

10 Things To Know About An Effective Social Safety Net

1



The overarching legislation governing Jamaica's social protection system is archaic – the Poor Relief Act of 1886; its last amendment was almost 50 years ago, in 1973.

During the social protection reform of 2000, the National Assistance Bill was drafted to replace the Poor Relief Act. To date, it has not been laid before Parliament. The starting point of improving Jamaica's social safety net can be the tabling and passing of this legislation.

2



Pension coverage in Jamaica is low, reaching only 35 percent of the elderly population. The National Insurance Scheme (NIS), Jamaica's public pensions scheme, is ineffective in achieving its mandate of covering all employed Jamaicans. Of the 35 percent, only 25 percent of the elderly population receives a pension from the NIS, and less than half of the working population are contributing. With an ageing population, broader inclusion is critical. In an effort to achieve this, the government should consider using a universal pensions scheme to expand coverage.

3



The National Health Fund seeks to improve the affordability of critical medications. However, its distribution among income classes disproportionately favours the relatively well-off. Only 10 percent of the benefit goes to the poorest quintile. A comprehensive national health insurance scheme would ensure that the poorest population is served.

4



The Abilities Foundation is the only cross disability institution that targets youths with disabilities by providing vocational education and training. Its potential to efficiently serve this target group is constrained by there being only one location, in Kingston. Its reach is therefore limited since many persons with disabilities live in the rural areas and their disabilities limit their mobility. There is a need to establish branches of this institution outside of the capital.

5



Less than one percent of persons with disabilities are in paid employment. This unimpressive outcome may in part be due to the failure to fully implement the requirements of the Disabilities Act (2014).

The implementation is contingent on the tabling of the Codes of Practice. This document outlines the minimum standards by which the public will be guided on how to interact with and allow for greater inclusion of persons with disabilities, especially within the workforce. This crucial component needs to be tabled by Parliament to facilitate the integration of persons with disabilities into the labour force.

6



Persons with disabilities are an easily marginalized group. If their needs are to be met by policy, the design of policy will need data on who and where they are as well as the nature of their disabilities. In Jamaica, there is no accurate information of the population

of persons living with disabilities. The Jamaica Survey of Living Conditions, the Population Census, and The Jamaica Council for Persons with Disabilities all differ significantly in their estimates of those numbers. Further, the Council, which is the sole government entity responsible for identifying and registering persons with disabilities, uses voluntary enrolment so its database is not even intended to be comprehensive.

7



Exempting from GCT items that make up a large share of a poor household's budget is a poorly targeted way to reach that group since the rich, with greater disposable income, tend to consume more of the exempted items. The largest share

of the forgone taxes therefore misses the targeted group and so is not a fiscally efficient way to achieve the social welfare objective. By removing the items from the tax-exempted list, the government broadens their tax base, and therefore, its revenue. This allows them to redirect resources more efficiently to social welfare programmes, a medium that more accurately reaches its intended beneficiaries.

8



The Programme of Advancement Through Health (PATH) programme is a well-targeted conditional cash transfer programme with the majority of its beneficiaries in the poorest 40 percent of the population. While the impact of

the conditionality on educational attainment is uncertain, there is considerably international evidence that the conditionality interferes with the effectiveness of the programme. Non-compliance, which is often due to circumstances outside of the control of the recipient and related to their very poverty, reduces benefits to those who are most often the neediest. This punitive response does not address the underlying impoverishment and then exacerbates the recipients' financial vulnerability. Removing the conditionalities and broadening and deepening the assistance will increase the efficacy of the PATH programme.

9



The Steps to Work programme is PATH's main strategy to graduate beneficiaries from social assistance dependence towards financial self-reliance. This programme accurately targets

the population who can benefit from the intervention. It has been successful in helping a large number of PATH recipients, but because enrolment is voluntary and the programme is not well marketed, the vast majority of those who can be helped do not access the programme. Efforts to increase enrolment in the programme should be undertaken.

10



Inclusion of a many potentially marginalized in the material benefits of economic growth is attainable in Jamaica. Elements of an effective architecture of economic and social support are already in place, amongst a wider array of

less effective and inefficient ones. Resources should be shifted from the poorly to the better targeted ones. Along with reforms to the remaining ones, Jamaica can have an effective social safety net.

To read any of our published reports in full, visit www.capricaribbean.org/reports