

VISITOR EARNINGS & REMITTANCES REPORT AUGUST 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 started from August 2012 to the latest month for visitor earnings only not affecting visitor arrivals.

Report No.2: 2017/18

August 2017

Following its expansions in the past two months, **total visitor arrivals** dropped by 20.4 percent to 14,551 but was 18.6 percent higher than in August 2016.

Despite this drop, there were various annual events that occurred in August 2017 such as Father's Day, Alo Paopao Festival, 10th Annual Pacific Water Conference, BSL Samoa Independence International 7's Competition (SII Sevens) and the Samoa Perimeter Relay.

The drop in visitor arrivals was due entirely to reductions from all its source markets:

- USA (down 44.4 percent)
- New Zealand (down 24.1 percent)
- Other Countries (down 16.1 percent)
- Australia (down 15.1 percent)
- Europe (down 14.1 percent) and;
- American Samoa (down 6.4 percent).

Except for 'Sports', the bulk of this contraction came from purposes as such as:

- Other (down 45.2 percent)
- Visiting Friends and Relatives (VFR) (down 15.9 percent)
- Holiday (down 15.2 percent)
- Business and Conference (down 11.7 percent).

Nonetheless, **total visitor arrivals in the first two months of 2017/18 was 14.1 percent higher** compared to the same period in 2016/17. This increase, analysed by purpose of visit was due to an improvement of more than a double (or 1,595 visitors) in '**Holiday**' visitors coupled with a significant increase of more than two-

fold (or 1,584 visitors) in '**Visiting Friends and Relatives**' (VFR). Moreover, visitors on '**Other**', '**Sport**' and '**Business and Conferences**' purposes also went up by 7.7 percent, 99.0 percent and 8.3 percent respectively.

Although the average visitor expenditure rebounded by 12.5 percent, **total visitor receipts**¹ fell by 10.4 percent (\$4.4 million) to \$38.2 million in August 2017 but was 22.2 percent higher than in August 2016.

Despite the drop in the current month, total visitor receipts in the first two months of 2017/18 went up by 15.7 percent compared to the same period of 2016/17. Underpinning this hike were increases in earnings from 'Sports', 'Other', 'VFR' and 'Holiday' visitors by 79.0 percent, 18.2 percent, 11.7 percent and 8.8 percent in that order, offsetting a 3.0 percent decline in earnings from 'Business and Conferences'. By country, earnings from Australia, American Samoa, New Zealand, USA and 'Other' countries edged up by 34.9 percent, 10.7 percent, 7.2 percent, 1.6 percent and 0.7 percent respectively. In contrast, proceeds from Europe visitors narrowed by 16.1 percent.

On the **tourism price index**, the overall index again increased by 0.6 percent over the month due to a 2.8 percent increase in 'Other Transportation' as well as slight gains from 'Meals & Drinks', 'Car Rentals' 'Miscellaneous' and 'Family Obligations' subgroups.

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

VISITOR EARNINGS & REMITTANCES REPORT

August 2017

Total private remittances in August 2017 recorded a 1.7 percent drop to \$37.0 million but was 1.8 percent higher when compared to the same month in 2016.

The reduction in private remittances reflected decreases in funds from the main source countries such as the USA (down 6.5 percent), American Samoa (down 5.2 percent) and 'Other' (down 55.9 percent) whereas Australia and New Zealand recorded gains of 1.81 percent and 4.9 percent respectively. In terms of recipients, there were reductions in transfers for 'Others' and 'hand-carried cash' during the month.

The **total inflow of private remittances** in the **first two months of 2017/18** edged up by 6.5 percent to \$74.7 million compared to the same period last year. Underpinning the overall increase in the first 2 months, were gains in transfers from Australia (up 8.3 percent) and USA (up 2.7 percent, partially assisted by a 1.5 percent appreciation in US dollar against the Samoan Tala) coupled with a 57.2 percent boost in 'Other' countries. In contrast, transfers from American Samoa fell by 11.5 percent while those from New Zealand slipped by 0.4 percent, following a slight depreciation in the New Zealand dollar in the month under review. By recipient, 'Non-profit institution serving household' (NPISH) and 'hand carried cash' were up by 40.6 percent

and 2.6 percent respectively. However, these gains were outweighed by \$4.4 million, \$2.3 million and \$0.1 million decreases in remittances for 'Other', 'Individuals and families' and 'In kind transfers' in that order.

The share of remittance inflows received through money transfer operators (MTOs) registered at 84.6 percent; improving from 76.6 percent in the previous month. Those that used commercial banks for receiving remittances contracted to 15.4 percent from 23.4 percent a month ago.

After climbing up for the past three months, the average **cost of sending** NZD\$200.00 to Samoa fell to 14.19 percent of total cost from 14.70 percent in the previous month while the average cost of sending AUD\$200.00 to Samoa rose to 10.81 percent of total funds, from 10.51 percent a month ago.

CENTRAL BANK OF SAMOA
24th January 2018

VISITOR EARNINGS & REMITTANCES REPORT

August 2017

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

	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
Total arrivals (1)	12,270	12,066	11,393	9,243	18,677	11,916	7,810	9,407	11,586	11,025	14,153	18,269	14,551
Arrivals, by market (1)													
American Samoa	1,447	913	949	1,227	2,926	1,299	812	1,185	1,233	1,219	1,986	2,754	2,578
Australia	2,213	2,533	2,214	1,649	4,551	2,586	1,716	1,647	2,453	2,350	2,899	3,408	2,893
Europe	551	388	401	295	275	253	275	396	401	322	500	455	391
New Zealand	5,769	6,310	5,698	4,117	8,378	5,510	3,279	3,881	5,513	5,062	6,106	8,345	6,336
USA	735	505	762	589	1,064	804	467	907	713	802	1,024	1,492	830
Other Countries	1,555	1,417	1,369	1,366	1,483	1,464	1,261	1,391	1,273	1,270	1,638	1,815	1,523
Cruise ships	0	0	0	0	0	0	0	0	0	0	0	0	0
Arrivals, by purpose (1)													
Holiday	5,599	5,652	4,786	3,531	7,238	3,737	2,472	2,727	4,928	3,839	6,184	7,810	6,621
VFR	3,413	3,466	3,569	2,916	8,334	5,125	2,806	3,004	3,710	3,115	3,722	5,279	4,437
Business & Conference	1,026	1,019	968	946	835	738	713	1,050	851	1,419	1,400	1,473	1,300
Sport	141	192	168	33	32	42	80	83	49	208	191	281	314
Other	2,091	1,737	1,902	1,817	2,238	2,274	1,739	2,543	2,048	2,444	2,656	3,426	1,879
Cruise ships	0	0	0	0	0	0	0	0	0	0	0	0	0
Total earnings (2) **	31.24	31.97	30.24	26.95	50.87	29.01	20.46	25.09	32.85	34.17	35.43	42.57	38.16
Earnings, by market (2)													
American Samoa	2.38	1.45	1.24	2.18	6.69	2.73	0.85	2.35	3.26	3.73	4.17	4.97	4.54
Australia	7.16	7.63	8.03	7.11	15.20	7.60	6.19	5.65	8.31	7.31	8.81	8.39	9.57
Europe	0.61	0.36	0.33	0.37	0.42	0.25	0.24	0.52	0.46	0.30	0.40	0.34	0.45
New Zealand (8)	16.36	17.70	16.36	12.63	21.34	13.78	8.07	10.34	16.13	17.45	14.34	20.06	18.50
USA	1.48	1.83	1.60	1.44	3.06	1.88	1.58	3.16	1.28	1.93	2.75	4.21	1.72
Other Countries	3.24	3.00	2.69	3.22	4.16	2.77	3.52	3.07	3.40	3.45	4.97	4.62	3.38
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	15.23	16.25	10.87	8.64	19.70	9.98	6.76	6.89	13.26	13.28	16.76	18.89	18.12
VFR	10.04	9.74	11.57	13.40	24.70	14.42	7.21	7.26	10.78	12.30	11.58	15.66	13.17
Business & Conference	3.39	3.04	2.47	3.33	2.75	2.59	2.50	3.29	2.94	4.36	4.27	3.43	4.33
Sport	0.29	0.61	0.33	0.06	0.07	0.12	0.17	0.26	0.13	0.74	0.32	0.90	0.64
Other	2.30	2.33	4.99	1.52	3.66	1.89	3.82	7.39	5.74	3.49	2.50	3.69	1.90
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)	2,546	2,650	2,655	2,916	2,724	2,435	2,620	2,667	2,835	3,099	2,504	2,330	2,623
Tourism Price Index	143.7	143.0	142.3	142.2	142.9	143.4	143.4	142.6	142.1	143.9	145.1	145.8	146.6
First Number of Months up to	2	3	4	5	6	7	8	9	10	11	12	1	2
Total Visitor Arrivals	28,752	40,818	52,211	61,454	80,131	92,047	99,857	109,264	120,850	131,875	146,028	18,269	32,820
<i>Percentage Change</i>	1.9%	-1.2%	-1.3%	-1.7%	-0.2%	-0.4%	-0.8%	-1.2%	-0.9%	-1.0%	-0.1%	10.8%	14.1%
Past 3 year average	2.7%	3.2%	3.5%	3.0%	3.0%	3.5%	3.7%	3.8%	3.9%	3.9%	3.7%	6.1%	4.0%
Past 5 year average	3.5%	3.3%	3.6%	2.9%	2.1%	2.4%	2.4%	2.5%	2.5%	2.6%	2.6%	3.4%	2.6%
Arrivals, by market (1)													
American Samoa	3,583	4,496	5,445	6,672	9,598	10,897	11,709	12,894	14,127	15,346	17,332	2,754	5,332
Australia	4,781	7,314	9,528	11,177	15,728	18,314	20,030	21,677	24,130	26,480	29,379	3,408	6,301
Europe	1,107	1,495	1,896	2,191	2,466	2,719	2,994	3,390	3,791	4,113	4,613	455	846
New Zealand	13,649	19,959	25,657	29,774	38,152	43,662	46,941	50,822	56,335	61,397	67,503	8,345	14,681
USA	2,214	2,719	3,481	4,070	5,134	5,938	6,405	7,312	8,025	8,827	9,851	1,492	2,322
Other Countries	3,418	4,835	6,204	7,570	9,053	10,517	11,778	13,169	14,442	15,712	17,350	1,815	3,338
Cruise ships	0	0	0	0	0	0	0	0	0	0	0	0	0
Arrivals, by purpose (1)													
Holiday	12,836	18,488	23,274	26,805	34,043	37,780	40,252	42,979	47,907	51,746	57,930	7,810	14,431
VFR	8,132	11,598	15,167	18,083	26,417	31,542	34,348	37,352	41,062	44,177	47,899	5,279	9,716
Business & Conference	2,560	3,579	4,547	5,493	6,328	7,066	7,779	8,829	9,680	11,099	12,499	1,473	2,773
Sport	299	491	659	692	724	766	846	929	978	1,186	1,377	281	595
Other	4,925	6,662	8,564	10,381	12,619	14,893	16,632	19,175	21,223	23,667	26,323	3,426	5,305
Cruise ships	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Visitor Earnings	69.8	101.7	132.0	158.9	209.8	238.8	259.3	284.4	317.2	351.4	386.8	42.6	80.7
<i>Percentage Change</i>	3.2%	0.4%	-0.2%	-1.4%	-0.5%	-1.0%	-1.1%	-1.5%	-0.6%	-0.6%	0.5%	10.5%	15.7%
Past 3 year average	5.7%	5.4%	5.9%	2.3%	5.1%	9.1%	7.4%	5.9%	4.5%	5.6%	2.8%	7.1%	1.9%
Past 5 year average	5.5%	2.8%	4.1%	2.1%	3.7%	4.4%	0.7%	2.9%	2.4%	7.1%	5.3%	9.4%	7.2%
Earnings, by market (2)													
American Samoa	6.9	8.3	9.6	11.7	18.4	21.2	22.0	24.4	27.6	31.4	35.5	5.0	9.5
Australia	13.4	21.0	29.0	36.1	51.4	59.0	65.1	70.8	79.1	86.4	95.2	8.4	18.0
Europe	1.0	1.4	1.7	2.1	2.5	2.7	3.0	3.5	4.0	4.3	4.7	0.3	0.8
New Zealand (8)	35.1	52.8	69.1	81.8	103.1	116.9	124.9	135.3	151.4	168.9	183.2	20.1	38.6
USA	5.6	7.4	9.0	10.5	13.5	15.4	17.0	20.2	21.4	23.4	26.1	4.2	5.9
Other Countries	7.8	10.8	13.5	16.7	20.9	23.7	27.2	30.3	33.7	37.1	42.1	4.6	8.0
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	32.6	48.8	59.7	68.3	88.0	98.0	104.8	111.7	124.9	138.2	155.0	18.9	37.0
VFR	24.1	33.8	45.4	58.8	83.5	97.9	105.1	112.4	123.1	135.4	147.0	15.7	28.8
Business & Conference	6.9	10.0	12.4	15.8	18.5	21.1	23.6	26.9	29.9	34.2	38.5	3.4	7.8
Sport	0.8	1.4	1.7	1.8	1.9	2.0	2.2	2.4	2.5	3.3	3.6	0.9	1.5
Other	5.4	7.8	12.7	14.3	17.9	19.8	23.6	31.0	36.8	40.3	42.7	3.7	5.6
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

VISITOR EARNINGS & REMITTANCES REPORT

August 2017

Table 2.

INFLOW OF PRIVATE REMITTANCES

AMOUNTS IN TALA MILLION

	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
By Recipient	36.39	33.04	32.21	33.85	43.56	30.70	26.77	32.30	29.83	35.70	37.06	37.68	37.03
Banknotes	3.82	3.98	3.87	3.77	6.88	5.20	2.65	3.16	2.83	3.54	2.85	4.04	3.75
Churches, school, Charities	3.24	1.05	0.61	0.76	0.45	0.53	0.18	0.30	0.08	0.19	0.07	0.08	2.78
Individual/Family/Households	27.97	26.42	26.44	26.85	34.37	22.76	22.81	27.97	25.09	28.97	26.66	27.16	29.24
In Kind	0.48	0.60	0.48	0.54	0.60	0.50	0.45	0.57	0.48	0.52	0.52	0.51	0.59
Others	0.87	0.99	0.81	1.93	1.26	1.71	0.67	0.30	1.35	2.47	6.96	5.89	0.67
By Country	36.39	33.04	32.21	33.85	43.56	30.70	26.77	32.30	29.83	35.70	37.06	37.68	37.03
USA	4.98	4.44	5.43	5.16	6.43	4.73	4.18	5.74	5.46	5.22	4.80	5.85	5.14
New Zealand	12.80	14.42	11.80	13.87	19.82	13.32	11.61	14.14	14.01	16.18	18.57	13.30	14.05
Australia	13.40	11.50	12.32	12.04	14.32	9.65	8.79	9.59	8.21	10.56	10.86	11.73	13.52
American Samoa	1.69	1.38	1.46	1.50	1.57	1.18	1.22	1.74	1.26	1.47	1.28	1.48	1.36
Others	3.53	1.30	1.20	1.29	1.42	1.81	0.96	1.09	0.89	2.26	1.55	5.31	2.95
By Channel (%)													
Banks	14.8%	8.3%	12.4%	12.4%	8.2%	13.9%	10.9%	9.4%	12.1%	14.2%	24.8%	23.4%	15.4%
Non Banks (1)	85.2%	91.7%	87.6%	87.6%	91.8%	86.1%	89.1%	90.6%	87.9%	85.8%	75.2%	76.6%	84.6%
TOTAL	36.39	33.04	32.21	33.85	43.56	30.70	26.77	32.30	29.83	35.70	37.06	37.68	37.03
First Number of Months up to	2	3	4	5	6	7	8	9	10	11	12	1	2
	months	months	months	months	months	months	months	months	months	months	months	months	months
Total Remittances	70.15	103.19	135.40	169.25	212.81	243.51	270.28	302.58	332.41	368.11	405.17	37.68	74.71
Percentage Change	3.5%	3.8%	1.2%	3.8%	2.8%	4.2%	2.6%	3.2%	2.4%	2.2%	3.6%	11.6%	6.5%
3 year average	-0.9%	0.0%	1.4%	-0.5%	-0.7%	-2.0%	-2.2%	-2.2%	-1.9%	-2.2%	-2.1%	-5.1%	-3.0%
5 year average	6.0%	4.0%	4.1%	3.5%	2.0%	1.8%	1.7%	1.5%	1.4%	1.7%	1.5%	-9.3%	-4.9%
By Recipient													
Banknotes	7.99	11.97	15.84	19.61	26.49	31.69	34.34	37.50	40.33	43.86	46.72	4.04	7.78
Churches, school, Charities	4.82	5.87	6.48	7.24	7.69	8.22	8.40	8.70	8.78	8.98	9.04	0.08	2.86
Individual/Family/Households	54.14	80.56	107.00	133.85	168.22	190.98	213.80	241.77	266.86	295.83	322.49	27.16	56.40
In Kind	1.00	1.59	2.08	2.62	3.22	3.72	4.17	4.73	5.21	5.73	6.26	0.51	1.10
Others	2.20	3.19	4.00	5.93	7.19	8.90	9.57	9.88	11.23	13.70	20.66	5.89	6.56
By Country													
USA	11.02	15.46	20.89	26.05	32.48	37.21	41.39	47.13	52.59	57.81	62.61	5.85	10.99
New Zealand	27.37	41.79	53.59	67.46	87.28	100.60	112.22	126.35	140.36	156.55	175.12	13.30	27.35
Australia	23.62	35.11	47.43	59.47	73.79	83.44	92.23	101.82	110.03	120.59	131.44	11.73	25.25
American Samoa	3.27	4.64	6.11	7.60	9.17	10.36	11.58	13.32	14.58	16.06	17.34	1.48	2.84
Others	4.87	6.17	7.38	8.67	10.09	11.90	12.87	13.96	14.85	17.10	18.65	5.31	8.27

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