

POVERTY STUDY 2018/19



STATISTICAL INSTITUTE OF BELIZE

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MORE THAN HALF OF BELIZE’S POPULATION LIVING IN POVERTY IN 2018

BACKGROUND:

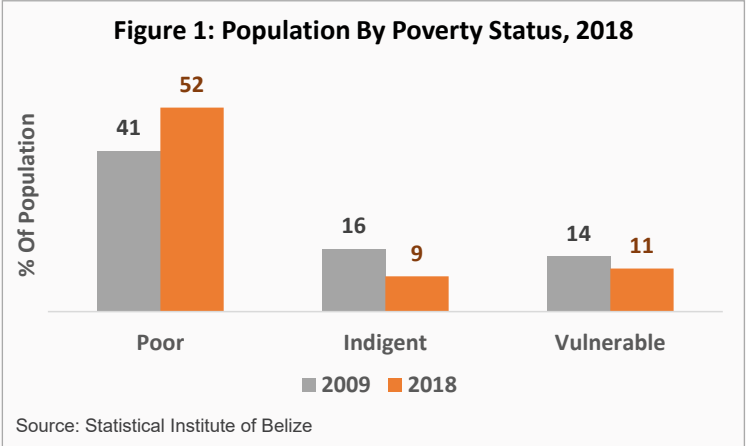
During the first quarter of 2020, the Statistical Institute of Belize, with the assistance of Statistics Canada, undertook a Poverty Study using information collected from the 2018/19 Household Budget Survey. The last comprehensive poverty study was carried out in 2009 as part of a Country Poverty Assessment (CPA); therefore, the objective of this study was to produce updated statistics on the prevalence of poverty in the country since the last CPA.

The 2018 Poverty Study used the ‘Cost of Basic Needs Approach’ to measure absolute poverty, which was the same methodology used in the 2009 CPA. This method estimates the cost of acquiring enough food for adequate nutrition plus the cost of non-food items such as clothing and shelter, among other things. The annual cost of acquiring food items is defined as the Minimum Food Basket (MFB) or the indigence line, and the total cost of obtaining food and non-food items is defined as the General Poverty Line (GPL). In 2018, the GPL was \$7,961 and the indigence line was \$2,682.

Households were classified as ‘poor’ if their annual expenditures were below the GPL and ‘indigent or critically poor’ if their annual expenditures were below the MFB. It is important to note that the results of this study estimated the level of poverty in 2018, which is just prior to the COVID-19 pandemic.

NATIONAL POVERTY RATES:

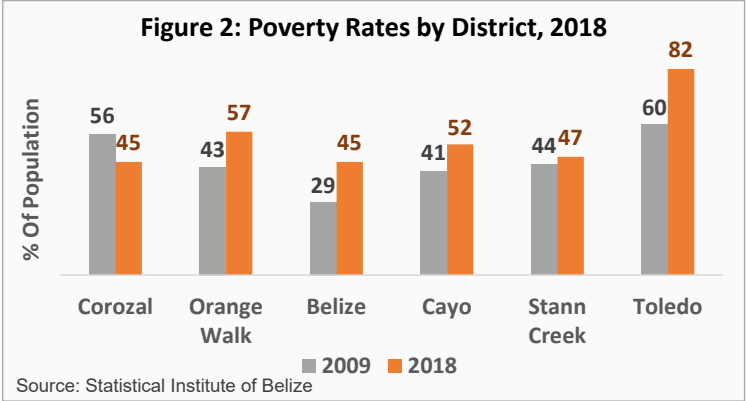
There were approximately 106,202 households in Belize in 2018, with an estimated population of 389,235 persons. Of the total population, about 52 percent or 201,616 persons were living in poverty, compared to 41 percent or 136,640 persons in 2009 (see Figure 1). Among the ‘poor’ population, about 9 percent or 35,663 persons were indigent or critically poor, compared to almost 16 percent or 52,185 persons in 2009. About 11 percent or 42,590 persons were classified as vulnerable to poverty in 2018. These were persons who were ‘not poor’ but were at risk of falling into poverty if they experienced some type of economic shock or natural disaster.



POVERTY RATES BY AREA:

The poverty rate in the rural areas of the country rose slightly in 2018 to 59 percent, compared to 55 percent in 2009. However, the level of poverty in the urban areas showed a more significant increase from 28 percent in 2009 to 43 percent in 2018.

All districts, except for the Corozal district, saw increases in the level of poverty in 2018 when compared to 2009 (see Figure 2). Corozal had the lowest poverty rate in 2018 at 45 percent. It also showed the largest decline in the indigence rate, from 16 percent in 2009 to 5 percent in 2018. As in 2009, the Toledo district experienced the highest rate of poverty in 2018 at 82 percent, a sharp increase from 60 percent in 2009. This district also had the highest indigence rate in 2018 at 30 percent.



POVERTY RATES BY AGE GROUP:

The highest rate of poverty was seen among children (0-14 years) at almost 60 percent (see Table 1). This group also experienced the highest level of indigence at 12 percent. In contrast, the elderly population (65 years and older), showed the lowest level of poverty at 43 percent. This suggests that the older a person gets, the more likely they are to secure income, which decreases the likelihood of them falling into poverty.

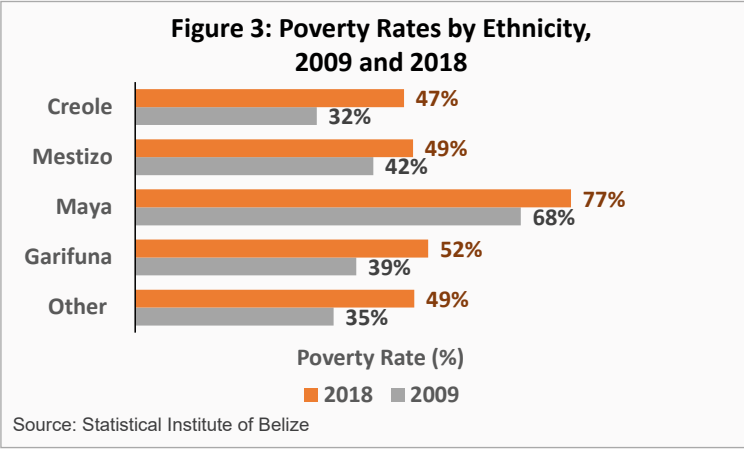
Table 1: Poverty Rates by Age Group, 2018

Age Group	Indigent (%)	All Poor (%)	Not Poor (%)
0-14	12.2	59.8	40.2
15-24	9.7	57.1	42.9
25-44	6.6	45.5	54.5
45-64	6.3	43.4	56.6
65+	9.5	42.6	57.4

Source: Statistical Institute of Belize

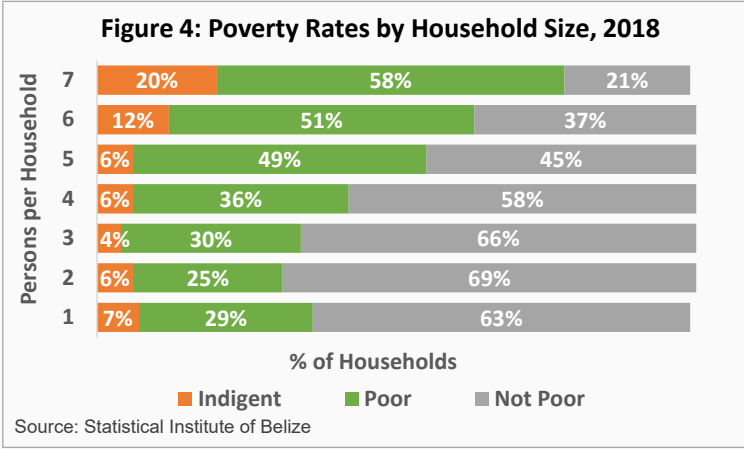
POVERTY RATES BY ETHNICITY:

Among the ethnic groups, the Mayans had the highest poverty rate in 2018 at 77 percent (see Figure 3). This was the only ethnic group with a poverty rate above the national average. On the other hand, the Creoles had the lowest poverty rate at 47 percent. However, this group showed the largest change in the level of poverty since 2009, with an increase of 15 percentage points.



POVERTY RATES BY HOUSEHOLD SIZE:

In 2018, the level of poverty was found to be highest among larger households. Households with 7 or more members had the highest poverty rate at 79 percent and an indigence rate of 20 percent (see Figure 4). In contrast, the poverty and indigence rates for one-member households was 37 percent and 7 percent, respectively.



POVERTY RATES BY HOUSEHOLD TYPE:

About 44 percent of all households in Belize were estimated to be living in poverty in 2018. The level of poverty among households with children was considerably higher at 51 percent, compared to those without children at 33 percent. The average household size with children was 4.6 and those without children was 1.8.

POVERTY RATES AMONG THE ELDERLY POPULATION:

Approximately 43 percent of the elderly population were living in poverty in 2018. Those living with other family members experienced the highest level of poverty at 46 percent. Elderly couples saw the lowest level of poverty at 33 percent. About 12 percent of elderly persons who lived alone were critically poor.

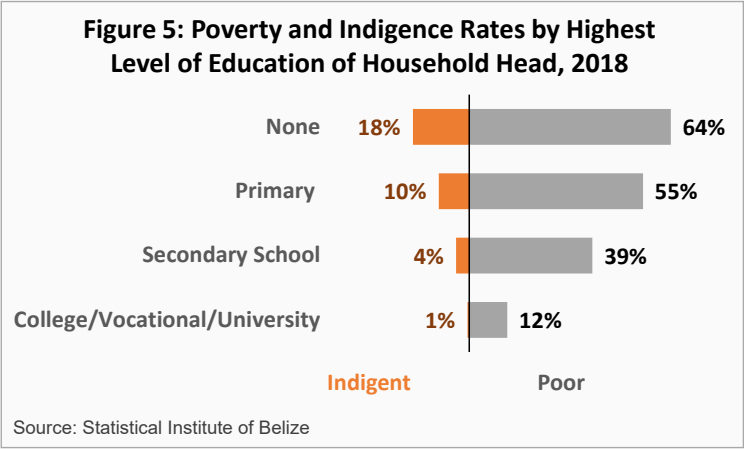
Table 2: Poverty Rates Among the Elderly Population, 2018

Living Situation	Indigent (%)	Poor/ Not Indigent (%)	All Poor (%)	Not Poor (%)	% Of Elderly
Single Elderly	12	33	45	55	15
Elderly Couple	11	22	33	67	23
Living With Other Family Members	8	37	46	54	62
All Elderly	10	33	43	57	100

Source: Statistical Institute of Belize

POVERTY RATES BY HIGHEST LEVEL OF EDUCATION:

The 2018 Poverty Study showed a correlation between educational attainment and a household’s poverty status. Households whose heads had not completed any level of education had the highest poverty and indigence rates at 64 percent and 18 percent, respectively (see Figure 5). On the other hand, households whose heads had attained a tertiary level education had the lowest poverty and indigence rates at 12 percent and 1 percent, respectively.



INCOME INEQUALITY:

The 2018 Poverty Study also estimated the level of income inequality in the country using the GINI Index or Coefficient. The coefficient ranges from 0 to 1, with 0 representing no inequality and 1 representing complete inequality. As Figure 6 shows, the GINI Index in 2018 was 0.49, indicating that the level of income inequality in the country was not extreme. However, it should be noted that the level of income inequality has increased since 2009, when the GINI Index was at 0.38.

