

Achieving education and health outcomes in Pacific Island countries—is there a role for social transfers?

AusAID Pacific social protection series: poverty, vulnerability and social protection in the Pacific

March 2012

© Commonwealth of Australia 2012

Published by the Australian Agency for International Development (AusAID), Canberra, March 2012.

This document is online at www.ausaid.gov.au/publications

The principal author of this research paper is Stephen Kidd.

Disclaimer: The views expressed in this publication are those of the authors and not necessarily those of AusAID.

For further information, contact:

AusAID GPO Box 887 Canberra ACT 2601

Phone (02) 6206 4000

Facsimile (02) 6206 4880

Internet www.ausaid.gov.au

Contents

| | |
|---|----|
| 1. Introduction to the research..... | 3 |
| 2. About this research paper..... | 4 |
| 3. Education: progress and challenges..... | 5 |
| 3.1. Completion of full course of primary education | 5 |
| 3.2. Access to secondary schooling..... | 5 |
| 3.3. Delivering education of adequate quality | 6 |
| 3.4. Tackling malnutrition and poverty for full advantage of educational opportunities..... | 6 |
| 4. Health: progress and challenges..... | 7 |
| 4.1. Infant mortality: a key Millennium Development Goal indicator..... | 7 |
| 4.2. A growing double burden of disease | 7 |
| 4.3. Sanitation and malnutrition: impacts on child health | 7 |
| 4.4. Health financing and access to health services | 8 |
| 5. Strategies to improve human development outcomes | 9 |
| 5.1. Addressing the private costs of accessing education and health services | 9 |
| 5.2. Addressing human development outcomes through social transfers | 10 |
| 6. Conclusions and recommendations | 12 |
| 7. References..... | 13 |

1. Introduction to the research

Pacific Island countries (PICs) have varying social protection systems, informal and traditional. These systems are important in supporting the most vulnerable members of society and those affected by personal and natural disasters. In the Pacific Islands social protection has typically been an area of low government involvement. Knowledge about formal social protection in the region is limited, and there have been no studies on the impact of such schemes on poverty, human development and economic growth.

There is no one agreed definition of social protection, but this body of research—commissioned by AusAID—uses the term to refer to the set of public actions aimed at tackling poverty, vulnerability and social exclusion, as well as providing people with the means to cope with major risks they may face throughout their life.

Social protection's core instruments include regular and predictable cash or in-kind transfers to individuals and households. More broadly, social protection includes instruments that improve people's access to education, healthcare, water, sanitation, and other vital services.

Traditional social protection in the Pacific Islands is stretched by new challenges, most recently the 2008-09 global food, fuel and financial crisis. This has led to greater attention to innovative social protection mechanisms that tackle chronic poverty, mitigate the impact of shocks, improve food security and overcome financial constraints to accessing social services. This attention has been driven by the success of mechanisms in other parts of the world.

In an environment with limited or conflicting information about patterns of poverty and vulnerability, knowing whether social protection represents a sound, or even appropriate, policy choice is difficult. This research looks at poverty, vulnerability and social protection across the dimensions of health and education, gender, social cohesion, economic growth, and traditional protection networks in the Pacific Islands. It aims to improve the evidence base on formal and informal social protection programs and activities in the Pacific region and make recommendations on support for strengthening and expanding social protection coverage so it can contribute to achieving development outcomes.

The research was conducted by social protection experts and is based on case studies in Kiribati, Samoa, Solomon Islands and Vanuatu—representing the three sub-regions of Melanesia, Micronesia and Polynesia—and a review of secondary literature. It also commissioned a set of research papers:

- > an overview of poverty and vulnerability in the Pacific, and the potential role of social protection
- > a briefing on the role of social protection in achieving health and education outcomes
- > a life-cycle approach to social protection and gender
- > an assessment of the role of social protection in promoting social cohesion and nation-building in the Pacific
- > an assessment of the relationship between social protection and economic growth
- > a review of the strengths and weaknesses of informal social protection in the Pacific
- > a micro-simulation analysis of social protection interventions in Kiribati, Samoa, Solomon Islands and Vanuatu.

2. About this research paper

This research paper, ‘Achieving education and health outcomes in the Pacific—is there a role for social transfers?’, examines the challenges facing PICs as they strive to improve the health and education of their people. It examines the policies that need to be introduced to improve access to these services by all. More specifically, the research paper discusses what social transfers can contribute, particularly for poor people.

Over the past two decades, most PICs have made good progress in improving the health and education of their citizens. Some have faced setbacks caused by shocks and crises, such as civil war in Solomon Islands, the collapse of phosphate mining in Nauru, the contraction of the sugar industry in Fiji, and the recent global economic crisis that affected all islands. Nonetheless, the *2011 Pacific Regional Millennium Development Goals (MDGs) Tracking Report* indicates that most PICs are moving forward in achieving the internationally agreed goals. Significant challenges remain, however, before citizens enjoy satisfactory levels of health and education.

Box 1: Social transfers in the Pacific

Social transfers are regular, predictable cash grants provided by governments for the benefit of poor and vulnerable populations. Typical transfers found in developing countries include non-contributory pensions, child grants, disability benefits and grants for poor households. A number of such programs operate in the Pacific. Most common are universal old age pension schemes in the Cook Islands, Kiribati, Nauru, Niue, Samoa and Tuvalu. Disability grants are provided in the Cook Islands and Nauru. However, the largest scheme is Fiji’s Family Assistance Program (FAP) that supports the poorest households, including potentially vulnerable groups such as the elderly, chronically ill, single mothers and people with disability.

Although the research paper examines health and education separately, the interaction between the two policy areas is important. Investing in education, for example, can contribute to improved health outcomes. Similarly, ensuring children and carers have access to good quality health services can result in children having a better chance of benefiting from education. Furthermore, while it is well understood in the Pacific that investing in health and education to build human capital helps tackle poverty, this research paper suggests that efforts to reduce poverty could also lead to improved outcomes in these policy areas.

3. Education: progress and challenges

PICs are doing reasonably well in progressing toward achieving MDG 2—achieving universal primary education by 2015. In most countries, sound progress is also being made against MDG 3—promote gender equality and empower women—with better gender balance in primary schools. As children move through the education system, however, there is a growing tendency for boys to be left behind.

Four key education challenges remain in the Pacific region:

1. ensuring all children complete a full course of primary school
2. providing all children with access to secondary schooling
3. delivering education of adequate quality, in particular for poor families and those in more remote areas
4. tackling malnutrition and poverty to ensure all children can take full advantage of educational opportunities.

3.1. Completion of full course of primary education

Across the Pacific, primary school enrolment is relatively high. The most recent data, from the ministries of education, and others, point to gross enrolment rates of 90 per cent in Kiribati and above 100 per cent in Samoa, Solomon Islands and Vanuatu. Most children in PICs live near primary schools although some never enter primary school. The reasons for this are disability, poverty and a lack of interest from some traditional families in remote areas. Furthermore, recent indications are that, as economies come under stress, growing poverty may reverse recent gains, with primary school attendance falling in some countries.¹ In Kiribati, around 10 per cent of children miss school because their parents cannot provide lunch (United Nations Children’s Fund [UNICEF] 2010).

3.2. Access to secondary schooling

The greatest access challenges are found in secondary school. In Samoa secondary school enrolment was 64 per cent in 2006, in Vanuatu 32 per cent the same year and in Kiribati, enrolment was 34 per cent in 2008.² In Vanuatu the Ministry of Education reported in 2008 that only 20 per cent of children stay in school to Year 13. In contrast, the World Bank reported in 2006 that Tonga had 99 per cent secondary school enrolment.

Children drop out of secondary school for a number of reasons. The most common reason is the cost of education, which is beyond the means of many poor families. In Fiji the average annual cost of schooling in 2010 was estimated to be \$1100 per child.³ The World Bank (2006:15,33) noted lower access to secondary school among the poorest children, with a particular imbalance in the Federated States of Micronesia, The Republic of the Marshall Islands

¹ In Kiribati, the primary completion rate was above 100 per cent between 1992 and 2006 but dropped to 80 per cent by 2009 (Ministry of Finance and Economic Planning Kiribati 2007:16). In Fiji, the primary completion rate was 96 per cent in 2003 but dropped to 76 per cent in 2006 (Ministry of National Planning, Fiji, 2010:23).

² Ministry of Education Kiribati 2008; World Bank 2006:31. In Kiribati, junior secondary school enrolment was 79 per cent in 2006 (ADB 2009:56). The latest census figures indicate that, in Solomon Islands, secondary school enrolment was 28 per cent and in Fiji it was 83 per cent (World Bank 2006:31).

³ Figures provided by the Foundation for the Education of Needy Children in Fiji. Costs include admission or enrolment fees, annual fees and other fees (for sport, art and library). Money is also needed for uniforms, footwear, textbook rental, stationary, meals and transport.

(RMI), Samoa and Vanuatu. Families in more remote areas and islands have to pay extra transport and boarding costs. To save money it is common to send children to live with relatives in urban areas near secondary schools, but there are concerns these children may be more vulnerable to neglect or abuse, especially if sending families do not maintain the reciprocity of the arrangement.⁴

One significant reason for children dropping out of secondary school in many countries is the need to pass an exam to enter secondary school (World Bank 2006:31f). The most disadvantaged children live in more remote areas and islands with no secondary school nearby. Children from Outer Islands likely receive lower quality education at primary school and so would find it difficult to pass an entrance exam for secondary school (World Bank 2006:32). In Vanuatu having to pass an exam forces half of children to leave school at Year 7. Fiji and Solomon Islands have recently removed the exam, although it is too early to know the impact on enrolment (Slater 2011). Another reason in some PICs is that not enough secondary school places are available (Slater 2011).

Some countries provide scholarships or free secondary education to more able children or those who pass entrance exams, but this tends to benefit students who are better off economically anyway (Kidd & MacKenzie 2011). Indeed, in Fiji, because of nepotism, better-off children get scholarships while poor children often do not know how or where to apply (Chung 2007). Poorer students who perform less well in entrance exams are likely to attend fee-paying private or church schools that, in some countries, offer a lower quality education (World Bank 2006:34). Few government schemes provide poor students with financial support. In some countries, non-state organisations provide students with financial assistance; however, some church-owned schools do not, even to the very poor.⁵

3.3. Delivering education of adequate quality

The quality of education is another challenge in PICs. Children may attend school but many do not receive an adequate education to stand them in good stead in the labour market. Regional tests indicate the quality of education has been low with a third of students at risk of failing in reading, writing and basic numeracy (World Bank 2006:30). The problem is acute in Kiribati where only 12 to 14 per cent sitting the University of South Pacific's English Language Skills Assessment test passed with a Band 3, compared to the Pacific average of 52 to 54 per cent (Kiribati Ministry of Education 2008b).

Various reasons contribute to low-quality education, including the low capacity of many teachers. Untrained teachers account for 23 per cent of primary school teachers in Samoa, 20 per cent in RMI, 29 per cent in Solomon Islands and 54 per cent in Vanuatu (World Bank 2006:37). The problem can continue through secondary school.

Inadequate school environments (infrastructure, equipment and teaching materials) is another reason. So too is teacher salaries. Indeed, in most PICs more than 92 per cent of primary school recurrent expenditure is on teachers' salaries, leaving little for investment elsewhere (World Bank 2006:35).

3.4. Tackling malnutrition and poverty for full advantage of educational opportunities

One issue receiving little attention in the Pacific education debate is the impact of malnutrition on children's performance. Levels of malnutrition are surprisingly high in the Pacific. Twenty-six per cent of children under 5 years of age in Vanuatu and 32 per cent in Solomon Islands are stunted, while in RMI in 1999 a quarter of children were severely malnourished.⁶ In the early years of life malnutrition can have irreversible negative impacts on children, affecting their cognitive and physical development. Such children perform less well at school and find it more difficult to study. The causes of malnutrition are discussed in Section 4.3.

⁴ This includes in Kiribati (Government of Kiribati 2005).

⁵ Personal communication, Kim Robertson.

⁶ ADB 2006:161; National Statistics Office, Solomon Islands 2007; Freeland & Robertson 2011.

4. Health: progress and challenges

In the past two decades, most PICs have made good progress towards achieving the key MDG health indicators. Yet a number of challenges remain, including a growing double burden of infectious and non-communicable disease and the impact on child health of poor sanitation and malnutrition.

4.1. Infant mortality: a key Millennium Development Goal indicator

In the past 20 years, infant mortality rates have dropped significantly in a number of PICs. In Vanuatu and RMI, for example, the under 5 mortality rate fell by more than 50 per cent in the decade to 2006 (World Bank 2006:50). Indeed, most PICs have under 5 mortality rates of between 20 and 30 per 1000 live births, although the picture is not consistent across the region. Kiribati rates rose from 43 to 52 per 1000 between 2000 and 2005 and Fiji's lower infant mortality did not improve over almost a decade, between 2000 and 2008.⁷

4.2. A growing double burden of disease

PICs face a growing double burden of disease. A range of sources, like the World Bank and country governments, report that communicable diseases—such as leprosy and tuberculosis—are still prevalent across many countries and malaria is a threat in Solomon Islands and Vanuatu.⁸

Pacific Islanders are becoming increasingly susceptible to lifestyle non-communicable disease (NCDs) with the incidence approaching that of developed countries. This results mainly from a high prevalence of obesity—due to low levels of activity and a move away from traditional diets—and smoking (World Bank 2006:51ff). More than 30 per cent of the adult population smoke in Fiji, Samoa, Solomon Islands and Tonga, rising to 70 per cent for men and 50 per cent for women in Kiribati.⁹ The result has been a significant rise in cardiovascular and coronary heart diseases, cancers and other diseases with significant implications for health budgets.¹⁰ The relatively rapid ageing of many PIC populations is accelerating the epidemiological transition resulting in an even higher prevalence of NCDs.¹¹

4.3. Sanitation and malnutrition: impacts on child health

Across many PICs, poor water quality and sanitary conditions result in relatively high levels of diarrhoeal disease, including with children. In Solomon Islands, for example, 30 per cent of households in 2006 had no access to an improved water source and 69 per cent had no access to improved sanitation (Slater 2011). Diarrhoea is challenging for children.

Despite its prevalence the causes of early childhood malnutrition are not well understood in the Pacific (World Bank 2006:51). Many argue¹² that this reflects lack of knowledge about the impacts of early weaning and adequate dietary needs, which leads to a tendency among Pacific Islanders to buy food of poor nutritional quality for children. In many

⁷ Kiribati—Ministry of Finance and Education Planning (2007:25); ADB (2009:33); Fiji—Ministry of National Planning (2010).

⁸ Tuberculosis prevalence is particularly high in the Federated States of Micronesia, Kiribati, Palau, RMI, Solomon Islands and Vanuatu, where it is above 60 per 100 000. Leprosy is a challenge in the Federated States of Micronesia, Kiribati and RMI. In Solomon Islands, malaria is the leading cause of outpatient visits.

⁹ World Bank (2006:52); South Pacific Commission [SPC] Kiribati (2007:38f).

¹⁰ Also obstructive pulmonary diseases, hypertension, diabetes and end-stage renal disease (World Bank 2006:51; Kidd & Mackenzie 2011; Freeland & Robertson 2011; Slater 2011; Amosa & Samson 2011). In Kiribati the annual number of diagnosed new cases of diabetes rose from more than 100 in 1992 to 1100 in 2001 (World Bank 2006:51).

¹¹ Population ageing is slower in Solomon Islands and Vanuatu, but is a significant challenge in other PICs.

¹² Including Food and Agriculture Organization (2003) and Freeland & Robertson (2011).

countries poverty is also a factor given that poor families are unable to access sufficient food or do not have the cash to buy quality food.

4.4. Health financing and access to health services

Across the Pacific health systems are funded by government, but often with significant development partner support. Primary healthcare facilities are available to most, even on the Outer Islands. Finding qualified staff can be a challenge and a skills flow out of the region may have reduced the number of local qualified staff. However, despite relatively high levels of spending on health, the World Bank (2006:58) has noted that the quality of health services, especially in rural areas, is poor. This is partly because of the significant bias in health spending in favour of tertiary care in hospitals, which are usually found in urban areas. In fact, hospitals can absorb more than half of government health budgets (World Bank 2006:54ff). Preventive health services are also inadequately financed.

Inequity in access to health services is one consequence of the spending imbalance in favour of tertiary care (World Bank 2006:55). In countries with more concentrated populations, such as Samoa and Tonga, a large proportion of people can access outpatient care at hospitals. But in countries with more dispersed populations, such as Kiribati, Solomon Islands and Vanuatu, access to better-funded hospital services is unequal, with Outer Island residents experiencing high transport costs.¹³ Countries also spend a significant amount on referring patients overseas for treatment, often to Fiji, Hawaii and New Zealand. In Samoa and Tonga, this accounts for 15 to 17 per cent of public health expenditure and may favour wealthier inner-island residents.¹⁴ Development partners finance much of this spending in some countries.¹⁵

Although much health service is free or subsidised, it is not without cost. Samoa charges fees and Kiribati and Tonga recently introduced charges for some medical services.¹⁶ Health expenditure is not necessarily high, however, with household survey data in Kiribati, Samoa, Solomon Islands and Vanuatu indicating it is no more than 1.5 per cent of non-food household expenditure.¹⁷

¹³ Poor people in Fiji, RMI and Tonga have reported that transportation costs are a significant deterrent to using health services (World Bank 2006:64). In Vanuatu, 98 per cent of hospital in-patients come from predominantly urban islands where hospitals are located (World Bank 2006:55). The Kiribati Government tries to address the balance by paying for food and essential expenses of one relative to care for an in-patient (Kidd & Mackenzie 2011).

¹⁴ Samoa's Overseas Treatment Scheme absorbs 14 per cent of the government's health budget but treats only 0.1 per cent of the population (World Bank 2006:64).

¹⁵ Those supported by Taiwanese funding must travel to Taiwan for treatment. The New Zealand Medical Treatment Scheme covers seven countries: Fiji, Kiribati, Samoa, Solomon Islands, Tonga and Tuvalu (World Bank 2006:65).

¹⁶ ADB (2009:83); Chung 2010. Also, the World Bank (2006:64) is concerned that the low costs charged by hospitals for higher quality outpatient services could attract people away from local health posts.

¹⁷ Analysis undertaken by David Abbott for AusAID.

5. Strategies to improve human development outcomes

Although government budgets are tight across the Pacific, much can be done to improve human development outcomes and provide equitable access to good quality public services. This requires a two-pronged approach of higher investment in services for poor families and rural dwellers and addressing financial barriers to accessing services. Social transfers, by tackling poverty, may have a role to play in improving health and education outcomes.

5.1. Addressing the private costs of accessing education and health services

The Universal Declaration of Human Rights endorsed free basic education as a fundamental human right. Expanding fee-free basic education across the Pacific should encourage more children to enter or remain in primary school. In recent years, fee-free basic education has received significant financial support from AusAID, thereby enabling it to be introduced in Samoa, Solomon Islands and Vanuatu (Amosa & Samson 2011; Freeland & Robertson 2011).¹⁸

However, there is a danger that the MDG-focus on primary education may draw attention away from the need to invest more in secondary education. If Pacific Islanders are to compete in the labour market, many more children—in particular from poor families—need to complete secondary education. Yet secondary school fees remain a major barrier for poor families and expanding fee-free education to secondary schools, including for children from rural areas who have to attend boarding schools, should be considered.

Removing school fees will not eradicate all financial barriers faced by children at school. Governments should examine whether they can provide poor families with support to cover other costs such as books and transport. Fiji, for example, recently provided free transport to school children and is now providing free school books.

Removing school fees without addressing quality issues is only a partial solution. Governments need to ensure that all schools—including those accessed by poor children—receive adequate investment to improve quality. PIC governments should rebalance overall education investment to better support primary and secondary education from its current bias towards tertiary education, which benefits the better-off (World Bank 2006:46).

In the health system spending needs to be rebalanced so affordable health services are accessible in more remote regions. This may involve shifting some spending to primary health services from urban hospitals and having governments give priority to more vulnerable groups. Samoa, for example, provides subsidised healthcare to the elderly and free transport on ferries (Amosa & Samson 2011).

There are increasing calls to introduce social health insurance in the Pacific to help finance the health system. This is being explored in Fiji, Tonga and Vanuatu, while Kiribati is considering building health insurance into its Provident Fund (Kidd & Mackenzie 2011). But health insurance tends to benefit the better-off who can afford contributions and, across developing countries, there is little evidence it is an effective service for poor people. The relative merits of progressive taxation—as against insurance mechanisms—need examining.

¹⁸ In Vanuatu fees are being removed over three years.

A key priority should be on keeping health spending in check. NCD growth is a concern because it will significantly increase health costs and further bias spending to the better-off. In 1999 treatments for major NCDs were already absorbing between 11 and 27 per cent of health spending in Fiji, Samoa and Tonga (World Bank 2006:57). Ensuring adequate investment in effective preventive and health promotion services may put a break on the increase in NCDs and free resources for primary healthcare services in more remote areas.

5.2. Addressing human development outcomes through social transfers

Recent years has seen growing evidence that social transfers play an important role in addressing poverty and contributing to better health and education outcomes for the poor.¹⁹ For example, in South Africa, old age pensions and child grants have helped tackle malnutrition, with children growing by up to an additional five centimetres, which likely benefits their cognitive development and school performance (Duflo 2000; Agüero et al. 2007). Cash transfers also enable poor families to send their children to school, and there is evidence of improved health outcomes and use of health facilities as a result of these transfers (Hanlon et al. 2010).

Given that poverty is often a root cause of poor health and poor education, a key policy question for PICs is whether greater investment in social transfers would address poverty and improve health and education among the poor.

Despite the number of social transfer programs in the region, their impact on health and education has not been systematically evaluated. There is some indicative evidence that these programs are having an impact on poverty in the Pacific. For example, the universal pension in Kiribati—which provides \$40 a month to everyone 67 to 69 years of age and \$50 to those over 70 years of age—is estimated to have reduced the poverty rate in beneficiary households by 24 per cent, while in Samoa a pension of \$55 a month for everyone over 65 years of age has reduced the poverty rate in beneficiary households by 15 per cent (Kidd & Mackenzie 2011; Amosa & Samson 2011). Simulations undertaken by Samson (2011) using household survey data, suggest that introducing other social transfers could lead to similar results.²⁰ For example, in Kiribati, a grant of \$15 a month for each child would reduce the poverty rate in beneficiary households by 11 per cent (Kidd & MacKenzie 2011).

Across the Pacific, poverty appears to play some role in hindering good outcomes in health and education. Social transfers, unconditional or conditional, (Box 2) may help poor families improve their health and education, as happens elsewhere in the world. This requires further investigation. Certainly, recent qualitative research in Fiji by Sibley (2011) indicates that the \$53 a month provided by FAP is a precious resource for many households, enabling most to improve diets by buying a wider variety of food.²¹ This may improve the health of family members and tackle stunting in children. Furthermore, beneficiaries use the cash to pay for medical expenses, while families with children can spend up to six months of benefits on helping their children gain an education (Sibley 2011).

The potential of social transfer programs to have positive impacts on health and education is further suggested by evidence from the Pacific indicating that higher family incomes result in improved health and education. A recent study by Lordan et al. (2011) in Fiji found that a 1 per cent increase in income results in a 4 per cent decrease in the probability of contracting an incapacitating disease. A similar increase in assets—an indicator of longer-term higher incomes—leads to a 15 per cent decrease. There is evidence from Tonga that income gained through New Zealand's Regional Seasonal Employer program has increased school attendance by 20 percentage points among 16 to 18 year olds (Gibson & McKenzie 2010).

¹⁹ DFID (2011) provides a relatively comprehensive review of the evidence for this.

²⁰ Caution needs to be exercised in interpreting simulation results because they make specific assumptions on household behaviour. For example, they assume that household size remains constant and that other household income does not change. Nonetheless, these simulation results are widely used for assessing potential impacts of social transfer programs.

²¹ Two-thirds of the FAP benefit is cash and one-third food vouchers.

Box 2: Conditional cash transfers

In recent years, there have been calls for conditional cash transfers (CCTs) to be introduced into the Pacific to encourage families to send their children to school. Families receive CCTs if they send their children to school for a minimum number of days. Despite the enthusiasm for CCTs around the world, there is no credible evidence that they have positive impacts because of the conditions imposed (Fiszbein & Schady 2009; Kidd & Calder 2011).

The evidence suggests it is the cash that makes the difference and that most poor families are motivated to use it to benefit their children. There are concerns that CCTs may be biased against the most vulnerable families because these families may find it difficult to comply with the conditions and also because of evidence that children are being psychologically damaged by them (Baird et al. 2010). Concerns are increasing that CCTs may reduce school attendance, by giving the message that children only have to attend school 85 per cent of the time, rather than each day (Kidd & Calder 2011).

On this type of evidence, there appears to be little reason to make social protection programs conditional. Unconditional child grants, which are much simpler to implement, are likely to have a similar impact on children's education.

6. Conclusions and recommendations

Pacific Island governments face difficult choices as they seek to improve the wellbeing of all their citizens in the face of economic challenges and limited public budgets. Further investment is required across a wide range of social policy areas and this challenge should not be under-estimated in a context of constrained government finances. Development partners play an important role in supporting governments and recent initiatives to address access to services—for example, in providing fee-free education—are an encouraging trend.

Evidence from around the world indicates that improvements in wellbeing among the poor require a comprehensive approach to social investment. Pacific Island governments need to improve the quality of public services and ensure everyone has equitable access to them, in particular the poor and those living in more remote areas and islands. But, given the reality of poverty for many families in the region, Pacific Island governments also need to consider if investment in health and education should be accompanied by greater efforts to tackle poverty directly by introducing and/or further expanding social transfer programs. International evidence indicates that such programs can be a powerful policy instrument in reducing poverty and improving human development outcomes, complementing initiatives to increase employment and other livelihood opportunities. They may well have similar impacts in the Pacific.

7. References

- Abbott, D & Pollard, S 2004, 'Hardship and Poverty in the Pacific', Asia Development Bank, Manila, Philippines.
- Asian Development Bank 2006, 'Pacific Regional Social Protection Systems Assessment', report prepared for the Asian Development Bank–TA 6207: REG.
- Asian Development Bank 2009, 'Kiribati Social and Economic Report 2008: Managing Development Risk', *Pacific Studies Series*.
- Aguero, J, Carter, M & Woolard, I 2007, 'The Impact of Unconditional Cash Transfers on Nutrition: the South African Child Support Grant', working paper no. 39. Brasilia: International Poverty Centre.
- Amosa, D & Samson, M 2011, Samoa country case study, AusAID, Canberra, Australia.
- AusAID 2010, *Access to Education Program, Fiji: Program Design Document*, AusAID, Commonwealth of Australia, Canberra, Australia.
- Baird, S, McIntosh, C & Ozler, B 2010, 'Cash or Conditions: Evidence from a Randomized Cash Transfer Programme', policy research working paper no. 5259 and *Impact Evaluation Working Series* no. 45. World Bank Development Research Group, Poverty and Inequality Team, World Bank, Washington DC.
- Bessel, S 2009, 'Strengthening Fiji's Education System: A View from Key Stakeholders', *Pacific Economic Bulletin*, vol. 24, pp. 58-70.
- Case, A 2001, 'Does Money Protect Health Status? Evidence from South African Pensions', National Bureau of Economic Research, working paper no. 8495. National Bureau of Economic Research, Washington DC.
- Chand, S & Clemens, MA 2008, 'Skilled Emigration and Skill Creation: A Quasi-Experiment', working paper no. 152. Center for Global Development, Washington DC.
- Chung, M 2007, 'No Fit State: Housing for the urban poor in Fiji', Ecumenical Centre for Research Education and Advocacy, Suva, Fiji.
- Chung, M 2010, 'The extent of poverty and vulnerability in Tonga', unpublished paper, prepared for ADB.
- Department for International Development 2010, 'The neglected crisis of undernutrition: DFID's Strategy', DFID, London, United Kingdom.
- Department for International Development 2011, 'Cash Transfers Evidence Paper, Policy Division 2011', DFID, London, United Kingdom.
- Duflo, E 2000, 'Grandmothers and Granddaughters: Old Age Pension and Intra-household Allocation in South Africa', National Bureau of Economic Research working paper no. 8061. National Bureau of Economic Research, Washington DC.
- Food and Agriculture Organization 2003, *Nutrition Country Profile Vanuatu*, Rome, Italy.
- Fiszbein, A & Schady, N 2009, *Conditional Cash Transfers: Reducing Present and Future Poverty*, World Bank, Washington DC.
- Freeland, N & Robertson, K 2011, 'Vanuatu country case study', AusAID, Commonwealth of Australia, Canberra, Australia.

- Gibson, J & McKenzie, D 2010, 'The Development Impact of a Best Practice Seasonal Worker Policy', discussion paper series, CDP no. 29/10. Centre for Research and Analysis of Migration, Department of Economics, University College, London, United Kingdom.
- Government of Kiribati 2005, *Kiribati Islands. A Situation Analysis of Children, Women and Youth*, UNICEF Pacific Office, Suva, Fiji.
- Government of Vanuatu 2010, *Vanuatu: Millennium Development Goals Report*, United Nations and Government of Vanuatu.
- Hanlon, J, Barrientos, A & Hulme, D 2010, *Just Give Money to the Poor: the Development Revolution from the Global South*, Kumarian Press, Sterling, United States.
- Hayes, G 2009, 'Population Ageing in the Pacific Islands; Future Prospects and Emerging Challenges', paper presented at the 2009 Conference of the Population Association of New Zealand, *Distinct Communities, Diverse Populations, Different Futures: Towards 2030*, 31 August to 1 September 2009, Wellington, New Zealand.
- Kidd, SW, Wylde, E & Tiba, Z 2010, 'Building a Social Protection Floor in Pakistan', unpublished report for UNICEF Pakistan.
- Kidd, SW & Calder, R 2011, *Conditional Cash Transfer Programmes: their relevance for Nepal*, Development Pathways and DFID, Nepal.
- Kidd, SW & Mackenzie, U 2011, 'Kiribati country case study', AusAID, Canberra, Australia.
- Lordan, G, Soto, EJ, Brown, RPC & Correa-Valez, I 2011, 'Socio-Economic Status and Health Outcomes in a Developing Country', *Health Economics*.
- Miller, C, Tsoka, M & Reichert, C 2008, 'Impact Evaluation Report: External Evaluation of the Mchinji Social Cash Transfer Pilot', unpublished manuscript, Boston University School of Public Health, Boston, United States.
- Ministry of Finance and Economic Planning Kiribati 2007, *Republic of Kiribati–Millennium Development Goals*, Kiribati: Ministry of Finance and Economic Planning.
- Ministry of Education Kiribati 2008a, *Digest of Education Statistics 2008*, Kiribati Ministry of Education, Statistics Unit.
- Ibid., 2008b, 'Cooperation for the Enhancement of Quality Education Outcomes for our Children. Kiribati National Education Summit Outcomes; Education Sector Strategic Plan', Kiribati Ministry of Education.
- Ministry of National Planning, Fiji 2010, *Millennium Development Goals: 2nd Report, 1990-2009*, Report for the Fiji Islands, Ministry of National Planning, Suva, Fiji.
- National Statistics Office, Secretariat of the Pacific Community and Macro International Inc. 2007, 'Solomon Islands 2006-07 Demographic and Health Survey', National Statistics Office, Honiara, Solomon Islands.
- Parks, W, Abbott, D & Wilkinson, A 2009, 'Protecting Pacific Island Children and Women during Economic and Food Crises: a Working Document for Advocacy, Debate and Guidance', UNICEF Pacific, United Nations Development Programme Pacific Centre, United Nations Economic and Social Commission for Asia and the Pacific Operations Centre, Suva, Fiji.
- Pacific Islands Forum Secretariat 2011, *2011 Pacific Regional MDGs Tracking Report*, Pacific Islands Forum Secretariat.
- Samson, M, Lee, U, Ndlebe, A, MacQene, K, van Niekerk, I, Gandhi, V, Harigaya, T & Abrahams, C 2004, *The Social and Economic Impact of South Africa's Social Security System*, Economic Policy Research Institute Research.
- Samson, M 2012, 'Micro-simulation analysis of social protection interventions in Pacific Island countries', AusAID, Canberra, Australia.

Sibley, J 2011, 'Fiji Department of Social Welfare FA Beneficiary Qualitative Study', World Bank unpublished manuscript.

Slater, R 2011, 'Solomon Islands country case study', AusAID, Canberra, Australia.

Secretariat of the Pacific Community 2007, *Kiribati 2005 Census. Volume 2: Analytical Report*, SPC, New Caledonia.

United Nations Educational, Scientific and Cultural Organization, Institute for Statistics 2009, <<http://data.un.org/>>, viewed at 13 April 2011.

Vanuatu Ministry of Education 2008, *Youth Development and Training: Digest of Education Statistics*, Ministry of Education and Youth Development and Training, Vanuatu.

World Bank 2006, *Opportunities to Improve Social Services: Human Development in the Pacific Islands*, World Bank.