

December 2017 Quarter

07 Mar 2018

## **Summary Table**

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Review	

	Sep 2017 Quarter	Dec 2017 Quarter
Employment Number	24,039	24,177
Total Wages (000)	\$134,621	\$137,381
Average Wages	\$5,601	\$5,684
Received		
Employment Growth	-2.7%	-2.9%
(% change over the quarter of last year)		

Employment &Wage

Index

Employ-

ment by

Industry

## **OVERVIEW**

Employment numbers in the December 2017 quarter went down by 2.9% over the December 2016 quarter. But comparisons on a quarterly basis shows employment numbers went up by 0.6% compared to September 2017.

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Employ- 2-3

Wages and Salaries for the December 2017 quarter recorded increases both on a yearly and quarterly basis of 3.2% by 2.1% respectively. This was influenced by the increase of wages paid out in industries such as Other Manufacturing, Water, Accommodation, Public Administration and Commerce.

12 Months Review

# QUARTERLY REVIEW EMPLOYMENT INDEX

Table 1: Employment & Wage Index (2009=100)

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		Dec 16	Mar 17	Jun 17	Sep 17	Dec 17
ŝ	Employment Index	114	112	111	110	111
	% change	1.8	0.1	-1.0	-2.7	-2.9
	Wage Index	120	123	123	126	128
	% change	1.8	1.4	0.8	3.0	6.7

Annex— Employment tables

Back-

ground information

According to Table 1, formal employment index has recorded three consecutive quarters of negative growth (starting from June 2017). Despite

the 2.9% decline in employment numbers compared to December 2016; wage index had an increase of 6.7% in December 2017 compared to corresponding quarter of previous year. The wage index has had positive growth for 9 consecutive quarters since December 2015.

Chart 1: Employment Index, Dec 2014—Dec 2017

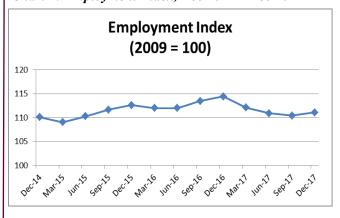


Chart 1 indicates the Employment index trend from December 2014 to December 2017. The trend looks consistent with slight fluctuations. The industries with negative growth that had great impact to this downturn in the period under review on a yearly basis were Other manufacturing (down by 28.8%), Construction (down by 18.8%), Restaurants (down by 9.8%), Other services (down by 9.8%) and Communication (down by 5.2%).

A recurrent trend appears in Chart 1 showing peaks in December quarters followed by a slight drop in the subsequent quarter. The Other manufacturing industry has experienced 7 consecutive quarters of negative growth since March 2016. Both Agriculture and Fishing have had negative growth for 5 consecutive

quarters. However, considering their contribution percentage, the impact is very minimal.

The main industries which contributed to the decrease in employment in December quarter are as follows:

Chart 2: Other Manufacturing Employment Index

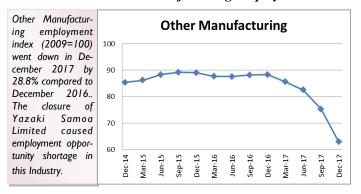
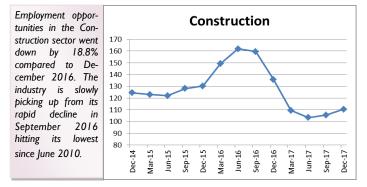


Chart 3: Construction Employment Index



#### WAGE INDEX

Chart 4: Wage Index, Dec 2014—Dec 2017

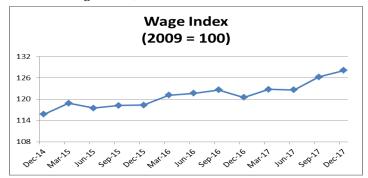


Chart 4 shows the trend in the wage index from December 2014 to December 2017. The index notes continuous positive growth with the highest being the quarter under review as it stood at 128. In December 2017, the wage index went up by 6.3% compared to December 2016 quarter

and also went up by 1.5% increase compared to September 2017.

The main industries that had positive contributions to the rise in wages paid out to employees working in sectors includes Other Manufacturing, Restaurants, Accommodation, Public Administration, Water and Agriculture. Other Manufacturing wages increased by 81.3% due to severance packages given to employees of Yazaki Samoa.

#### **EMPLOYMENT LEVELS**

Table 2: Employment & Wages, December 2017 Quarter

Employed Persons, Total Wages & Average Quarterly Wages Dec 2017									
Total % Male % Female %									
Total Employed	24,177	100.0	13,815	57.1	10,362	42.9			
Total Wages (\$m)	137.4	100.0	75.1	54.7	62.3	45.3			
Quarterly Average Wages (\$)	5,684		5,437		6,011				

The total number of employed persons in the formal sector was about 21,177 in December 2017 as indicated in Table 2 above

Total wages amounted to \$137.4 million; males received 54.7% share while males received the remaining 45.3%. In terms of quarterly average wages, females earned more than males. According to Table 2, females quarterly wages amounted to \$6,011 and males quarterly average wages were \$5,437.

Table 3: Distribution of Employment by Industry, Dec 2017

				Sect	or	
Year	(No.) (%)	Total	Primary	Sec- ondary	Ser- vices	Public Admin
Dec-16	(No.)	24904	265	3617	15487	5535
	(%)	100	1.1	14.5	62.2	22.2
Mar-17	(No.)	24399	244	3369	15247	5540
	(%)	100	1.0	13.8	62.5	22.7
Jun-17	(No.)	24137	233	3259	15096	5549
	(%)	100	1.0	13.5	62.5	23.0
Sep-17	(No.)	24039	229	3163	15089	5558
	(%)	100	1.0	13.2	62.8	23.1
Dec-17	(No.)	24177	224	3023	15362	5568
	(%)	100	0.9	12.5	63.5	23.0

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Table 3 shows the employed population by sector, Primary, Secondary, Services and Public Administration from Dec 2016 to December 2017. For the published quarter, the Services sector continued as a major employer accounting for 63.5% of the total formal population. Second to the biggest employer was the Public Administration employing around 23.0% followed by the Secondary Sector with 12.5% while the Primary Sector employed the least amount of workers as it stood at only 0.9% of the total population.

On a year-on-year basis, it is evident that the Public Administration is the only sector have increased in employment numbers in the December 2017 quarter by 0.6% compared to December quarter 2016. Other sectors such as Secondary, Primary and Tertiary have decreased by 16.4%, 15.7% and 0.8% respectively. Overall, the total employed for the quarter under review decreased by 2.9% compared to the same quarter last year.

Table 4 shows the distribution of employment by industry. At the industry level, Public Administration continues to lead the formal sector employment as it made up of 23.0% of the total; of which 48.1% were males and 51.9% were females. Commerce was the second biggest employer comprising 14.9% of the number of people employed.

Table 4: Distribution of Employment by Industry, Dec 2017

Industry	Male No.	%	Female No.	%	Total No.	%
Public Admin	2679	48.1	2889	51.9	5568	23.0
Commerce	2260	62.9	1335	37.1	3596	14.9
Other Servic	1491	53.6	1291	46.4	2782	11.5
Transport	1309	70.2	555	29.8	1864	7.7
Accommodat	902	54.9	740	45.1	1642	6.8
Personal Ser	785	58.2	563	41.8	1347	5.6
Finance Serv	454	40.9	657	59.1	1111	4.6
Health	439	41.6	616	58.4	1056	4.4
Construction	911	90.9	91	9.1	1002	4.1
Other Manuf	527	56.7	402	43.3	928	3.8
Other Busin	459	65.9	238	34.1	696	2.9
Education	162	32.8	332	67.2	493	2.0
Food Manuf	342	70.6	142	29.4	484	2.0
Restaurants	214	54.2	181	45.8	395	1.6
Communicat	223	59.0	155	41.0	378	1.6
Electricity	264	83.8	51	16.2	315	1.3
Water	220	74.8	74	25.2	294	1.2
Agriculture	124	79.0	33	21.0	156	0.6
Fishing	51	75.3	17	24.7	67	0.3
TOTAL	13815	57.1	10362	42.9	24177	100.0

Other Services was the third biggest employer made up of 11.5% of the total; the ratio of males to females was 54:46. Transport, Accommodation, Personal Services and Finance Services were the following biggest employers with shares of 7.7%, 6.8%, 5.6% and 4.6% respectively of the total. However, industries in the Primary sector (Agriculture and Fishing) only employed about 0.6% and 0.3% respectively of the total.

In terms of employment composition by sex, the industries that recorded high percentages of males to females were Commerce, Other Services, Transport, Accommodation, Personal Services, Construction, Other Manufacturing, Other Business Services, Food Manufacturing, Restaurants, Communication, Electricity, Water, Agriculture and Fishing. Females dominated employment opportunities in industries such as Public Administration, Finance Services, Health, Education, Finance Services and Health.

Table 5 shows the male employment data by Industry. Despite the highest number of males being employed in the Public Administration sector (19.4% of total male employed) and also having the highest total wages paid (\$18.7 million), this sector came fifth in terms of average

Table 5: Male wages and average wages, December 2017

Industries	% of Em- ployed	Male	Male Average
	Males to total	Wages (\$m)	Quarterly Wage (\$)
Communication	1.6	2.9	13,050
Finance Services	3.3	4.2	9,163
Health	3.2	3.8	8,743
Electricity	1.9	1.9	7,362
Public Administrat	19.4	18.7	6,974
Water	1.6	1.4	6,388
Other manufacturing	3.8	2.9	5,685
Other services	10.8	8.3	5,558
Personal services	5.7	4.2	5,395
Transport	9.5	6.4	4,884
Food manufacturing	2.5	1.4	4,147
Other business servi	3.3	1.9	4,118
Construction	6.6	3.7	4,034
Commerce	16.4	9.0	3,970
Education	1.2	0.6	3,852
Accommodation	6.5	2.7	3,057
Restaurants	1.6	0.6	3,012
Fishing	0.4	0.1	2,609
Agriculture	0.9	0.3	2,250
Total	100.0	75.0	5,437

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wages, with Communications having the highest average quarterly earning of \$13,050. The industry which accounted for just about 1.6% of the total male employment recorded total wages of \$2.9 million. Finance services and Health had the second and third highest average quarterly wages of \$9,163 and \$8,743 respectively and comprised 3.3% and 3.2% each of the total male employment.

Commerce, the second biggest employer for Males recorded an average quarterly wages of \$3,970 making it the sixth lowest average wages for Males. The lowest average quarterly wages for males were reported in Restaurants, Fishing and Agriculture industries with average wages of \$3,012, \$2,609 and \$2,250 respectively.

Similar to males, Public Administration was the biggest employer (27.9%) for females and also had the highest total wages paid (\$21.7 million), however it was not the highest in terms of average quarterly wages. The Electricity industry recorded the highest average quarterly wages

Table 6: Female wages and average wages, Dec 2017

Industries	% of Em- ployed Female to total	Female Wages (\$mil)	Female Average Quarterly Wage (\$)
Electricity	0.5	0.5	9,499
Finance services	6.3	6.0	9,086
Health	5.9	5.5	8,996
Communication	1.5	1.3	8,672
Public Administrat	27.9	21.7	7,518
Water	0.7	0.5	7,216
Other services	12.5	7.6	5,891
Food manufacturing	1.4	0.8	5,826
Personal services	5.4	3.2	5,678
Other manufacturi	3.9	2.0	4,989
Transport	5.4	2.7	4,904
Other business serv	2.3	1.2	4,876
Construction	0.9	0.4	4,520
Fishing	0.2	0.1	4,349
Commerce	12.9	5.1	3,788
Education	3.2	1.0	2,912
Accommodation	7.1	2.1	2,873
Agriculture	0.3	0.1	2,605
Restaurants	1.7	0.4	2,473
Total	100.0	62.3	6,011

in the December 2017 quarter of \$9,499, followed by Finance Services and Health with average quarterly wages of \$9,086 and \$8,996 respectively. The lowest average quarterly wages for females were reported in the Accommodation, Agriculture and Restaurant industries of \$2,873, \$2,605 and \$2,473 respectively.

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### **TWELVE MONTHS REVIEW:**

(January 2017—December 2017)

Table 7: Employment & Wage Index

	2013	2014	2015	2016	2017
Employment Index	109	109	111	113	111
% change	0.2	0.0	1.8	1.9	-1.6
Wage Index	111	114	117	121	124
% change	3.8	2.7	3.1	2.7	2.9

Table 7 above indicates that the number of employed persons decreased by 1.6% in the year ended December 2017 over the previous year while wage index went up by 2.9%.

The decrease in employment in the year ended December 2017 by 1.6% (401 people) was mainly influenced by the decrease in employment opportunities in industries such as Construction (down by 29.3%), Other manufacturing (down by 13.0%), Restaurants (down by 7.4%), Electricity (down by 4.5%) and Personal Services (down by 4.0%).

Table 8: Employment and Wage, Year 2017

Employed Persons, Total Wages & Average Annual Wages									
	Year ended December 2017								
	Total % Male % Female %								
Total									
Employed	24,188	100.0	10,393	43.0	13,795	57.0			
Total									
Wages (\$m)	536.2	100.0	242.0	45.1	294.2	54.9			
Average Annual Wages (\$)	22,166		21,325		23,284				

Total employed in the year ended December 2017 was 24,188; 43.0% being males and 57.0% being females. Total wages paid amounted to \$536.2 million. Females received the biggest share of total wages with 54.9% of the total and 45.1% being male wages.

Total average yearly wages received in the year ended December 2017 for both males and females was \$22,166. Females recorded the highest average wage of \$23,284

whereas males average wage was lower by \$1,959 compared to female earnings.

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# **Background Information and New Developments**

#### Scope and Coverage

Employment covers all formally registered employees to the Samoa National Provident Fund. This includes all industries in the Primary, Secondary and Tertiary Sectors and the Public Administration (Private and Public Sectors).

#### Classification

The International Standard Industry Classification (ISIC), Revision 3.1 is used to classify the economic activity of businesses in the SNPF Register. Classification of economic activity is important in the determination of the extent and nature of the information collected and the quality of the data compiled. The employees through employers are then classified into various industries using the ISIC Rev 3.1.

#### **Employment and Formal Employment**

#### **Employment**

- Employment is the total number of persons who are engaged in paid work.
- It includes all persons who are either part timers or full time workers and are employed either in the public or private sectors (working for wages)

#### Formal Employment

- Employment that is government regulated, such that workers are ensured a wage and certain employment rights.
- It includes all employees and employers in the formal sectors who have registered under the SNPF.
- It does not include the informal sectors and individual contributors such as proprietors, self-employed workers, unpaid family or volunteer workers, farm workers, and domestic workers.

#### **Employment Index**

 Is a measure of change on the employment numbers, with 2009 as the base year

#### Wage Index

 Is a measure of change on the wages and salaries, it was compiled using the base year of 2009

#### Revisions

Employment Data is supplied by the SNPF on a quarterly basis. This data is input manually by the Finance Statistics Division (FSD) in to the system and is used for compiling and monitoring employment trend by industry. In some cases where there may be a delay in receiving this data, estimates are then used until

the actual numbers are available. Revisions are made later on when actual data are made available to the Bureau.

This update incorporates revisions to the wages and salaries for the September 2016 publication to reflect the increase in the minimum contribution rate of 6% in July 2015 to 7% in July 2016.



#### SBS Vision:

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National Accounts & Finance Statistics Division FMFM II Building, Level 2 PO Box 1151 Apia. Samoa

> Phone: (685) 62006 / 29326 Fax: (685) 24675 E-mail: fsd@sbs.gov.ws

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