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VISITOR EARNINGS & REMITTANCES REPORT MAY 2017

This report is a monthly release of the latest available indicators on the tourism sector and private remittances, with information sourced from the Central Bank, Samoa Bureau of Statistics and the Ministry for Revenue.

Note.

Starting May 2017, visitor earnings calculation have now been revised to reflect average visitor spending and length of stay data collected in the 2012/2013 International Visitor Survey (IVS). Before that, the average visitor expenditure numbers were based on 2002/2003 IVS. The revision starts from August 2012 right up to the latest month. Please note, visitor arrivals are not affected by these revisions just visitor earnings.

Report No.11: 2016/17

May 2017

Total visitor arrivals contracted by 4.8 percent to 11,025 and was also 2.0 percent lower than in May 2016, following a 23.2 percent increase in the previous month.

Despite the drop during the month, there were various activities happening in May 2017 such as annual events like Mother's Day holiday and Conferences for both the Congregational Church of Christ in Samoa (CCCS) and the Assembly of God (AOG). In addition, there were also one off events like the grand opening of the CCCS Church at Malua and China's Vice- Minister's visit to Samoa.

Largely responsible for the lower visitor arrivals in the current month were lower visitors from:

- Europe (down 19.7 percent)
- New Zealand (down 8.2 percent)
- Australia (down 4.2 percent) and;
- American Samoa (down 1.1 percent).

For arrivals by purpose, the bulk of this contraction came from

- Holiday (down 22.1 percent)
- Visiting Friends and Relatives (VFR) (down 16.0 percent).

Furthermore, **total visitor arrivals in the first eleven months of 2016/17** were 1.0 percent lower than the same period in 2015/16. This decline, analysed by purpose of visit, reflected a 49.2 percent drop in **'Sports'** visitors due to a return to normal levels after hosting the Commonwealth Youth Games in September 2015. In addition, visitors on **'Other'** purposes were down by 6.8 percent. However, visitors on **'Holiday'** and **'Business**

and Conferences' both rose by 2.6 percent each whilst **'Visiting Friends and Relatives' (VFR)** edged up slightly by 0.01 percent.

As a result of a 9.3 percent hike in the average visitor expenditure, **total visitor receipts**¹ improved by 4.0 percent (\$1.3 million) to \$34.2 million in May 2017 and was 0.2 percent higher than in May 2016.

Nevertheless, total visitor receipts in the first eleven months of 2016/17 was however, 0.6 percent lower compared to the same period of 2015/16. Underpinning this decline were reductions in earnings from both Sports and 'Other' visitors by 53.0 percent and 11.2 percent respectively. On the other hand, earnings from Holiday, Business and Conferences and VFR visitors went up by 3.7 percent, 3.6 percent and 0.5 percent in that order. By country, earnings from USA, Europe, 'Other' countries and Australia fell by 12.9 percent, 10.4 percent, 10.4 percent and 6.6 percent respectively. In contrast, proceeds from American Samoa and New Zealand visitors grew by 17.6 percent and 4.8 percent respectively.

On the **tourism price index**, the overall index rebounded by 1.3 percent over the month due to a 2.6 percent increase in 'Accommodation' and slight gains from 'Meals & Drinks', 'Miscellaneous', 'Family Obligations' and 'Other Transportation' subgroups.

¹ Tourism earnings has been revised starting 2002 to reflect new average expenditure from 2012.

Total private remittances recorded a seasonal expansion of 19.6 percent to \$35.7 million in the month under review. At this rate, it was also 0.7 percent higher when compared to the same month in 2016. The increase during the month reflected seasonal flows for Mother's Day Celebration and Church Conferences.

The expansion in private remittances was due to increases in funds from its main source countries such as Australia (up \$2.4 million), 'New Zealand' (up \$2.2 million), 'Other countries' (up \$1.4 million) and American Samoa (up \$0.2 million). In terms of recipients, there were increases in remittances directed to 'households and individuals', 'hand-carried cash' and non-profit institutions serving households (NPISH)² during the reviewed month.

The **total inflow of private remittances** for the **first eleven months of 2016/17** edged up by 2.2 percent to \$368.1 million compared to the same period last year. Underpinning the overall increase in the first 11 months, were gains in transfers from 'Other countries' and New Zealand (despite its depreciation against Samoan tala) by 12.1 percent and 4.5 percent respectively. Moreover, transfers from US increased by 8.2 percent following appreciation of US dollar against Samoan tala. In contrast, lower remittances were recorded from American Samoa (down 20.4 percent) and Australia (down 0.7 percent due to its weakened currency against Samoan tala). By recipient, hand carried cash were up by 23.2 percent coupled with a 1.5 percent improvement in funds for 'individuals and families. On the downside, lower remittances were recorded for NPISH and 'In kind' by 44.8 percent and 3.1 percent respectively.

The share of remittance inflows received through money transfer operators (MTOs) registered at 85.8 percent; dropping from 87.9 percent in the previous month. Those that came through the banking system expanded to 14.2 percent from 12.1 percent a month ago.

The average **cost of sending** NZD\$200.00 to Samoa rose modestly to 13.3 percent of total cost from 12.7 percent in the previous month while the cost of sending AUD\$200.00 to Samoa fell further to 10.9 percent of total funds, from 11.0 percent a month ago.

CENTRAL BANK OF SAMOA
16th January 2018

² NPISH refers to Churches, NGOs, Charities etc...

VISITOR EARNINGS & REMITTANCES REPORT

May 2017

Table 1. TOURISM EARNINGS, AVERAGE EXPENDITURE AND TOURISM PRICE INDEX

	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Total arrivals (1)	11,246	12,936	16,482	12,270	12,066	11,393	9,243	18,677	11,916	7,810	9,407	11,586	11,025
Arrivals, by market (1)													
American Samoa	1,281	1,575	2,136	1,447	913	949	1,227	2,926	1,299	812	1,185	1,233	1,219
Australia	2,462	2,411	2,568	2,213	2,533	2,214	1,649	4,551	2,586	1,716	1,647	2,453	2,350
Europe	554	491	556	551	388	401	295	275	253	275	396	401	322
New Zealand	4,479	5,667	7,880	5,769	6,310	5,698	4,117	8,378	5,510	3,279	3,881	5,513	5,062
USA	1,021	1,217	1,479	735	505	762	589	1,064	804	467	907	713	802
Other Countries	1,449	1,575	1,863	1,555	1,417	1,369	1,366	1,483	1,464	1,261	1,391	1,273	1,270
Cruise ships	0	0	0	0	0	0	0	0	0	0	0	0	0
Arrivals, by purpose (1)													
Holiday	3,842	5,176	7,237	5,599	5,652	4,786	3,531	7,238	3,737	2,472	2,727	4,928	3,839
VFR	3,303	3,942	4,719	3,413	3,466	3,569	2,916	8,334	5,125	2,806	3,004	3,710	3,115
Business & Conference	1,377	1,272	1,534	1,026	1,019	968	946	835	738	713	1,050	851	1,419
Sport	286	253	158	141	192	168	33	32	42	80	83	49	208
Other	2,438	2,293	2,834	2,091	1,737	1,902	1,817	2,238	2,274	1,739	2,543	2,048	2,444
Cruise ships	0	0	0	0	0	0	0	0	0	0	0	0	0
Total earnings (2) **	34.11	31.74	38.54	31.24	31.97	30.24	26.95	50.87	29.01	20.46	25.09	32.85	34.17
Earnings, by market (2)													
American Samoa	4.11	3.29	4.49	2.38	1.45	1.24	2.18	6.69	2.73	0.85	2.35	3.26	3.73
Australia	7.57	7.19	6.22	7.16	7.63	8.03	7.11	15.20	7.60	6.19	5.65	8.31	7.31
Europe	0.52	0.39	0.40	0.61	0.36	0.33	0.37	0.42	0.25	0.24	0.52	0.46	0.30
New Zealand (8)	15.03	13.05	18.71	16.36	17.70	16.36	12.63	21.34	13.78	8.07	10.34	16.13	17.45
USA	2.53	3.31	4.14	1.48	1.83	1.60	1.44	3.06	1.88	1.58	3.16	1.28	1.93
Other Countries	4.35	4.52	4.59	3.24	3.00	2.69	3.22	4.16	2.77	3.52	3.07	3.40	3.45
Cruise ships	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Earnings, by purpose (2)													
Holiday	12.85	13.66	17.36	15.23	16.25	10.87	8.64	19.70	9.98	6.76	6.89	13.26	13.28
VFR	12.70	12.01	14.01	10.04	9.74	11.57	13.40	24.70	14.42	7.21	7.26	10.78	12.30
Business & Conference	4.08	3.79	3.54	3.39	3.04	2.47	3.33	2.75	2.59	2.50	3.29	2.94	4.36
Sport	0.99	0.42	0.50	0.29	0.61	0.33	0.06	0.07	0.12	0.17	0.26	0.13	0.74
Other	3.50	1.87	3.12	2.30	2.33	4.99	1.52	3.66	1.89	3.82	7.39	5.74	3.49
Cruise ships	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Average expenditure (3)	3,033	2,454	2,338	2,546	2,650	2,655	2,916	2,724	2,435	2,620	2,667	2,835	3,099
Tourism Price Index	142.0	143.6	145.1	143.7	143.0	142.3	142.2	142.9	143.4	143.4	142.6	142.1	143.9
First Number of Months up to	11	12	1	2	3	4	5	6	7	8	9	10	11
months	months	months	months	months	months	months	months	months	months	months	months	months	months
Total Visitor Arrivals	133,168	146,104	16,482	28,752	40,818	52,211	61,454	80,131	92,047	99,857	109,264	120,850	131,875
<i>Percentage Change</i>	9.8%	9.8%	7.2%	1.9%	-1.2%	-1.3%	-1.7%	-0.2%	-0.4%	-0.8%	-1.2%	-0.9%	-1.0%
Past 3 year average	0.4%	-0.1%	1.0%	2.7%	3.2%	3.5%	3.0%	3.0%	3.5%	3.7%	3.8%	3.9%	3.9%
Past 5 year average	0.9%	0.8%	4.0%	3.5%	3.3%	3.6%	2.9%	2.1%	2.4%	2.4%	2.5%	2.5%	2.6%
Total Visitor Earnings	353.4	385.1	38.5	69.8	101.7	132.0	158.9	209.8	238.8	259.3	284.4	317.2	351.4
<i>Percentage Change</i>	10.3%	10.8%	9.5%	3.2%	0.4%	-0.2%	-1.4%	-0.5%	-1.0%	-1.1%	-1.5%	-0.6%	-0.6%
Past 3 year average	3.5%	-5.9%	7.2%	5.7%	5.4%	5.9%	2.3%	5.1%	9.1%	7.4%	5.9%	4.5%	5.6%
Past 5 year average	6.5%	-1.3%	7.3%	5.5%	2.8%	4.1%	2.1%	3.7%	4.4%	0.7%	2.9%	2.4%	7.1%
Earnings, by market (2)													
American Samoa	26.7	30.0	4.5	6.9	8.3	9.6	11.7	18.4	21.2	22.0	24.4	27.6	31.4
Australia	92.5	99.7	6.2	13.4	21.0	29.0	36.1	51.4	59.0	65.1	70.8	79.1	86.4
Europe	4.8	5.1	0.4	1.0	1.4	1.7	2.1	2.5	2.7	3.0	3.5	4.0	4.3
New Zealand (8)	161.2	174.2	18.7	35.1	52.8	69.1	81.8	103.1	116.9	124.9	135.3	151.4	168.9
USA	26.8	30.1	4.1	5.6	7.4	9.0	10.5	13.5	15.4	17.0	20.2	21.4	23.4
Other Countries	41.4	45.9	4.6	7.8	10.8	13.5	16.7	20.9	23.7	27.2	30.3	33.7	37.1
Cruise ships	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings, by purpose (2)													
Holiday	133.2	146.9	17.4	32.6	48.8	59.7	68.3	88.0	98.0	104.8	111.7	124.9	138.2
VFR	134.8	146.8	14.0	24.1	33.8	45.4	58.8	83.5	97.9	105.1	112.4	123.1	135.4
Business & Conference	33.0	36.8	3.5	6.9	10.0	12.4	15.8	18.5	21.1	23.6	26.9	29.9	34.2
Sport	7.0	7.4	0.5	0.8	1.4	1.7	1.8	1.9	2.0	2.2	2.4	2.5	3.3
Other	45.3	47.2	3.1	5.4	7.8	12.7	14.3	17.9	19.8	23.6	31.0	36.8	40.3
Cruise ships	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

(1) Persons
(2) Tala million
(3) Tala, per person

VISITOR EARNINGS & REMITTANCES REPORT

May 2017

Table 2.

INFLOW OF PRIVATE REMITTANCES

AMOUNTS IN TALA MILLION

	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
By Recipient	35.45	31.11	33.75	36.39	33.04	32.21	33.85	43.56	30.70	26.77	32.30	29.83	35.70
Banknotes	4.47	3.98	4.17	3.82	3.98	3.87	3.77	6.88	5.20	2.65	3.16	2.83	3.54
Churches, school, Charities	1.52	0.61	1.57	3.24	1.05	0.61	0.76	0.45	0.53	0.18	0.30	0.08	0.19
Individual/Family/Households	28.15	25.35	26.17	27.97	26.42	26.44	26.85	34.37	22.76	22.81	27.97	25.09	28.97
In Kind	0.68	0.51	0.52	0.48	0.60	0.48	0.54	0.60	0.50	0.45	0.57	0.48	0.52
Others	0.62	0.65	1.33	0.87	0.99	0.81	1.93	1.26	1.71	0.67	0.30	1.35	2.47
By Country	35.45	31.11	33.75	36.39	33.04	32.21	33.85	43.56	30.70	26.77	32.30	29.83	35.70
USA	5.44	5.31	6.04	4.98	4.44	5.43	5.16	6.43	4.73	4.18	5.74	5.46	5.22
New Zealand	16.44	14.48	14.57	12.80	14.42	11.80	13.87	19.82	13.32	11.61	14.14	14.01	16.18
Australia	10.09	8.87	10.22	13.40	11.50	12.32	12.04	14.32	9.65	8.79	9.59	8.21	10.56
American Samoa	1.74	1.58	1.58	1.69	1.38	1.46	1.50	1.57	1.18	1.22	1.74	1.26	1.47
Others	1.74	0.86	1.34	3.53	1.30	1.20	1.29	1.42	1.81	0.96	1.09	0.89	2.26
By Channel (%)													
Banks	8.7%	8.0%	11.5%	14.8%	8.3%	12.4%	12.4%	8.2%	13.9%	10.9%	9.4%	12.1%	14.2%
Non Banks (1)	91.3%	92.0%	88.5%	85.2%	91.7%	87.6%	87.6%	91.8%	86.1%	89.1%	90.6%	87.9%	85.8%
TOTAL	35.45	31.11	33.75	36.39	33.04	32.21	33.85	43.56	30.70	26.77	32.30	29.83	35.70
First Number of Months up to	11	12	1	2	3	4	5	6	7	8	9	10	11
	months	months	month	months	months	months	months	months	months	months	months	months	months
Total Remittances	360.14	391.25	33.75	70.15	103.19	135.40	169.25	212.81	243.51	270.28	302.58	332.41	368.11
<i>Percentage Change</i>	-6.6%	-6.5%	0.1%	3.5%	3.8%	1.2%	3.8%	2.8%	4.2%	2.6%	3.2%	2.4%	2.2%
3 year average	-0.1%	-0.2%	-1.7%	-0.9%	0.0%	1.4%	-0.5%	-0.7%	-2.0%	-2.2%	-2.2%	-1.9%	-2.2%
5 year average	4.0%	4.1%	12.2%	6.0%	4.0%	4.1%	3.5%	2.0%	1.8%	1.7%	1.5%	1.4%	1.7%
By Recipient													
Banknotes	35.61	39.60	4.17	7.99	11.97	15.84	19.61	26.49	31.69	34.34	37.50	40.33	43.86
Churches, school, Charities	16.25	16.87	1.57	4.82	5.87	6.48	7.24	7.69	8.22	8.40	8.70	8.78	8.98
Individual/Family/Households	291.44	316.79	26.17	54.14	80.56	107.00	133.85	168.22	190.98	213.80	241.77	266.86	295.83
In Kind	5.92	6.42	0.52	1.00	1.59	2.08	2.62	3.22	3.72	4.17	4.73	5.21	5.73
Others	10.92	11.57	1.33	2.20	3.19	4.00	5.93	7.19	8.90	9.57	9.88	11.23	13.70
By Country													
USA	53.45	58.76	6.04	11.02	15.46	20.89	26.05	32.48	37.21	41.39	47.13	52.59	57.81
New Zealand	149.83	164.32	14.57	27.37	41.79	53.59	67.46	87.28	100.60	112.22	126.35	140.36	156.55
Australia	121.43	130.30	10.22	23.62	35.11	47.43	59.47	73.79	83.44	92.23	101.82	110.03	120.59
American Samoa	20.17	21.75	1.58	3.27	4.64	6.11	7.60	9.17	10.36	11.58	13.32	14.58	16.06
Others	15.26	16.12	1.34	4.87	6.17	7.38	8.67	10.09	11.90	12.87	13.96	14.85	17.10

(1) Includes Money Transfer Operators (MTOs) and Foreign Exchange Dealers (FEDs)