to have the best outcomes for children. Shefa also performs relatively well in nearly all categories, except the proportion of children living below \$1.25 a day. Luganville and Port Vila also perform better than average in many dimensions, but Luganville does very poorly in two categories (food and health) and Port Vila in three (regionally disaggregated poverty, food deprivation and severe stunting).

Table 4.2: Relative performance of provinces and urban centres on child disparity indicators

	Torba	Sanma	Penama	Malampa	Shefa	Tafea	Luganville	Port Vila	Vanuatu
Share of children	5.0	13.3	17.1	14.9	13.7	17.9	5.0	13.1	100.0
Poverty									
Below \$1.25/day	2.63	0.20	0.30	0.43	1.98	2.19	0.19	0.37	1.00
National BNPL	2.32	0.74	1.01	0.65	1.33	1.53	0.29	0.35	1.00
Regional BNPL	1.79	0.35	0.45	0.27	1.15	1.30	0.84	2.43	1.00
50% median	2.01	0.85	0.95	0.78	1.19	1.55	0.40	0.35	1.00
Deprivation									
Shelter	2.97	0.76	2.66	0.24	0.04	2.11	0.23	0.06	1.00
Sanitation	1.53	3.07	0.00	0.00	0.17	2.63	1.03	0.17	1.00
Water	0.70	1.36	0.69	0.49	0.55	2.66	0.00	0.16	1.00
Information	1.60	1.24	1.44	1.30	0.67	1.37	0.25	0.12	1.00
Food	1.58	2.82	1.62	1.38	1.00	1.50	2.28	3.92	1.00
Education	1.04	0.28	0.68	0.07	0.37	1.28	0.31	0.43	1.00
Health	1.07	1.13	1.11	0.17	0.98	1.32	1.54	1.45	1.00
At least 1 severe deprivation	2.06	1.27	1.63	0.37	0.36	2.01	0.44	0.44	1.00
2+ severe deprivations	1.85	0.98	1.94	0.08	0.16	3.30	0.23	0.13	1.00
Food deprivation									
Underweight	1.19	1.23	1.23	0.99	0.80	0.72	1.47	0.84	1.00
Severely underweight	1.82	1.64	1.64	1.27	0.27	0.77	0.73	1.45	1.00
Stunted	0.75	1.11	1.11	1.15	0.82	0.88	0.84	1.11	1.00
Severely stunted	0.47	1.31	1.31	0.96	0.75	1.01	1.07	1.53	1.00
Wasted	1.34	1.78	1.78	0.71	0.88	0.17	1.49	1.17	1.00
Other									
Birth registration	1.23	1.06	1.06	1.25	0.88	2.04	0.58	0.70	1.00
Marriage by 15	0.14	0.96	0.96	0.73	1.40	1.14	0.36	0.93	1.00
Marriage by 18	0.34	0.97	0.97	0.87	1.31	1.34	0.55	0.85	1.00
School attendance	1.01	1.06	1.06	0.86	0.97	1.14	0.99	0.95	1.00

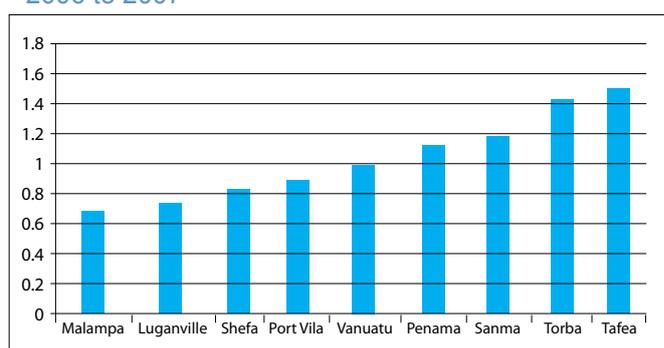
Legend: Red/High: More than 1.5 times the average. Blue/Average: Between 0.5 and 1.5 times the average. Green/Low: Less than half the average. Scores for school attendance and birth registration are inverted from original scores to reflect that higher rankings on these dimensions are better than lower rankings.

The degree of variance in outcomes also differs across indicators. For example, differences across provinces in the extent of the various measures of food deprivation are relatively narrow. The variation in shelter and sanitation outcomes is much greater, with the variation in expenditure poverty outcomes falling between these extremes.

A further way of summarising these results into a single composite indicator is shown in Figure 4.2, which calculates the unweighted average of the provincial scores in each dimension. This is a simple way of ranking each province's performance, but it illustrates the possible effects of taking into account the range of potential dimensions of disadvantage. Certain features of the results are of particular interest. First, when all indicators are given the same weight, **then it is Tafea and not Torba that comes out as the most disadvantaged**, even though Torba

is disadvantaged in terms of more indicators than Tafea. This is due to the fact that Torba does relatively well in a number of dimensions, including stunting and early marriage. Tafea contains nearly 18 per cent of Vanuatu's children, while Torba has only 5 per cent. Thus the concentration of disadvantage is greater in Tafea.

Figure 4.2: Relative disadvantage by location, 2006 to 2007



Source: Calculated by authors

Overall, Malampa performs best of any location in Vanuatu; Shefa also performs better than Port Vila. Malampa performs at the average or better in every category, while Shefa performs significantly worse than the average in only one category.

International comparisons

A further basis for assessing Vanuatu's relative performance on child poverty and disparities is provided in Table 4.3, which compares results derived in this study with the results in a recent report to UNICEF on child poverty in East Asia and the Pacific (Minujin 2011). **Vanuatu has the highest proportion of children in the population of any of the seven countries included.** It has the second highest GDP per capita, but its level of expenditure inequality is above the group average. Absolute poverty, as measured by the proportion of children living on less than \$1.25 per day, is one of the lowest in this group, but not as low as in Mongolia or Thailand.

The proportion of children experiencing severe deprivations is also lower than in most other

countries except Thailand. The proportion of children experiencing severe deprivation of shelter or sanitation is also well below the average and comparable to the level in Thailand. The proportion of children experiencing water deprivation is above the group average, however, and the proportion experiencing information deprivation is by far the highest of any country – although, as noted earlier, this is likely to have improved significantly in recent years. The proportion of children in Vanuatu experiencing severe deprivation in food, education or health is above the regional average, however. For example, the **proportion experiencing food deprivation is worse than in Mongolia, a much poorer country overall.** It is also notable that the **proportion of Vanuatu children experiencing less severe health and education deprivation is far above the regional average.** These deprivations can be considered as measures of effective delivery of services (immunisation and school attendance), suggesting that compared to these other countries, **Vanuatu is better placed in relation to household resources but may be worse placed in regard to government delivery of services.**

Table 4.3: Child poverty and deprivation, Vanuatu and selected Asian countries

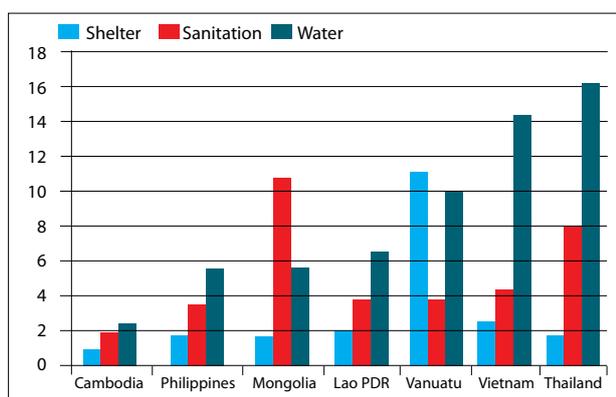
	Vanuatu	Cambodia	Lao PDR	Mongolia	Vietnam	Philippines	Thailand	Subregion
% under 18	45.7	41.6	45.5	33.2	32.9	40.7	26.7	38.0
GDP per capita (US\$)	2,713	677	939	1,573	1,052	1,745	3,894	..
Gini coefficient	42	44	33	37	38	44	42	40
Poverty rate (under \$1.25/day)	5.4	26	44	2	22	23	2	17.8
National poverty rate	17	37	38	..	23	40	12	28
1+ severe deprivations	25.2	90.1	75.2	64.0	39.0	31.0	16.0	36.0
2+ severe deprivations	4.9	63.5	51.1	29.0	15.0	8.0	2.0	14.1
Shelter	14.0	69.9	34.1	52.0	24.0	14.0	12.0	21.3
Sanitation	3.0	74.4	55.4	14.0	16.0	11.0	1.0	16.1
Water	8.0	14.3	25.9	29.0	8.0	7.0	2.0	7.6
Information	51.0	7.1	26.0	7.0	11.0	3.0	1.0	6.1
Food	10.0	15.6	18.6	7.0	*	*	3.0	7.5
Education	5.0	8.1	14.2	3.0	2.0	2.0	1.0	2.6
Health	17.0	21.0	46.4	8.0	7.0	17.0	7.0	13.3
Less severe health deprivation	64.5	34.0	64.9	14.0	27.0	28.0	9.0	25.5
Less severe education deprivation	22.8	16.5	28.3	8.0	14.0	6.0	1.0	8.9

Source: Minujin, A., 2010,

Aspects of these cross-country differences are also illustrated in Figures 4.3 and 4.4. Figure 4.3 shows disparities between all urban and all rural areas in childhood deprivation of shelter, sanitation and water, while Figure 4.4 shows disparities across regions (the ratio of the proportion of the population in each region experiencing deprivations, between the regions with the lowest and the highest deprivations). In both cases, countries are ranked by deprivation in shelter, sanitation and access to improved water sources. In terms of water deprivation, Vanuatu has the third highest level of disparities in deprivation of all the countries, while in shelter deprivation it has the largest disparities between urban and rural areas.

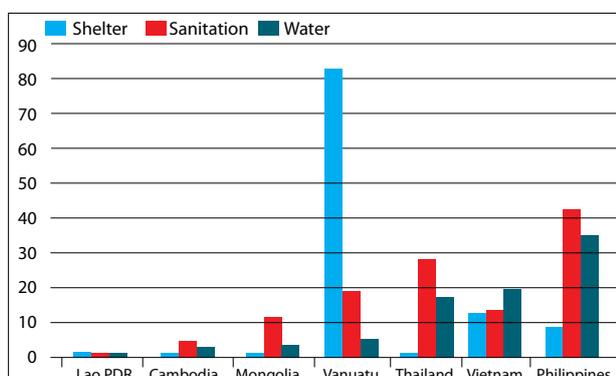
In terms of regional disparities, Vanuatu is middle ranked on water deprivation, but **in terms of shelter deprivation, it has by far the highest regional disparities**. In terms of disparities in sanitation deprivation, Vanuatu performs better than most of the other countries in the comparison group.

Figure 4.3: Urban-rural disparities in severe deprivation, Vanuatu and selected Asian countries



Source: Minujin, A., 2010,

Figure 4.4: Regional disparities in severe deprivation, Vanuatu and selected Asian countries



Source: Minujin, A., 2010

Final comments and recommendations

This study has explored disparities in child well-being in Vanuatu using a range of measures of expenditure poverty as well as indicators of deprivation. As is already well established in other regions of the world, this methodology has considerable strengths. The use of a multidimensional approach shows that some aspects of child poverty in Vanuatu are corroborated whichever approach is used, while others are only revealed by one or another approach.

As noted by UNICEF EAPRO (Minujin A., 2010, p. 60), the multidimensional and child-focused approach to child poverty used in this and other studies provides important and broad evidence about child well-being based upon extensive disaggregated data analysis. The approach can be seen to be significantly more valuable than conventional sectoral situation analysis as it allows analysis to focus on holistic needs of the children who require all the elements of nutrition, health, water, sanitation, education, information and shelter to thrive and achieve their full potential. This approach is a good fit for policy makers who need to consider the delicate balance between various sectors who have competing demands over limited resources. The multiple-deprivation and monetary approaches to child poverty are also complementary ways of gathering information about the situation of children and their families. Each method captures information about different groups of children for whom interventions need to be different.

From a research and advocacy perspective, a number of conclusions and recommendations can be advanced. Promoting child well-being in Vanuatu requires continued commitment to evidence-based policy. Future collection of household expenditure survey data and further MICS surveys, followed by detailed analysis of the position of children, is a prerequisite to improved policies to promote child well-being. The availability of statistical data and the development of monitoring and evaluation systems are critical parts of trend analyses that are necessary to assess social progress in Vanuatu.

In terms of substantive policy conclusions, disparities in child well-being in Vanuatu are marked in two particular regards. First, both deprivations and poverty have a very strong regional dimension. The remote provinces of Torba and Tafea face some of the most significant disadvantages in Vanuatu, and these challenges appear to be due to their distance from the capital and to the greater role of informal labour and home production in these areas.

At the same time, certain problems are worst in Port Vila. Notably, due to the higher cost of living in the capital and the greater reliance on cash incomes and the formal labour market, expenditure poverty as measured by the regional BNPL is the highest. In addition, Port Vila

has significant problems with child nutrition and immunization.

Given that recent trends suggest that the prices of food and power have increased more rapidly than those of other consumer items, it is possible that expenditure poverty has increased more rapidly in urban areas than in rural areas. Over the past decade the urban population of Vanuatu has increased at twice the rate of the overall population, suggesting that urban poverty could well rise more rapidly in the future unless there are programmes to address the needs of poor children in these locations.

Therefore, the government of Vanuatu needs to consider policies that effectively meet the needs not only of children living in remote areas, but also of children living in urban areas. Balancing these two conflicting demands is a major challenge.

The other main substantive finding about the determinants of disparities in child well-being is the **role of education, both of the head of the household and of the mother**. Education is consistently associated with wider disparities in child well-being than any other factor (such as gender, age or household size). Disparities in wealth also appear to be relatively important, but there is a degree of circularity in the relationships between wealth and deprivation and poverty, which suggests that this is not necessarily an independent factor in the way that education appears to be.

The obvious conclusion to be drawn from this finding is that improving educational attainment is likely to help reduce poverty and deprivation. The current **policy of abolishing primary school fees** is therefore strongly supported by this study.

Improving educational attainment through higher attendance and completion rates for primary schools is likely, however, to require some time to have a demonstrable impact on deprivation. This suggests that in some fields there is a need for **community education initiatives** to help parents understand the importance, for example, of education, immunization and nutrition. Improvements in birth registration and in knowledge about HIV/AIDS and other health conditions might also be achieved through more effective community education.

There are some positive signs of social and economic progress in Vanuatu. The remarkable increase in access to communication technologies that appears to have followed

telecommunications reforms in Vanuatu since 2007 is evidence that policy reforms can have large positive impacts if well implemented. At the same time, significant disadvantages clearly still affect many children in Vanuatu. The challenges of dealing with increasing urbanization and expanding formal job opportunities for young people are likely to grow in significance in coming years.

Analysis of the pillars of child well-being in Vanuatu has proved to be difficult. Vanuatu has many of the policy frameworks that are necessary for programmes to promote child well-being, but data are lacking on what is actually spent on children, with the obvious exception of education spending. Even in the field of education, much of what is known is about how much is spent on teachers.

It is also not clear whether existing policy frameworks are matched by actual programmes to achieve their objectives. This is particularly notable in the area of social protection for children. **A major challenge for the government of Vanuatu is to move forward from having broad policies designed to improve child well-being to setting up programmes that concretely and measurably achieve this.** (A very concrete program that provides an obvious exception to this generalization is the policy to abolish primary school fees.) Such programmes also need to be implemented across Vanuatu's remote islands, reinforcing the importance of considering the regional dimensions of service delivery.

This challenge does not only apply to Vanuatu. UNICEF EAPRO noted: "regional programmatic support of child well-being policies is one of the primary obstacles to child welfare. In general, the policy environment is guided by internationally agreed upon priorities and principles. In order for these policies to be effective, however, the programmatic support mechanisms need to be in place and be adequately supported by the necessary resources. This, of course, is an ongoing struggle for each of the countries analysed here" (Minujin A. 2010, p.60). This report also noted that policies and programs for child poverty reduction lack an integrated strategic vision, an observation also relevant to Vanuatu.

In summary, public resource allocation plays an essential role in protecting, promoting, and fulfilling child rights. In this context, social protection is a key underdeveloped policy area in Vanuatu. It is crucial to consider how to develop effective social protection systems in Vanuatu that focus on families and children. Ongoing debate within government and the wider community is necessary to promote support for efforts to narrow the substantial disparities in child well-being identified in this study.

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Annex 1. Statistics

In these tables, the term '*children*' refers to people 17 years and under. Per adult equivalent (PAE) calculations are made using the standard UNDP equivalence scale. Here adult equivalents are derived from "equivalence factors" where children 17 or under are counted as half an adult; thus, a household with two adults and two children would be equivalent to three adults.

Table A1.1: Children living on less than \$1.08 per day

	Total number of children	Number below poverty line	% below poverty line	Poverty share %
Torba	4,420	504	11.4	13.6
Sanma (rural)	11,673	123	1.1	3.3
Penama	15,059	176	1.2	4.8
Malampa	13,081	224	1.7	6.1
Shefa (rural)	12,067	865	7.2	23.4
Tafea	15,786	1,551	9.8	42.0
Luganville	4,408	40	0.9	1.1
Port Vila	11,492	214	1.9	5.8
Vanuatu	87,986	3,696	4.2	100.0

Source: ADB, UNDP and GOV 2006.

Table A1.2: Children living on less than \$1.25 per day

	Total number of children	Number below poverty line	% below poverty line	Poverty share %
Torba	4,420	628	14.2	13.2
Sanma (rural)	11,673	13	1.1	2.6
Penama	15,059	244	1.6	5.1
Malampa	13,081	307	2.3	6.5
Shefa (rural)	12,067	1,294	10.7	27.3
Tafea	15,786	1,867	11.8	39.4
Luganville	4,408	46	1.0	1.0
Port Vila	11,492	232	2.0	4.9
Vanuatu	87,986	4,740	5.4	100.0

Source: ADB, UNDP and GOV 2006.

Table A1.3: Children under the national Basic Needs Poverty Line

	Total number of children	Number below poverty line	% below poverty line	Poverty share %
Torba	4,420	1,747	39.5	11.7
Sanma (rural)	11,673	1,470	12.6	9.8
Penama	15,059	2,573	17.1	17.2
Malampa	13,081	1,445	11.0	9.7
Shefa (rural)	12,067	2,725	22.6	18.2
Tafea	15,786	4,099	26.0	27.4
Luganville	4,408	216	4.9	1.4
Port Vila	11,492	678	5.9	4.5
Vanuatu	87,986	14,953	17.0	100.0

Source: ADB, UNDP and GOV 2006.

Table A1.4: Children under the sub-national Basic Needs Poverty Lines

	Total number of children	Number below poverty line	% below poverty line	Poverty share %
Torba	4,420	1,068	24.2	9.0
Sanma (rural)	11,673	544	4.7	4.6
Penama	15,059	917	6.1	7.7
Malampa	13,081	465	3.6	3.9
Shefa (rural)	12,067	1,870	15.5	15.7
Tafea	15,786	2,784	17.6	23.4
Luganville	4,408	501	11.4	4.2
Port Vila	11,492	3,765	32.8	31.6
Vanuatu	87,986	11,914	13.5	100.0

Source: ADB, UNDP and GOV 2006.

Table A1.5: Children in households with PAE expenditure less than 50% of median

	Total number of children	Number below poverty line	% below 50% median	Poverty share %
Torba	4,420	2,020	45.7	10.1
Sanma (rural)	11,673	2,242	19.2	11.2
Penama	15,059	3,237	21.5	16.2
Malampa	13,081	2,329	17.8	11.7
Shefa (rural)	12,067	3,262	27.0	16.4
Tafea	15,786	5,549	35.2	27.8
Luganville	4,408	399	9.0	2.0
Port Vila	11,492	910	7.9	4.6
Vanuatu	87,986	19,949	22.7	100.0

Source: ADB, UNDP and GOV 2006.

Table A1.6: Children in households with PAE expenditure less than 60% of median

	Total number of children	Number below poverty line	% below 60% median	Poverty share %
Torba	4,420	2,515	56.9	9.4
Sanma (rural)	11,673	3,447	29.5	12.9
Penama	15,059	4,241	28.2	15.9
Malampa	13,081	3,463	26.5	13.0
Shefa (rural)	12,067	4,198	34.8	15.7
Tafea	15,786	6,916	43.8	25.9
Luganville	4,408	615	14.0	2.3
Port Vila	11,492	1,267	11.0	4.8
Vanuatu	87,986	26,662	30.3	100.0

Source: ADB, UNDP and GOV 2006.

Table A1.7: Poverty determinants and child outcomes (N = 6,134)

		%	N
Geographic dimension			
Region	Torba	4.3	752
	Sanma	15.2	480
	Penama	11.9	531
	Malampa	17.3	519
	Shefa	14.7	658
	Tafea	16.3	813
	Luganville	5.5	1,026
	Port Vila	14.8	1,355
	Residence	Urban	20.3	2,381
	Rural	79.7	3,753
Household dimension			
Deprivation of material goods and services (household/community indicators)	Shelter deprived	13.6	866
	Sanitation deprived	3.2	184
	Water deprived	7.5	362
Household size	Fewer than 3 household members	0.5	29
	3-4 members	18.0	1,090
	5-6 members	37.7	2,304
	7+ members	43.8	2,711
Education of head of household	None	10.8	638
	Primary	58.8	3,396
	Secondary+	26.1	1,890
	Non-standard curriculum	1.8	71
	Missing	2.0	139
Gender of head of household	Male	94.4	5,809
	Female	5.6	325
Wealth index quintiles	Q1 (poorest)	21.6	1,085
	Q2	21.3	1,027
	Q3	20.5	1,066
	Q4	19.3	1,260
	Q5 (richest)	17.3	1,696
Mother tongue of head of household	Bislama	12.5	1171
	Other	87.2	4,942
	Missing	0.2	21

		%	N
Family vulnerability	Orphan child in household	4.9	297
	Elder (70+) person in household	22.0	1,333
Access to social security and security of tenure	Young children (36-59 months, N = 608) attending pre-school ^a	23.4	142
	Children 0-5 whose birth is not registered	74.4	1,078
	No security of tenure in urban areas ^b		
Individual dimension			
Deprivation of material goods and services (individual child indicators)	Information deprived (age 3-17, N = 5,036)	51.0	2,154
	Nutrition deprived (age 0-4, N = 1,634)	9.9	178
	Education deprived (age 7-17, N = 3,638)	5.2	204
	Health deprived (age 1-2, N = 342)	17.1	66
Demographic, nutrition, health and protection indicators among boys	Boys age 0-4 (N = 844)		
	Undernourished (severe stunting, wasting, or underweight) ^c	10.3	98
	Had diarrhoea during survey period	14.4	114
	Had fever during survey period	9.6	72
	Birth is not registered	75.5	566
	Boys age 5-14		
	Attends school ^d	77.3	1,186
	Orphan children ^e	3.2	1,881
	Boys age 15-17 (N = 419)		
	Attends secondary school ^f	27.2	148
	Does not attend school but completed primary education ^g		
	Has comprehensive knowledge about HIV prevention ^h		*
	Demographic, nutrition, health and protection indicators among girls	Girls age 0-4 (N = 790)	
Undernourished (severe stunting, wasting, or underweight) ^c		9.5	80
Had diarrhoea in survey period		13.3	104
Had fever in survey period		9.1	62
Birth is not registered		73.1	512
Girls age 5-14			
Attends school ^d		78.5	1,015
Orphan children ^e		3.3	1,631
Girls age 15-17 (N = 397)			
Attends secondary school ^f		27.6	134
Does not attend school but completed primary education ^g			
Has comprehensive knowledge about HIV prevention ^h			

MICS indicators: ^a 52; ^b 93; ^c 6,7,8; ^d 55; ^e 75, 76; ^f 56; ^g 59; ^h 82. * No information for boys in Vanuatu MICS.

Table A1.8: Odds ratios for the probability that children will experience deprivation

	Odds of no deprivation	Odds of at least one severe deprivation	Odds of at least two severe deprivations
Individual dimension			
Sex and age			
Male	REF	REF	REF
0-2	0.63***	1.85***	3.11***
3-4	0.88	1.46*	1.87
5-9	1.41***	1.14	1.75*
10-14	1.24*	1.30*	1.92
15-17	REF	REF	REF
Female	0.97	1.04	0.95
0-2	0.96	1.50***	1.95
3-4	1.1	1.36*	1.36
5-9	1.68***	1.18	1.73
10-14	1.60***	1.11	1.7
15-17	REF	REF	REF
Household dimension			
Household size			
Fewer than 3 members	0.81	1.3	1.4
3-4 members	1.01	0.80***	0.64***
5-6 members	1.05	0.78***	0.71***
7+ members	REF	REF	REF
Mother's education			
None	REF	REF	REF
Primary	3.45***	0.26***	0.13***
Secondary+	10.08***	0.13***	0.07***
Non-standard curriculum	8.37***	0.18***	(estimate not reliable)
Mother not in HH	5.522***	0.15***	0.12***
Education of head of household			
None	REF	REF	REF
Primary	2.31***	0.41***	0.24***
Secondary+	7.14***	0.18***	0.08***
Non-standard curriculum	4.78***	0.19***	(estimate not reliable)
Gender of head of household			
Male	REF	REF	REF
Female	0.91	1	1.43
Wealth index quintiles			
Q1 (poorest)	0.003***	17.1***	61.8***
Q2	0.02***	5.00***	10.2***
Q3	0.1***	2.64***	5.02**
Q4	0.34***	1.35*	0.58
Q5 (richest)	REF	REF	REF
Mother tongue of head of household			
Bislama	3.53***	0.65***	0.23***
Other	REF	REF	REF
Family vulnerability (not mutually exclusive categories)			
Orphan child in household	1.238*	0.91	0.53*
Elder (70+) person in household	0.834**	1.62***	1.86***
Geographic dimension			
Region			
Torba	0.06***	8.69***	15.9***

	Odds of no deprivation	Odds of at least one severe deprivation	Odds of at least two severe deprivations
Sanma	0.09***	3.83***	8.11***
Penama	0.06***	5.64***	16.73***
Malampa	0.06***	0.83	0.65
Shefa	0.30***	0.82	1.29
Tafea	0.11***	8.26***	30.6***
Luganville	0.77**	1.01	1.83
Port Vila	REF	REF	REF
Residence			
Urban	REF	REF	REF
Rural	0.12***	3.31***	8.87***

Note: An odds ratio of less than 1.0 indicates a protective factor; greater than 1.0 indicates a risk factor.

* significant at 10% level; ** significant at 5% level; *** significant at 1% level.

Table A1.9: Oral rehydration treatment, children age 0-59 months, 2007

Background characteristics		Number of children	Had diarrhoea in last 2 weeks	Received fluid from ORS packet	Homemade fluid recommended	No treatment	ORT use rate *	Number of children with diarrhoea
Sex	Male	844	14.4	25.9	38.1	44.8	55.2	114
	Female	790	13.3	20.1	37.1	48.0	52.0	104
Region	Tafea	240	7.1	(*)	(*)	(*)	(*)	17
	Shefa	179	20.1	13.9	38.9	55.6	44.4	36
	Malampa	146	13.7	(*)	(*)	(*)	(*)	20
	Penama	149	13.4	(*)	(*)	(*)	(*)	20
	Sanma	121	18.2	(*)	(*)	(*)	(*)	22
	Torba	203	12.3	16.0	32.0	52.0	48.0	25
	Port Vila	342	12.3	19.0	50.0	40.5	59.5	42
	Luganville	254	14.2	30.6	22.2	55.6	44.4	36
Residence	Urban	596	12.8	22.5	41.6	45.1	54.9	78
	Rural	1,038	14.1	23.4	36.8	46.6	53.4	140
Age	< 6 months	155	6.1	(*)	(*)	(*)	(*)	9
	6-11 months	192	22.7	30.8	30.4	51.6	48.4	40
	12-23 months	342	18.5	27.2	39.3	41.9	58.1	61
	24-35 months	337	12.5	15.0	43.4	47.1	52.9	42
	36-47 months	339	12.1	20.6	40.6	41.3	58.7	36
	48-59 months	269	10.2	11.3	33.0	58.1	41.9	30
Mother's education	None	139	6.9	(*)	(*)	(*)	(*)	13
	Primary	960	14.9	24.1	41.2	42.7	57.3	136
	Secondary	532	13.8	21.8	32.2	52.3	47.7	69
	Non-standard	2	(*)	.	.	.	.	0
	Missing/DK	1	(*)	.	.	.	.	0
Wealth index quintiles	Q1 (poorest)	311	11.4	22.0	35.8	50.3	49.7	34
	Q2	295	15.9	23.1	36.3	45.0	55.0	45
	Q3	278	10.7	18.9	41.6	51.6	48.4	30
	Q4	332	18.8	28.7	32.5	44.4	55.6	58
	Q5 (richest)	418	12.5	20.0	47.4	41.0	59.0	51
Mother tongue of head [§]	Bislama	280	13.7	15.0	39.7	48.1	51.9	40
	Other	1,350	13.8	23.5	37.8	46.5	53.5	177
National		1,634	13.8	23.2	37.7	46.3	53.7	218

Notes: * MICS indicator 33; (*) per cent count has been suppressed as the Figure is based on fewer than 25 unweighted cases; grey italics = Figure is based on 25-49 unweighted cases; § four missing cases.

Table A1.10: Comprehensive knowledge of HIV/AIDS transmission, women age 15-49 years, 2007

Background characteristics		(A) Knows two ways to prevent HIV transmission	(B) Correctly identifies three misconceptions about HIV transmission	Has comprehensive knowledge (A + B) *	Number of women
Region	Tafea	33.6	9.4	4.9	268
	Shefa	51.0	35.2	28.9	279
	Malampa	52.0	16.8	13.1	209
	Penama	59.7	11.1	8.0	192
	Sanma	59.0	9.7	8.2	194
	Torba	44.4	15.5	7.5	279
	Port Vila	58.1	40.1	28.7	764
	Luganville	62.5	21.3	17.1	507
Residence	Urban	59.2	35.6	25.9	1,271
	Rural	50.4	17.0	12.9	1,421
Age	15-19	51.5	19.8	14.2	457
	20-24	52.3	21.8	16.3	522
	15-24*	52.0	20.9	15.4	979
	25-29	52.5	27.1	19.0	470
	30-34	57.2	21.9	16.7	405
	35-39	55.9	24.3	17.9	393
	40-44	50.3	19.7	15.9	241
	45-49	46.1	14.4	12.9	204
Education	None	28.3	5.9	4.5	171
	Primary	50.2	16.7	12.4	1,552
	Secondary+	63.2	35.4	26.6	955
	Non-standard	(*)	(*)	(*)	14
Wealth index quintiles	Q1 (poorest)	42.4	9.7	6.3	358
	Q2	47.7	10.1	7.2	411
	Q3	52.4	18.6	14.2	426
	Q4	58.6	29.8	24.1	549
	Q5 (richest)	60.8	38.5	27.8	948
Mother tongue of head [§]	Bislama	57.0	29.5	21.2	592
	Other	52.1	20.7	15.5	2,090
National		52.7	21.9	16.3	2,692

* MICS indicator 82; MDG indicator 19b; (*) per cent count has been suppressed as the Figure is based on fewer than 25 unweighted cases; § 10 missing cases.

Table A1.11: HIV testing and counselling during antenatal care, 2007(women age 15-49 years who gave birth in the two years preceding the survey)

		% received antenatal care from a health professional during pregnancy	% received information about HIV prevention during ANC visit *	% tested for HIV during ANC visit	% received results of HIV test during ANC visit **	Number of women
Region	Tafea	83.0	19.7	13.6	6.4	112
	Shefa	95.3	42.0	14.8	9.5	82
	Malampa	92.6	25.7	12.3	6.7	66
	Penama	81.2	18.1	2.9	1.4	66
	Sanma	72.6	20.7	7.0	4.6	44
	Torba	43.3	6.4	1.2	1.2	91
	Port Vila	93.8	58.4	29.1	16.8	113
	Luganville	73.1	20.9	7.8	2.8	106
Residence	Urban	87.4	46.7	22.5	12.4	219
	Rural	83.7	24.4	10.4	5.8	461
Age	15-19	84.9	27.0	15.0	5.5	46
	20-24	84.8	26.3	12.3	6.9	221
	25-29	83.5	26.6	11.7	7.6	173
	30-34	90.0	31.4	13.5	7.9	117
	35-49	78.2	30.3	10.5	5.0	123
Education	None	72.5	14.4	7.0	0.8	58
	Primary	82.8	27.5	9.4	4.6	410
	Secondary +	91.4	32.6	20.5	13.8	211
	Non-standard	(*)	(*)	(*)	(*)	1
Wealth index quintiles	Q1 (poorest)	77.8	19.9	7.3	5.2	141
	Q2	87.5	24.2	12.2	4.4	143
	Q3	81.0	19.0	9.8	4.7	121
	Q4	90.0	38.8	15.1	9.9	140
	Q5 (richest)	88.5	54.1	24.4	15.6	135
Mother tongue of head [§]	Bislama	78.3	30.4	11.0	7.3	109
	Other	84.9	27.5	12.4	6.8	570
National		84.3	27.8	12.3	6.8	680

* MICS indicator 90; ** MICS indicator 91; (*) per cent count has been suppressed as the Figure is based on fewer than 25 unweighted cases; grey italics = Figure is based on 25-49 unweighted cases; § one missing case.

Table A1.12: Birth registrations and their correlates, children age 0-59 months, Vanuatu, 2007

Background characteristics	Birth is registered? (%)		Birth is not registered because: (%)										Total registered
	Yes *	Don't know	Costs too much	Must travel too far	Didn't know **	Doesn't know ***	Not urgent	Other	Don't know	Missing			
Sex	24.5	4.9	3.9	7.5	28.3	10.8	38.9	3.8	6.1	0.6	566		
Female	26.9	4.9	4.8	7.8	28.3	8.4	41.3	3.1	5.5	0.8	512		
Region	12.5	8.8	0.0	1.1	41.3	23.3	27.0	2.6	4.2	0.5	189		
Tafea	29.1	5.0	1.7	4.2	33.9	17.8	34.7	1.7	5.1	0.8	118		
Shefa	20.5	1.4	1.8	3.5	45.6	2.6	26.3	2.6	16.7	0.9	114		
Malampa	31.5	0.0	3.9	31.4	2.9	2.9	53.9	2.0	1.0	2.0	102		
Penama	24.0	5.0	7.0	12.8	30.2	9.3	31.4	8.1	1.2	0.0	86		
Sanna	20.7	3.9	30.1	11.8	17.0	2.0	22.9	7.2	7.8	1.3	153		
Torba	36.5	9.1	1.6	0.0	2.7	1.6	91.4	2.2	0.5	0.0	186		
Port Vila	43.7	5.1	19.2	0.0	5.4	1.5	64.6	6.2	3.1	0.0	130		
Luganville	38.5	8.0	6.2	0.0	3.4	1.6	84.4	3.2	1.2	0.0	316		
Residence	22.6	4.2	4.0	9.0	32.6	11.1	32.4	3.5	6.6	0.8	762		
Rural	22.7	5.2	3.6	6.7	25.9	9.5	43.3	4.8	5.7	0.6	236		
Age	26.9	2.2	3.0	7.1	27.5	10.4	36.9	5.4	7.9	1.7	233		
0-11 months	22.6	5.6	3.4	7.2	30.2	9.3	42.1	2.4	5.5	0.0	234		
12-23 months	30.0	5.4	5.9	9.9	31.7	9.1	35.5	3.1	4.9	0.0	207		
24-35 months	26.3	6.8	6.8	7.7	26.2	10.1	42.6	0.9	4.6	1.2	168		
36-47 months	19.0	2.4	5.1	7.2	47.9	11.2	14.7	6.4	6.4	1.1	110		
48-59 months	22.9	4.5	4.1	7.8	28.9	10.3	39.3	3.2	5.5	0.9	673		
Mother's education	34.0	6.4	4.8	7.3	18.4	7.4	52.2	3.3	6.6	0.0	293		
None	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	2		
Primary	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	2		
Secondary+	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	2		
Non-standard curriculum	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	2		
Missing/DK	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	2		
Total	1	1	-	-	-	-	-	-	-	-	0		

Background characteristics	Birth is registered? (%)		Birth is not registered because: (%)								Total	Missing	Total not registered
	Yes *	Don't know	Costs too much	Must travel too far	Didn't know **	Doesn't know ***	Not urgent	Other	Don't know				
Wealth index quintiles													
Q1 (poorest)	13.3	5.1	3.6	9.4	37.0	11.6	27.0	4.6	6.3	0.4	257		
Q2	20.5	2.7	5.4	10.6	36.2	9.0	26.0	3.6	8.6	0.6	222		
Q3	27.0	4.1	4.4	5.8	29.3	13.1	38.5	1.7	4.8	2.2	197		
Q4	32.9	5.0	3.2	7.4	15.1	9.6	57.0	3.4	4.2	0.0	199		
Q5 (richest)	40.9	8.9	5.1	0.0	7.2	0.8	80.8	3.7	2.4	0.0	203		
Mother tongue of head ^s													
Bislama	34.0	5.7	5.6	8.8	11.4	3.3	67.5	1.6	1.9	0.0	158		
Other	24.6	4.8	4.2	7.5	30.1	10.4	37.2	3.5	6.2	0.8	917		
National	25.6	4.9	4.3	7.6	28.3	9.7	40.1	3.5	5.8	0.7	1,078		

* MICS indicator 62; ** didn't know child should be registered; *** didn't know where to register child; (*) per cent count has been suppressed as the Figure is based on fewer than 25 unweighted cases; § four missing cases.

For data on early marriage and its correlates, see Table 3.7. For data on school attendance by region and age, see Table 3.8. For data on primary schools – including expenditures, enrolments, teachers and facilities – see Tables 3.9 and 3.10.

Table A1.13: Key budget allocations for education

	2006		2007		2008	
	Total spending	% government spend	Total spending	% government spend	Budget	% government spend
Pre-primary schooling	1.8	0.02	1.8	0.02	..	..
Primary education	1,164	12.17	1,587	13.27	1,595	10.42
Secondary schooling	952	9.95	1,182	9.88	994	6.99
Administration	280	2.93	368	3.08		
Other					831	5.44
Total	2,399	25.06	3,139	26.24	3,421	22.35

Source: Ministry of Education Digest 2008.

Annex 2. Policies

Table A2.1: National laws and policies affecting children

Document that sets out goals and strategy	Key policy, law, or directive	Policy objective	Relation to other sectors and national strategy	Lead implementing agency
Nutrition				
Monitoring & Evaluation Framework for the Vanuatu Children's Policy (2008)	Vanuatu National Children's Policy 2007–2011	<p>Health and nutrition objectives:</p> <ul style="list-style-type: none"> • Health systems, policies and healthy lifestyles improved • Morbidity and mortality in children reduced, child survival improved and endemic diseases in children controlled • Service delivery for children improved • Safe motherhood and maternal child health strengthened • Human resource development for HIV/AIDS improved <p>Specific nutrition indicators:</p> <ul style="list-style-type: none"> • Materials for nutrition education supplied to schools by December 2010 • At least 80% of health staff able to conduct basic nutrition education in schools 	Considerable overlap between Health and Nutrition objectives	National Children's Coordination Committee, Government of Vanuatu
National Food and Nutrition Policy (2006)	National Food and Nutrition Policy 2000	To ensure well-being of the total population and increase consumption of local food. Includes targets to reduce the number of underweight children and promote breastfeeding until six months.		Ministry of Health
National Breastfeeding Policy 1997 (2006)	National Breastfeeding Policy	Includes Vanuatu Baby Friendly Initiative.		Ministry of Health

Document that sets out goals and strategy	Key policy, law, or directive	Policy objective	Relation to other sectors and national strategy	Lead implementing agency
Child health				
Monitoring & Evaluation Framework for the Vanuatu Children's Policy (2008)	Vanuatu National Children's Policy 2007–2011	<p>Health and nutrition objectives:</p> <ul style="list-style-type: none"> • Health systems, policies and healthy lifestyles improved • Morbidity and mortality in children reduced, child survival improved and endemic diseases in children controlled • Service delivery for children improved • Safe motherhood and maternal child health strengthened • Human resource development for HIV/AIDS improved <p>Specific health indicators:</p> <ul style="list-style-type: none"> • 80% of health projects monitored by 2010 • 70% of all schools with new water supply system by 2011 • 80% of health facilities practice IMCI by December 2010 • At least 80% antenatal compliance by 2010 	Ties in with Planning Long	National Children's Coordination Committee, Government of Vanuatu
Ministry of Health Master Health Services Plan 2004–2009	Public Health Act 1995 (2002 revision)	<p>Progress in:</p> <ul style="list-style-type: none"> • Infant and child mortality (addressed through Village Health Worker Program) • Maternal mortality • Births attended by trained personnel • Immunization coverage • Contraceptive prevalence • Malaria, tuberculosis and non-communicable disease incidence • Availability of timely and accurate health statistics 	<p><i>Planning Long, Acting Short</i> government strategy indicates the development of a new National Health Policy in 2009</p> <p>Also in line with National Children's Policy objectives</p>	Ministry of Health
Planning Long, Acting Short	Priorities and Action Agenda 2006–2015	<p>Strengthen Ministry of Health.</p> <p>Strengthen delivery of basic health services to all.</p> <p>Eliminate malaria.</p> <p>Invest in training and supporting health workforce, especially nurses in rural areas.</p>	In line with National Children's Policy's health objectives	Government of Vanuatu, ADB
Reproductive Health Policy 2000	Public Health Act	Ensure that all individuals are given the opportunity to make the most of their potential. The policy emphasizes the right to information, freedom to make decisions, and promotion of mutually respectful and equitable reproductive health services.	<p>Similar to National Population Policy</p> <p>Objectives connected to Child and Maternal Health Programme</p>	Ministry of Health
Vanuatu National Food and Nutrition Policy 2000	Public Health Act	See Policy's objectives under Nutrition.		Ministry of Health

Document that sets out goals and strategy	Key policy, law, or directive	Policy objective	Relation to other sectors and national strategy	Lead implementing agency
Maternal and Child Health Programme	Public Health Act Maternal and Child Health Manual (1995)	This programme provides immunization; antenatal clinics; contraception; and information and advice on parenting, child health development, maternal health and well-being, child safety, immunization, breastfeeding, nutrition and birth spacing.	Linked to Nutrition Policy and Reproductive Health Policy Also a priority indicator in <i>Planning Long, Acting Short</i> strategy	Ministry of Health
Education				
EFA (Education for All) National Plan of Action 2001–2015 (2004)	Education Act 2001	Six EFA goals: 1. Expanding and improving comprehensive early childhood care and education, especially for the most vulnerable and disadvantaged children 2. Ensuring that by the year 2015 all children, particularly girls, children in different circumstances and those belonging to ethnic minorities have access to complete, free and compulsory primary education of good quality 3. Ensuring that the learning needs of all young people and adults are met through equitable access to appropriate learning and life-skills programs 4. Achieving a 50% improvement in levels of adult literacy by 2015, especially for women, and equitable access to basic and continuing education for all adults 5. Improving all aspects of the quality of education and ensuring excellence of all so that recognized and measurable learning outcomes are achieved by all, especially in literacy, numeracy and essential life skills 6. Eliminating gender disparities in primary and secondary education by 2015, with a focus on ensuring girls' full and equal access to basic education of good quality	Linked to MDG 1, alleviate extreme poverty, and MDG 2, achieve universal primary education EFA development has progressed in stages since 1990, following the World Conference on Education for All. The most recent edition of Vanuatu's EFA Action Plan is for 2001–2010, completed in 2004. All education policies, strategies and plans are strongly linked to MDG goals of achieving universal primary education, with equitable gender access and capacity building in rural areas.	Ministry of Education, Youth Development and Training

Document that sets out goals and strategy	Key policy, law, or directive	Policy objective	Relation to other sectors and national strategy	Lead implementing agency
Monitoring & Evaluation Framework for the Vanuatu Children's Policy (2008)	Vanuatu National Children's Policy 2007–2011	<p>Education objectives include:</p> <ul style="list-style-type: none"> • Access to and equity in education improved and the well-being of the child promoted • Community participation encouraged and quality of education improved • Physical structures such as dormitories, ablution blocks, and classrooms are expanded and maintained, providing a healthy and safe physical environment for both males and females in schools <p>Specific education indicators include:</p> <ul style="list-style-type: none"> • Equity in access reflected in 70% of school policies • Gender policy in all schools by 2011 • 90% enrolment rate in pre-schools and primary schools by 2011 • 70% girls attendance rate • 80% of rural schools fully staffed • Increase in number of schools that provide access for children with disabilities • Formalisation and increase of early-childhood-trained teachers 		National Children's Coordination Committee, Government of Vanuatu
Vanuatu Education Support Action Plan (2008) draft	<p>Education Act 2001</p> <p>Sector Wide Approach planning strategy</p>	<p>Expected to build the capacity of the Ministry of Education.</p> <ul style="list-style-type: none"> • Renovate 25 primary schools • Primary Education Improvement Project to improve teacher quality 	**See note above	Ministry of Education
Education Master Plan 1999	Education Act 2001		<p>National Language Policy</p> <p>More recent education plans and policies built on the Master Plan</p>	Ministry of Education
Vanuatu National Early Childhood Care and Education Policy 2010–2015	Education Act 2001	Promote collaborative and cooperative effort between the Government and relevant sector partners toward the welfare and well-being of children between 0 and 6; offer guidance for future plans, programs and activities geared toward ECEC in Vanuatu	<p>Strongly connected to EFA: goal 1, expand early childhood education, and goal 6, improve the quality of education</p> <p>In line with Vanuatu Education Support Action Plan: equitable access for all children including those with disabilities</p>	Ministry of Education

Document that sets out goals and strategy	Key policy, law, or directive	Policy objective	Relation to other sectors and national strategy	Lead implementing agency
Vanuatu Education Sector Strategy 2006		<p>Achieve universal primary education completion, and develop national pre-school curriculum and training.</p> <p>Expand and improve affordable bilingual secondary, technical and higher education.</p> <p>Provide more relevant and accessible curriculum, materials and assessment systems.</p> <p>Provide qualified, productive and well-supported teachers for every school, and strengthen the professional competence of teachers.</p> <p>Bring the education, management and facilities of every school up to a sustainable minimum standard.</p> <p>Strengthen the effectiveness, productivity, accountability, transparency, governance, and decentralisation of the education system.</p> <p>Strengthen partnership at national, provincial and local levels and empower school communities.</p>		Ministry of Education
Child protection				
Vanuatu Child Protection Baseline Research 2008 National Report	<p>Vanuatu National Children's Policy 2007–2011</p> <p>Family Protection Act 2008</p>	<p>Purpose:</p> <ul style="list-style-type: none"> • To preserve and promote harmonious family relationships • To prevent domestic violence in all levels of society • Based on traditional values of Vanuatu and on Christian principles • Recognizes that domestic violence is not acceptable behaviour • Ensures there is effective legal protection for the victims of domestic violence • Provides for punishment of all persons who commit acts of domestic violence 	<p>Protection of women and gender equality</p> <p>Compliance with CEDAW</p>	Department of Women's Affairs

Document that sets out goals and strategy	Key policy, law, or directive	Policy objective	Relation to other sectors and national strategy	Lead implementing agency
Monitoring & Evaluation Framework for the Vanuatu Children's Policy (2008)	Vanuatu National Children's Policy 2007–2011	<p>Protection of children's rights expanded by increasing participation in international documents and formulating domestic legislation, policies and administrative rules to ensure the survival and protection of children in the national development process</p> <p>Specific indicators include:</p> <ul style="list-style-type: none"> • Appropriate amendments made to domestic legislation • Development of legal services necessary to protect the best interests of children • Key legislation reviewed (CRC) • Community CRC awareness programmes • Number of cases of abuse, neglect, in contact with the law reduced 	Connected to Family Protection Act and CRC and CEDAW ratification	National Children's Coordination Committee, Government of Vanuatu
Ratification of the Convention on the Elimination of All Forms of Discrimination Against Women (1995)	<p>Family Protection Act 2008</p> <p>CEDAW Legislative Compliance Review</p>		<p>Linked to a number of policy areas:</p> <ul style="list-style-type: none"> • Education • Social protection • Health services • Child protection (basic human rights) 	Ministry of Women's Affairs
Ratification of the Convention on the Rights of the Child 1992	<p>Family Protection Act 2008</p> <p>Vanuatu National Children's Policy 2007–2011</p>		<p>Linked to:</p> <ul style="list-style-type: none"> • Health • Education • Social protection 	<p>Ministry of Women's Affairs</p> <p>Ministry of Justice and Social Welfare</p>
Social protection				
<p>Country Programme Action Plan 2008–2012</p> <p>Planning Long, Acting Short</p>		<p>While there is no strategy to provide direct income support to households, the broader economic strategy includes goals for equitable economic growth and equitable social and protection services</p> <p>MDG capital investment in roads, communications and electrification aimed at increasing household capacities</p>		

Document that sets out goals and strategy	Key policy, law, or directive	Policy objective	Relation to other sectors and national strategy	Lead implementing agency
National Disability Policy and Plan of Action		<p>Nine policy directives:</p> <ol style="list-style-type: none"> 1. National coordination and legislation 2. Self-help organisations and rehabilitation/service organisations 3. Women with disabilities 4. Education, training and employment 5. Access to built environment and transport 6. Poverty alleviation 7. Early detection, early prevention and education 8. Access to information and communication 9. Regional cooperation 	Linked to objective in National Children's Policy, and to national legislation with the Convention on the Rights of Persons with Disabilities in Asia and the Pacific	
Amendments to Employment Act 2008	Employment Act 2008	<p>Reforms:</p> <ul style="list-style-type: none"> • Increased severance pay from two to eight weeks • Reduced the qualifying period for severance pay from 10 years to one year • Decreased eligibility from six months to three months for maternity pay • Increased annual and sick leave from 12 working days after one year of employment to 21 days for each type of leave 		

