Samoa Hardship and Poverty Report

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Samoa

Hardship and Poverty Report

Analysis of the 2013/14 Household Income and Expenditure Survey

Government of Samoa
Samoa Bureau of Statistics
and UNDP Pacific Centre

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Ahmed Moustafa

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Acronyms

ADB	Asian Development Bank
AUA	Apia Urban Area
BNPL	Basic Needs Poverty Line
CPI	Consumer Price Index
FAO	Food and Agricultural Organization
FPL	Food Poverty Line
GDP	Gross Domestic Product
H3D	Highest three expenditure deciles
HCI	Head Count Index
HH	Households
HHH	Household head
HIES	Household Income and Expenditure Survey
ILO	International Labor Organization
IP	Incidence of Poverty
Kcal	Kilocalories
L3D	Lowest three expenditure deciles
LED	Local Economic Development
LDC	Least Developed Country
MDG	Millennium Development Goal
MWCSD	Ministry of Women Community and Social Development
NCD	Non-Communicable Disease
NWU	North-West Upolu
PGI	Poverty Gap Index
PIC	Pacific Island Country
PSET	Physical Science and Everyday Thinking
SAV	Savai'i
SDG	Sustainable Development Goals
SPC	Secretariat of the Pacific Community
SPGI	Squared Poverty Gap Index
TEVT	Technical and Vocational Education and Training
RoU	Rest of Upolu
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
WHO	World Health Organization

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LETTER FROM THE SAMOAN BUREAU OF STASTICS

I am very pleased to present this report on the national basic-needs poverty and hardship indicators for Samoa, based on an analysis of the 2013/14 household income and expenditure survey (HIES). This latest report updates the previous analysis of hardship indicators from the 2008 HIES. I am pleased to be able to report that in the years since the global economic and financial crisis of 2007 and 2008, the results of the 2013/14 HIES indicate clearly that the policies and initiatives implemented by the government have been successful in raising the living standards of everyone in Samoa. This is seen particularly for those living in the rural areas who suffered most during the previous economic recession. The incidence of basic-needs hardship is seen to have fallen slightly in urban Apia and North-west Upolu but to have decreased substantially in the rural areas of Upolu and Savaii.

Expenditure by government on rural reconstruction from the tsunami in 2009 and Tropical Cyclone Evan in 2012 provided the catalyst for a recovery in investment and employment creation in the rural areas. This has been the driver of hardship reduction in these rural areas.

When considering hardship and poverty, as measured by the basic-needs poverty lines in Samoa it is important to remember that these are indicators of the relative level of hardship or well-being experienced by households in Samoa. The purpose of the basic-needs poverty-lines is to assess and define hardship within the context of the cost of meeting a family's basic-needs or a minimum standard of living in Samoa and its sub-regions of Apia, North-west Upolu, Rest of Upolu and Savai'i. It is not an indicator of the existence in Samoa of the absolute or extreme poverty that is seen in the international media. An estimation of National Food and Basic Needs Poverty Lines for Samoa is provided to enable determination of those living above and those living below a minimum standard of living that is appropriate to Samoa.

The report and its findings are therefore an important update on the success of previous policy initiatives and a valuable source of information to guide policies for the future. The findings of this report provide insights into the impact of education, health and diet on the likelihood of a family experiencing hardship. The data help to identify those parts of Samoa that are likely to be most disadvantaged in terms of employment opportunities and housing conditions. The data also identifies those groups in society who are most likely to experience vulnerability to hardship; and importantly these include children.

Government's policy-makers and community leaders are encouraged to study this report and its findings and to ask the staff of the Bureau of Statistics for any additional information they may require to formulate sector plans and policies that would help to improve the lives and wellbeing of the people of Samoa.

Just over two years ago Samoa graduated from its previous status as a Least Developed Country, more recently Samoa has embraced the Sustainable Development Goals (SDGs) as the successor to the Millennium Development Goals (MDGs). These steps give rise to their own challenges and highlight the importance of statistics as a basis for both monitoring progress and providing the "evidence" needed for better policy making in a globally competitive economic environment. This report provides a very valuable source of information and analysis and the Bureau hopes that it will be widely studied and used.

The Government of Samoa is grateful to the UNDP Pacific Centre for its support to the Bureau of Statistics in the production of this report. It is our intention that this, the third report on hardship and basic-needs poverty in Samoa, will be part of a continuing series of such reports to enable Samoa to assess and gauge the country's progress in addressing the needs of the people and to report on the progress towards achieving the Sustainable Development Goals. To this end, the continued assistance of UNDP and of other donor agencies and partners is essential.

Muagututi'a S. Reupena
GOVERNMENT STATISTICIAN

FOREWORD BY UNDP RESIDENT REPRESENTATIVE

As UNDP celebrates its 50th Anniversary globally, it is proud of a legacy of improving the quality of life for millions of people around the world through strategic partnerships with governments, private sector; civil society and development partners. Key approaches have included developing pro-poor policies and enhancing access of the poor to basic social services and finance. By the first of January 2016, the Millennium Development Goals (MDGs) culminated, having successfully achieved the extremely difficult task of halving poverty in the world despite the many challenges of war, natural disasters and the economic and financial crises.

UNDP has been a partner to the Government of Samoa since its Independence, and has collaborated closely with Samoa on its efforts to achieve the MDGs. This partnership continues beyond Samoa's graduation from Least Developed Country (LDC) status and through its adjustment from MDGs to the Sustainable Development Goals (SDGs) for the period 2015-2030.

UNDP has supported the strengthening of statistical systems to provide evidence and measure the progress of Samoa's development. The data collected through these statistical systems is critical to ensuring people-centered policy development, which in turn, builds more resilient communities. A set of pro-poor policy option papers were also prepared by UNDP for the government to consider in revising labour and employment policies, aimed to be more inclusive of the marginalized populations and improve their access to services and finance.

This ongoing support to the Samoa Bureau of Statistics has led to the successful analysis of the 2013/2014 Household Income and Expenditure Survey (HIES) data in order to determine the progress of Samoa's population living under the Basic Needs Poverty Line (BNPL) since the last analysis that was conducted on the 2008 HIES data. It is my great pleasure to acknowledge the reduction of the incidence of basic needs poverty in the population in Samoa from 26.9% in 2008 to 18.8% in 2013/2014.

This reduction demonstrates the benefits of inclusive government policies and a clear strategy for targeting the poor in planning processes. These policies have contributed to small businesses restarting after the tsunami in 2009 and cyclone Evan in 2012. They have also assisted in the development of sector plans that are friendly to small farmers, unemployed women and youth, such as the Trade, Commerce and Manufacturing Sector Plan, which created jobs and opportunities for small businesses.

It is my hope and wish that the Government of Samoa will continue to utilize future HIES data in the development of people-centered policies for a more resilient nation. It is my firm belief that this will facilitate and accelerate Samoa's progress on its commitment to the Global Agenda 2030.

Lizbeth Cullity

UNDP Resident Representative

Multi-Co

Executive Summary

1. Introduction

The poverty and inequality report is based on the analysis of the 2013/14 Households Income and Expenditure Survey (HIES). It constructs the Food and Basic Needs Poverty Lines, computes the incidences of Food and Basic Needs Poverty, investigates the key characteristics of the poor and vulnerable, and provides a detailed analysis of poverty and inequality in Samoa. For the first time in the Pacific region, the analysis compares findings of three recent HIES, 2002, 2008 and 2013/14. The report classifies households and individuals as extremely poor if their income falls below the food poverty line (FPL), poor if they are below the Basic Needs Poverty Line (BNPL) (defined below), highly vulnerable to becoming poor if their expenditure is 20% or less above the BNPL, vulnerable if their expenditure is more than 20% but less than 50% above the BNPL, potentially vulnerable if their expenditure is more than 50% but less than 100% above the BNPL; and non-poor if their expenditure level is 100% or more above the BNPL. The analysis includes calculations of the value of subsistence production consumed by households.

The 2013/14 Household Income and Expenditure Survey

The 2013/14 HIES was the third such survey conducted during the Millennium Development Goals (MDG) period from 2000 to 2015. The number of households and persons interviewed during the surveys is illustrated in the following Table. This shows that in 2013/14 the survey covered approximately 8.5% of all households and population in Samoa. This is a statistically robust survey size and the results from the latest survey, and the earlier surveys, can be regarded as statistically representative of the whole population.

Comparison of Survey Size and Estimated HH & Populations

Survey year	2002	2008	2013/14
Number of HH in Survey	1,480	2,012	2,348
Estimated Total Number of HH	23,244	25,123	27,865
% of all HH in Survey	6.4	8.0	8.4
Number of Persons in Survey	11,093	14,656	16,443
Estimated Total Number of Persons	175,527	182,488	192,657
% of all Persons in Survey	6.3	8.0	8.5

The HIES was conducted over a twelve-month period with four two-week survey rounds which were designed to capture seasonal trends and consumption patterns. Households (HH) in the survey were required to complete daily records of food and other non-food items purchased, consumed from their own production or given and received as gifts. Households were also asked about periodic expenditure as well as income in order to develop a comprehensive picture of household income and expenditure in Samoa.

The overall national average household size was 6.9 members. Poor households were larger on average (9.3 members). In comparison with 2002 and 2008 surveys, there is negative trend in the average size of households, due to significant decline in the average of households in the highest expenditure quintile. Nearly one in every five households was headed by a female (20% of all households); in Apia Urban Area, 23% of households were headed by women, compared to 19% in Savai'i and 20% in North-West Upolu.

2. Hardship and Poverty Targets and Indicators for MDG1 and SDG1

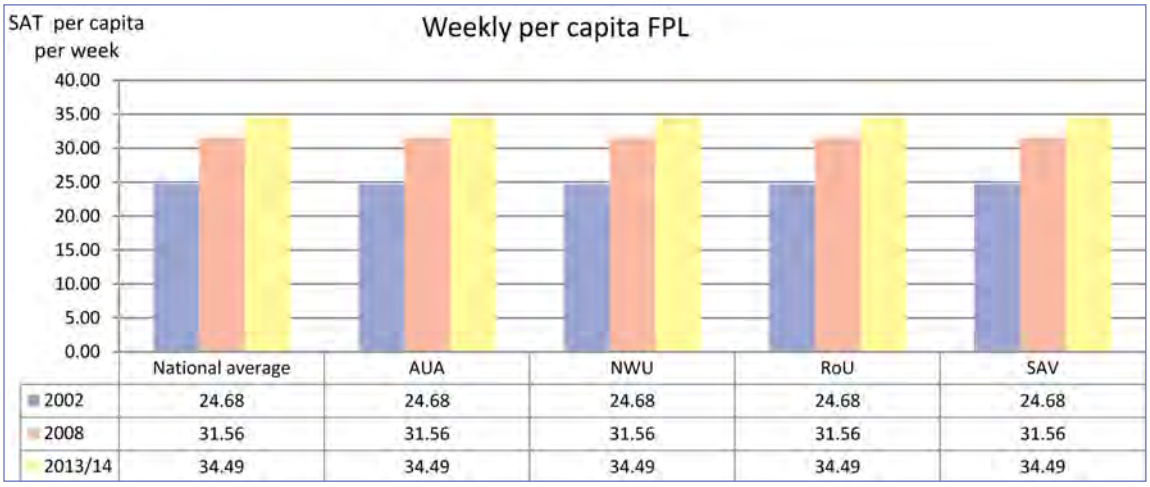
The objective of MDG Goal 1 was to eradicate extreme poverty and hunger. The primary target for the MDG period was to reduce the proportion of those people living on an income of less than US$1 per day (in purchasing power parity terms) by 2015. In the Sustainable Development Goals (SDG) period from 2016 to 2030 the first Goal is now to "End poverty in all its forms everywhere". This has been translated into the following targets: to eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.25 per day; and specifically by 2030, to reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.

In Samoa it has always been recognised that extreme poverty and hunger do not exist in the form envisaged in the MDG/SDG. These indicators are not relevant to Samoa. However, it has to be recognised that in every society there are those who are less well-off than average. This condition may arise from poor education, poor health, location, the impact of natural disasters and many other reasons. So although in Samoa we may not have very many of those living in extreme hardship, there are some who are unable to enjoy a standard of living comparable to others in Samoa.

In order to measure the relative hardship being experienced by those who are less well-off the MDG1 and SDG1 Goals have therefore been "localized" by the development of our own national basic-needs poverty or hardship indicators. These indicators have been derived from an analysis of the household survey data.

3. The Food and Basic-Needs Poverty Lines for Samoa

The Food Poverty Line (FPL) has an absolute base (2,100 kilocalories/day per capita) with items that make up those calories derived from the actual consumption patterns of the lowest three deciles in each of the three areas.



	National average	AUA	NWU	RoU	SAV
2002	24.68	24.68	24.68	24.68	24.68
2008	31.56	31.56	31.56	31.56	31.56
2013/14	34.49	34.49	34.49	34.49	34.49

The basic-needs poverty lines are based on consumption/expenditure as recorded by households and individuals in the HIES. Basic-needs poverty measure is based on the "Cost of Basic Needs" methodology. The Basic Needs Poverty Line (BNPL) is made up of two components: the cost of a minimum food basket; and an amount of expenditure for "essential" non-food basic needs. Separate estimates of the BNPL were made for Apia Urban Area, North-West Upolu, Rest of Upolu and Savai'i to recognise the different expenditure patterns of urban and rural households and the differing levels of subsistence production and consumption. It also takes account of the differing levels of gift-giving and receiving in the urban and village environments.

The estimated average weekly costs for each person and for average size families in the poorest thirty percent of the population are shown in the following Table.

The Table indicates that in 2013/14 it cost between SAT69.27 per person per week to meet a minimum living standard in Apia Urban Area, and SAT56.13 per person per week for a minimum living standard in Savai'i. For the average size of household in the poorest thirty percent of households in Apia Urban Area, this means it cost SAT649.07 per week to purchase all the necessary food and non-food items required for a basic standard of living for the whole household. In Savai'i the cost would be SAT470.80 per household per week.

Costs of the Samoa Basic-Needs Poverty Line

	Basic Needs Poverty Line			Weekly cost per HH for the Poorest Thirty percent of HH		
	SAT Per Capita Per Week			SAT Per Capita Per Week		
	2002	2008	2013/14	2002	2008	2013/14
National average	34.93	53.59	59.27	306.00	493.02	525.19
Apia Urban Area	38.22	59.95	69.27	331.21	533.97	649.07
North-West Upolu	32.54	57.80	57.11	298.23	559.23	530.91
Rest of Upolu	36.16	49.46	57.42	308.86	466.76	470.96
Savai'i	33.16	50.83	56.13	281.79	459.96	470.80

4. Trends in food and basic needs poverty

Between 2002 and 2013/14, the incidence of food poverty at the national level has been declining, with the proportion of the population affected dropping from 10.6 % of the population in 2002 to 4.6 % in 2008 and further down to 4.3% of the population in 2013/14. Comparing 2008 and 2013/14 surveys reveals that the progress towards the eradication of food poverty was uneven across Samoa. While food poverty declined significantly in Savai'i and the rest of Upolu, it increased in Apia Urban Area and nearly doubled in the North-West Upolu.

Proportion of HH and Population with Weekly Per Capita Expenditure less than the Food Poverty Line

	Households			Population		
% falling below FPL	2002	2008	2013/14	2002	2008	2013/14
National average	8.5	3.3	2.8	10.6	4.9	4.3
Apia Urban Area	5.3	2.3	2.3	7.6	3.5	4.5
North-West Upolu	12.1	2.0	4.0	16.2	3.3	6.6
Rest of Upolu	5.6	5.6	1.8	6.1	8.1	2.4
Savai'i	9.8	3.6	2.5	10.3	5.1	2.9

Using these estimates of the minimum costs of meeting basic-needs for a Samoan household, and the aggregate data from the HIES it is then possible to estimate what proportion of households and population have expenditure less than these basic-needs poverty line levels. This is shown in the following table.

Proportion of HH and Population with Weekly Per Capita Expenditure less than Basic Needs Poverty Line

	Households			Population		
	2002	2008	2013/14	2002	2008	2013/14
National average	19.1	20.1	13.4	22.9	26.9	18.8
Apia Urban Area	20.1	17.2	15.4	25.9	24.4	24.0
North-West Upolu	23.8	19.4	16.7	29.5	26.8	23.7
Rest of Upolu	13.4	20.5	10.5	15.1	26.6	13.6
Savai'i	17.6	21.9	9.8	19.1	28.8	12.5

The table shows that over the period between 2002 and 2013/14, the incidence of basic needs poverty in the population declined slowly but steadily in Apia Urban Area and North-West Upolu. However, during the global economic crisis around 2008, there was a sharp increase in basic-needs poverty in Rest of Upolu and Savai'i. This was associated with the loss of jobs at Yazaki around this time, and the increase in the prices of food, fuel and other items. With the recovery in the Samoan economy after 2008, the incidence of basic-needs poverty in Rest of Upolu and Savai'i the incidence of basic-needs poverty in these areas has now fallen sharply to below the levels of 2002. The incidence of basic-needs poverty is now lower in the rural parts of Samoa than it is in the urbanised areas of Apia Urban Area and North-West Upolu. This reflects the strength of Samoa's village systems and the more inclusive nature of the recent economic growth in Samoa.

Other indicators also show that economic growth has been shared more equally and the level of inequality has been falling. The following Table shows the index for the Depth of Poverty (the Poverty Gap Index) which is one of the MDG and SDG indicators. At the national level the SPGI (severity of poverty) was estimated at 1.8 in 2013/14, down from 2.3 and 2.7 in 2008 and 2002, respectively. This data shows that the depth and the severity of poverty have been improving, especially since 2008; the index numbers are getting smaller.

Depth (PGI) and Severity (SPGI) of Poverty

	Poverty Gap Index (PGI)			Squared Poverty Gap Index (SPGI)		
	2002	2008	2013/14	2002	2008	2013/14
National average	6.6	6.6	4.9	2.7	2.3	1.8
Apia Urban Area	6.5	7.1	6.7	2.2	2.7	2.7
North-West Upolu	8.8	6.5	6.1	3.9	2.1	2.2
Rest of Upolu	4.0	7.0	3.0	1.6	2.6	1.0
Savai'i	5.4	6.6	3.3	2.2	2.4	1.4

Gini Coefficients of Inequality			
	HH Gini Coefficients		
	2002	2008	2013/14
National average	0.43	0.47	0.56
Apia Urban Area	0.40	0.48	0.61
North-West Upolu	0.40	0.46	0.55
Rest of Upolu	0.39	0.44	0.51
Savai'i	0.41	0.46	0.51

Although there has been a reduction in the number of Samoans falling below the basic-needs poverty line, and an improvement in the depth of poverty, this has not been translated into a reduction in the overall level of inequality. The Gini Coefficient, which measures the level of inequality, indicates that inequality has become worse in all regions. Taken together the figures for reductions in poverty incidence, improvements in the depth of poverty but with increases inequality mean that although everyone appears to be getting better-off, those at the top-end of the scale have been improving their income and expenditure levels faster than those at the bottom-end of the income/expenditure scale.

5. Overall Progress towards MDG1; Looking Forward to the SDG

The global economic crisis in the period 2007 through 2009 had a serious adverse impact on Samoa's progress towards the achievement of MGD1. However, the policies put in place to counter these impacts of the global crisis restored Samoa's path towards the MDG1 targets between 2009 and 2015. Samoa can therefore point to significant reduction in the levels of basic-needs poverty between 2002 and 2013/14. With the new SDG in place there is more to be done in the coming years to reduce the levels of basic-needs poverty further and also to reduce vulnerability and inequality.

The table on the right summarizes the MDG 1 poverty target indicators in 2002, 2008 and 2013/14. There has been significant progress towards the achievement of MDG 1, particularly in the areas of eradicating hunger and food poverty and cutting basic needs poverty by half. While fewer people are below the FPL and BNPL in 2013/14, compared to 2002 and 2008, there has been a small increase in the group vulnerable to falling back into poverty. As discussed, North-West Upolu lags behind with deteriorating indicators for nearly all targets. Further, urban hardship is increasing, illustrated by the increasing vulnerability and as well as severity of poverty in Apia Urban Area.

6. Characteristics of the Poor

Geographical Dimension

There is a high concentration of poverty in North-West Upolu and, to a lesser extent, Apia Urban Area. Whilst the number of households (population) below basic needs poverty and hardship has declined between 2008 and 2013/14 in Savai'i, Apia Urban Area and the Rest of Upolu (as well as at the national level), it remained nearly at the same levels in northwest of Upolu. Further, the proportion of poor households (below BNPL) has increased in North-West Upolu between 2008 and 2013/14, despite the decline in incidence of basic needs poverty.

Gender

The gender dimension to poverty in Samoa, akin to most Pacific countries and unlike most developing countries in Asia and Africa, is rather subtle and mild. Nationally, female-headed households are proportionately represented below the food poverty line (2.9% of all female-headed households compared to 2.8% of all male-headed households) and slightly over represented below the BNPL (but above FPL), with 12.8% of all female-headed households compared to 10.1% of all male-headed households in this group. Female-headed households in Savai'i and

Millennium Development Goal (MDG) 1 Indicators						
Target Indicators	**Survey Year**	**National**	**AUA**	**NWU**	**RoU**	**SAV**
1.1 Proportion of Population below Basic Needs Poverty Lines % (Note 1)	2013/14	18.8	24.0	23.7	13.6	12.5
	2008	26.9	24.4	26.8	26.6	28.8
	2002	22.9	25.9	29.5	15.1	19.1
Proportion of Population vulnerable to falling into poverty; per capita expenditure <20% above BNPL %	2013/14	10.2	11.3	10.2	10.3	9.4
	2008	4.4	3.9	5.7	6.0	4.5
	2002	4.7	5.4	4.6	5.0	3.5
1.2 Proportion of households with per capita expenditure below the minimum level of dietary energy consumption (FPL) %	2013/14	4.3	4.5	6.5	2.5	2.8
	2008	3.3	2.3	2.0	5.6	3.6
	2002	8.5	5.3	12.1	5.6	9.8
1.3 Poverty Gap Index (PGI) - Depth of Poverty	2013/14	4.9	6.7	6.1	3.0	3.3
	2008	6.6	7.1	6.5	7.0	6.6
	2002	7.8	8.7	9.0	8.0	6.6
Squared PGI - Severity of Poverty	2013/14	1.8	2.7	2.2	1.0	1.4
	2008	2.3	2.7	2.1	2.6	2.4
	2002	2.7	2.2	3.9	1.6	2.2
1.4 Share of poorest quintile (20%) in consumption by region %	2013/14	9.8	9.7	9.4	9.7	10.6
	2008	9.3	8.1	10.0	10.0	9.0
	2002	7.8	8.7	9.0	8.0	6.6
Ratio of Share of poorest quintile (20%) to highest quintile	2013/14	3.8	3.7	4.4	3.7	3.2
	2008	4.3	5.0	3.8	3.7	4.4
	2002	5.2	4.7	4.4	5.0	6.3
HH Gini Coefficient: (0 = perfect equality 1 = perfect inequality)	2013/14	0.56	0.50	0.44	0.37	0.36
	2008	0.47	0.48	0.46	0.44	0.46
	2002	NA	NA	NA	NA	NA

Note 1: National BNPL used as benchmark; MDG1 dollar-a-day not available

North-West Upolu are more vulnerable and particularly overrepresented among the households below the BNPL. Meanwhile male and female headed households are more equally represented across poverty and vulnerability groups in Apia Urban Area and the rest of Upolu.

The average wages and salaries received per capita per week tend to be lower for female-headed households compared to their male-headed households. Gender based disparity are more significant at the higher expenditure deciles (H3D) compared to the lower expenditure deciles (L3D). This also reflects higher female concentration at the low paid jobs and junior positions. It is important to note, however, that the gender-based wage disparities in Samoa are significantly lower than most Pacific countries.

Economic Activity

Poverty and hardship is exceptionally higher among the unemployed and individuals working, primarily, in the informal sector (including unpaid family and community work, household's duties and subsistence production). Within the formal sector, government and public sector employees are better off compared to their counterparts in the private sector. Students (part-time and full-time) and retirees are among the most vulnerable groups. Interestingly, people in the informal sector in Savai'i are significantly better off than their counterparts in informal sector in other regions. Meanwhile, around 50% of individuals below the BNPL and 31% of the extremely vulnerable live in North-West Upolu and are working primarily in subsistence agriculture. Geographical location and economic activity (combined), therefore, form are strong determinant of poverty and vulnerability. This can be a good basis for characteristics-based targeting of poverty.

Education

Expectedly, there is a strong correlation between poverty and vulnerability status and the level of education. The incidence of food and basic needs poverty is significantly higher among people with low levels of education (primary and secondary education only), particularly in Apia Urban Area and North-West Upolu. However, males with no tertiary education in urban areas are more likely to be vulnerable to poverty than all other groups. This may be because the low paid employment opportunities in the formal and informal sectors that do not require secondary and tertiary education tend to be male-dominated and concentrated in urban areas.

Elderly

Males and females aged over 60 in Apia Urban Area and North-West Upolu are more vulnerable than in Savai'i and the rest of Upolu. Around 20% and 19% of elderly in Apia Urban Area and North-West Upolu, respectively, (compared to only 8% of elderly in Savai'i and the rest of Upolu) are below the BNPL. Around 42% and 24% of all poor elderly (below BNPL) live in North-West Upolu and Apia Urban Area, respectively.

Children

Around 22% of all children in Samoa live under the BNPL and around 25% live in households that are vulnerable to poverty (expenditure below 50% above the BNPL). Only 34% of all children in Samoa are considered to be not poor or vulnerable.

Poor and vulnerable children (age 0-14) are concentrated in female-headed households in North-West Upolu and, to a lesser extent, Apia Urban Area. Children (age 0-14) living in female-headed households are more vulnerable than their counterparts in male-headed households, particularly in Apia Urban Area and North-West Upolu. At the national level, 26.3% of children living in female –headed households are below the BNPL (compared to 20.7% of children living in male-headed households). Around 48.4% and 23.6% of all poor children living in female-headed households are in North-West Upolu and Apia Urban Area, respectively.

7. Human multidimensional poverty

In general, and compared to the rest of the Pacific region, most Samoan households enjoy relatively good access to safe drinking water and sanitation. Access to safe drinking water and sanitation depends more on the geographic location, less on the vulnerability status, of households.

Access to energy and energy use

Around 97% of Samoan households have access to electricity though the main grid. There are hardly any geographical disparities. However, the proportion of households with access to electricity through main grid is lower among households at the lowest three expenditure deciles; compared to households at the highest three expenditure deciles. Solar generators and kerosene lamps are more common sources of lighting among households at the three lowest expenditure deciles, particularly in North-West Upolu. Nearly 99% of Samoan households have designated cooking areas and facilities. Around 54%, 11.6% and 10.5% of households in Samoa use open fire, gas stoves and electric stoves, respectively, for cooking. Gas and electric stoves are, expectedly, more common in Apia Urban Area, while open fire is more common in Savai'i (around 75% of households) and North-West Upolu (51% of households).

Drinking water and sanitation

Around 56.4% and 24.4% of all households in Samoa have access to metered and non-metered piped into households drinking water, respectively. Around 82.2% of all households have access to own flushed toilet. Geographical location is more influential determinant of access to safe drinking water and sanitation, rather than expenditure level and/or poverty and vulnerability status. Consequently, households in Apia Urban Area (for instance) have better access to safe drinking water and sanitation compared to their counterparts in North-West Upolu, across all expenditure deciles. Luckily, the population of Samoa live on two main large, and relatively close, islands. The geographical-based disparities, therefore, are not as significant as most Pacific countries with more disbursed population across large number, often remote, islands such as Fiji, Solomon Islands, RMI and Vanuatu.

Housing

There is a wide variety of types of houses in Samoa. The main types are the European closed and open houses, with and without extensions, and the Samoan Fale. At the national level, 45% of households live in closed European houses and around 31% of households live in open European houses. The second most common type of housing is the open Samoan Fale, comprising around 15% of all households in Samoa. Closed European houses are more common in Apia Urban Area (68% of all households), while open Samoan Fale are more common in Savai'i and North-West Upolu (16% of households). In general, open Samoan Fale are more common among households in the lowest three expenditure deciles, while closed European houses are more common among households in the highest three expenditure deciles. The quality and type of construction material used for walls, roofs and floors are highly correlated with expenditure level and, hence, poverty and vulnerability status. Non-durable low quality construction materials (e.g. gravel) and open walls are most common (over 60%) among poor households.

8. Income

On average, wages and salaries constitute around two thirds of the income received by the three lowest expenditure deciles in Apia Urban Area and only around one third and one quarter of the income received their counter parts in North-West Upolu, Savai'i and the rest of Upolu, respectively. The share of wages and salaries in households' total income tends to declines as income and expenditure increases in Upolu and rises as households' income/expenditure increases in North-West Upolu, the rest of Upolu and Savai'i. This may be explained by the fact that many high income/expenditure households in

Upolu receive large portion of their income from self-employment and investments, while in the rest of the country high income/expenditure households tend to receive large portion of their income from senior level government employment.

At the national level, remittances accounted, on average, for around 7% of income received all households. The share of remittances in total households' income is higher for households in the three lowest expenditure deciles compared to households in the three highest expenditure deciles. It is lower for households in Apia Urban Area compared to their counterparts in the rest of the country across all expenditure deciles. Households in Apia Urban Area, particularly at the high expenditure deciles, tend to have more diversified sources of income, with wages and salaries and remittances being relatively less significant sources of income compared to their counterparts in the rest of the country.

9. Conclusions

This executive summary highlights some of the key findings from the results of the 2013/14 HIES; in particular, the progress towards the achievement of the MDG1 targets and in establishing the benchmarks for measuring progress in reducing hardship and poverty further in the future under the sustainable development goals.

After an initial increase in poverty in 2008 compared to 2002 mainly due to the impact of the global economic crises, Samoa has made remarkable progress in terms of both food and basic needs poverty during the period from 2008 to 2013/14. The incidences of food poverty and basic needs poverty declined in 2013/14 by 12% and 30%, respectively, in comparison with 2008, and dropped well below the 2002 levels. While such progress is indeed commendable, the macroeconomic and poverty trends reveal the following warning signals:

First, 2008 HIES results mainly reflected the impact of the global economic crises. Meanwhile 2013/14 HIES reflects, to a great extent, a surge in public and private expenditure and investment due to the preparation for the 2014 SIDs (Society for Investigative dermatology) conference. Analysis of the longer term trends (2002-2013/14), however, demonstrates a return back to pre-crisis patterns of economic growth and production, consumption as well as poverty.

Second, the trends illustrate the high vulnerability of the Samoan economy, to the extent that such significant variations in economic growth and poverty levels can occur over a relatively short span of time and in response to external and/or internal shocks.

Third, public works and public employment programmes has proved to be very effective 'safety nets' in response to shocks and contributed to poverty reduction. Most of the recipients of the income support, however, were existing workers and those mainly from Apia. That had left many people, particularly in the rural areas, with little or no marketable skills to miss out on the opportunities. This has led to the documented geographical disparities. Geographical disparities and pockets of high poverty in North-West Upolu are evident and require immediate attention.

Fourth, inequality is on the rise and has reached alarming levels. Inequality is concentrated around the middle expenditure deciles and, therefore, reflected in the Gini coefficient but not the ratio of the shares of the highest to the poorest quintiles and the share of the lowest quintile in total expenditure. This is also confirmed by the increase in the proportion of the highly vulnerable (20% above BNPL) and the vulnerable (more than 20% but less than 50% above BNPL) population.

Fifth, while both food and basic needs poverty have declined, vulnerability has increased as the proportion the highly vulnerable (with expenditure 20% above BNPL) rose during the same period. With a large number of households on the margin of the BNPL, the extremely vulnerable population can easily slip back into poverty and, hence, maintaining progress will pose a serious challenge.

Sixth, the decline in the incidence of poverty was partially drive by the significant increase in government spending, which came at a very high fiscal cost as fiscal deficit and public debt increased.

The most disadvantaged households are those with least access to cash incomes from paid work, remittances, or farm production. In urban areas, the poorest are the unemployed, especially unskilled youth, those with few employable skills, and those living on leased land or flood-prone areas without adequate space to grow crops or with poor infrastructure and environmental hazards that create unhealthy conditions.

Gender-based inequality is deeper in urban areas, compared to rural areas, and, to some extent, reflects wage inequality. Women's share of the benefits from economic growth has been less than men's with more of the growth being in male-dominated jobs such as construction. More women are vulnerable to falling below the poverty line than men. There is a strong correlation between vulnerability status and education level in urban areas, but less so in rural areas. A strong three-way relationship between gender, level of education and poverty prevails.

Around 22% of all children in Samoa live under the BNPL and around 25% live in households that are vulnerable to poverty (expenditure below 50% above the BNPL). Children living in female-headed households in North-West Upolu and Apia Urban Area are highly vulnerable to poverty and hardship. Poor households (lowest three deciles) are larger in size and tend to have more children than households in the highest expenditure quintile. In contrast with most Pacific countries, inequalities and geographic disparities are more severe when viewed through an income poverty, rather than human poverty, lens. Access to services is relatively equitable across expenditure deciles throughout the country with little or no geographic disparities.

While tradition and culture are clearly still very important in Samoa, influences such as migration, urbanization and the monetization of the economy have all had a massive impact. The state has stepped in to provide social protection to complement protection that was traditionally provided by the extended family. Traditional safety nets have suffered due to rising costs and inflation and reduced employment opportunities in recent years. Families simply do not have enough resources for their own purposes and are unable to reciprocate their social obligations as they would wish.

Individuals working for the private sector are significantly worse off compared to their counterparts working for the government and the public sector. This was evident from the significantly higher incidence of poverty and vulnerability among private sector employees.

Poverty and vulnerability are particularly high among youth, which reflects a persistence lack of employment and income generating opportunities. The incidence of poverty as well as vulnerability is significantly higher among youth working for the private sector.

The social, psychological, and physiological consequences of alienation from the labour market are exceedingly well-research fields in "behavioural economics". In Samoa, police records show that prevalent forms of youth crime include burglary, theft, narcotics and assaults; with criminal offenders predominately being males aged 24-30 years of age[1]. Studies are also showing worrying high levels of violence against women in Samoa[2]. There is a linkage between socially (and personally) disruptive behaviour and labour market opportunity: communities in areas with high numbers of unemployed youths must live with higher levels of insecurity.

The legal framework for labour and employment in Samoa has been strengthened over recent years resulting in significant changes for employers and employees. Enforcement of these Acts remains an issue, particularly as it relates to those employed in the informal sector.

1 MWCSD (Ministry of Women Community and Social Development). 2010. Crime Statistics for Information Search. Apia, cited in Urban Youth in the Pacific: Increasing resilience and reducing risk for involvement in crime and violence, June 2011

2 Samoa Family Health and Safety Study (2006), SPC and UNFPA

10. Policy Implications and Recommendations

Samoa's poverty-reduction programme needs to focus its efforts on building up the human capital of the working-age population. This would enable the working members of poor households to secure more rewarding employment and generate income. Programmes to improve educational institutions have very high returns over the long-run.

Restoring fiscal prudence, which necessitates reducing the current fiscal deficit, while maintaining adequate levels of government expenditure on development and poverty reduction will require: increasing, as well as diversifying the source of, government revenues; and, enhancing government efficiency. More effective targeting that reduces the leakages will maximize the returns on government expenditure and allow for better use of the limited fiscal space. In addition, policymakers need to identify economic policies that can stimulate a broad-based, balanced and more inclusive and equitable pattern of economic growth.

Income and employment generating initiatives targeting youth can be very effective in reducing poverty, particularly if they are combined with characteristic-based targeting approaches, such as focussing on geographical areas with higher incidence of poverty (e.g. North-West Upolu).

There is scope for more detailed analysis of the 2013/14 HIES on specific issues relating, inter alia, to human poverty, food expenditure patterns, specific areas of expenditure including health and education, gender, children in poverty and geographic disparities identified in the report. Further and more detailed analysis will add policy substance to the key poverty indicators. Most importantly, it will guide the formulation of policies and initiatives aiming at addressing the various dimensions of human poverty and better targeting of vulnerable groups.

A social and economic policy package to accelerate poverty reduction will need to simultaneously address challenges at the macro and micro levels through micro-level and local people-centered development initiatives that complement overall macroeconomic policies and are geared towards balanced, sustainable and inclusive growth and widening the economic base.

Social protection in the form of non-contributory social pensions is a proven strategy for reducing poverty, vulnerability and inequality. A growing body of evidence demonstrates that social pensions both reduce the poverty and vulnerability of older people, and result in net contributions to multigenerational household economies and the wider community.

To build a secure future and reduce risks of poverty, it would be timely for the Government of Samoa to make a long term plan to expand formal social protection programmes as fiscal space allows. The challenge is profound but at least initial progress should be made in embarking on informal economic surveys to explore the most important of the following policy and programme options:

- The possibility of an unemployment benefit;
- The possibility of a sickness benefit once employer sick pay liability has expired;
- Maintenance of 'Fa'a Samoa' in all circumstances;
- Possibility of extending social security to the informal sector;

Samoa is a small country with a small population yet it provides a broad range of education and health services. Aggregated access to education, health and safe drinking water are high, but there are quality issues in all of these sectors.

At the macro level, maintaining the downward trend in income poverty will require concerted and coordinated efforts to push ahead with reforms that will allow Samoa to sustain and broaden economic growth and enhance its inclusiveness in the country. This requires continued investments in transport and communication infrastructure and services, allowing the rural majority to access domestic and export markets, as well as quality and affordable health, education and financial services, which will directly contribute to the reduction of human poverty.

The current Strategy for the Development of Samoa (2012-16) does not specifically discuss youth employment issues, but key indicators of relevance include an increase in the em-

ployability of Physical Science & Everyday Thinking (PSET) graduates, improved PSET knowledge management, and an increase in the number of graduates in agriculture and fisheries fields. The new national strategy should utilize the analysis and the findings of the 2013/14 HIES to better address youth employment issues.

The application of labour standards matters for poverty alleviation. A framework which encourages workers and employers to build their capacity to promote the fair allocation of resources through collective bargaining and national dialogue is an important tool in the battle against poverty. Minimum wage needs to be reviewed and updated on regular basis. Furthermore, measures and legislations to reduce gender-based wage discrimination are needed. Labour market regulation, particularly minimum wage, should be revised in light of the findings of the 2013/14 HIES. The recent progress made in tripartism under the International Labour Organization (ILO) Decent Work Programme should be consolidated and expanded to establish a truly tripartite body with stipulation of the process and outcome specified.

A large segment of the population is engaged in the informal or subsistence sector. The informal sector plays an important role in employing those leaving the rural agricultural sector as well as the unemployed in Apia. The expanding tourism sector has opened up opportunities for people in the informal sector particularly in Apia and along tourist facilities in the rural areas to sell artefacts. Food markets in Apia and rural villages are also common spots for money earning activities. There is a need, therefore, for a comprehensive informal sector policy which supports the sector to gradually formalize. This should be supported through surveying the informal sector related business and employment activities and instituting appropriate programmes and activities.

Technical and Vocational Education and Training (TVET) can mitigate some youth issues in regard to offering opportunities but providing employment is beyond the scope of the training provider. Improved linkages with industry through industry advisory panels[3] will go some way to creating a more demand-lead TVET system rather than a traditional supply side system that offers training regardless of need. Young people and parents are frequently exhorted to choose TVET over academic courses but until wage rates for blue-collar work match those of white-collar, it is likely to remain a second choice. It is also well recognized that TVET needs to be accompanied by life-skills training, in order to empower young people to cope with the changes and challenges ahead of them.

Appropriate labour market policies should support that there is no mismatch between the skills taught by educational and training institutions and the requirements of the industry, making sure more emphasis is placed on the identification and provision of relevant marketable skills. There needs to be a more comprehensive shift in culture and attitudes towards meeting the demands of tourism industry, including others. Stronger emphasis in schools on entrepreneurship training and the promotion of successful entrepreneurs as role models are also needed. In parallel, Samoa needs to make progress in accreditation of skills, which is needed to improve the information that is given to employers concerning the competencies to be expected of various skills-training certificates.

One option to address geographical disparity is through local economic development (LED). LED is a participatory process in which local people from all sectors work together to stimulate local commercial activities. It encourages public, private and civil society sectors to establish partnerships and find local solutions to shared economic challenges. A LED strategy is a process-oriented and non-prescriptive endeavour incorporating local values (such as poverty reduction, basic needs, local jobs, integrating social and environmental values); economic drivers (value-added resource use, local skills training, local income retention, regional co-operation); and development (the role of structural change, quality of development).

Given the relatively high share of remittances in households' income, reducing the transaction cost of remittances will translate into higher disposable income with immediate effect on poverty. Competition and taking advantage of new technologies such as mobile money can help in reducing cost of remittances.

3 Industry advisory panels were started in 2001

A. Introduction

1. The purpose of this paper is to provide an in-depth analysis of poverty and inequality trends in Samoa, using the Food and Basic Needs Poverty Lines, including the incidence, severity and depth of poverty, and identification of the characteristics of the poor, using data from the Samoa Bureau of Statistics 2013/14 Household Income and Expenditure Survey (HIES).

2. This report estimates and analyses inequality in the distribution of expenditure and calculates Gini coefficients from expenditure data. In estimating expenditure, and the degree of poverty, the analysis takes account of the high levels of subsistence production and consumption by calculating the value of subsistence production consumed by households, thus providing a better picture of overall well-being. Subsistence production is also incorporated as part of income measurement.

3. The paper also compares findings on poverty and inequality from the 2002 and 2008 HIES surveys. In order to ensure comparability, some of the data for 2002 and 2008 have been re-worked, in particular, the calculation of the Basic Needs Poverty Line (BNPL). The paper links poverty and inequality trends with growth and economic performance over the period from 2002 to 2014, and highlights the key policy issues arising.

4. Poverty and hardship are being increasingly accepted as concerns in the Pacific which need greater attention. Some countries in the Pacific region, including Fiji, Papua New Guinea (PNG), and Vanuatu, have already fully embraced the need to deal with increasing levels of hardship and poverty and the consequent societal implications. Other countries, are now accepting that there are growing numbers of disadvantaged people who are being left behind as economic and social structures change in response to both external and internal developments.

5. Household survey data on subsistence production also provides a sounder basis for estimating the non-monetary sector in national accounts. In many countries, the value of such subsistence production in the national income (gross domestic product) has not been fully calculated; it may have been inadequately assessed in GDP estimates or occasionally it is missing entirely.

6. **The paper is structured as follows:**

B Section B provides background on Samoa, economic growth trends, and price changes;

C Section C provides an overview of the HIES results on household composition and expenditure, and the method for estimating poverty lines;

D Section D sets out the findings on poverty and compares the results for 2013/14, 2008 and 2002;

E Section E discusses distribution and inequality;

F Section F discusses linkages between growth, macroeconomic trends and policies, income distribution and poverty;

G Section G discusses the key characteristics of the poor;

H Section H identifies vulnerable groups;

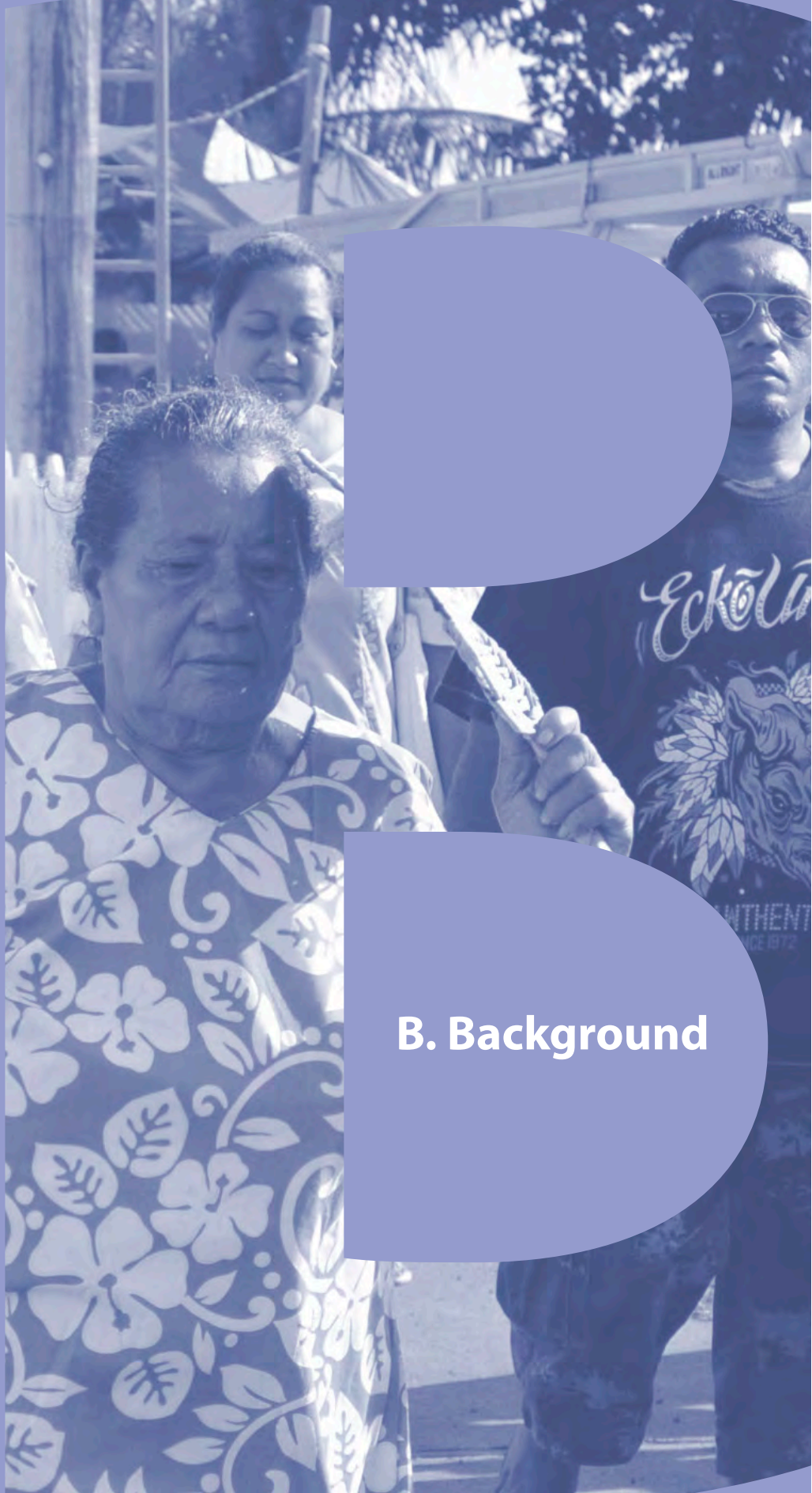
I Section I discusses human and multidimensional poverty (e.g. housing, energy and access to public sector);

J Section J provides an analysis of income sources;

K Section K provides concluding remarks;

L Section L discusses policy implications, and

M Section M outlines policy recommendations.



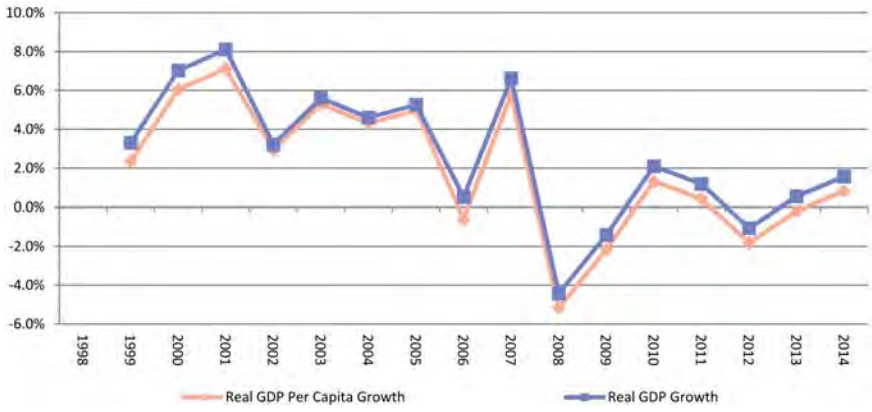
B. Background

7. Samoa is a small Pacific Island Country (PIC) with a land mass of 2,842 square kilometres, a estimated population of 192,067 at the time of the 2014 HIES, and estimated population density of approximately 67 persons/km2 (2014 DHS) living on four islands (Upolu, Savai'i, Manono and Apolima). According to the 2011 Census, annual population growth averaged around 0.7-0.8% between 2006 and 2014. Around 81.2% of the population live in rural areas. Unlike most Pacific countries, the urban population in Samoa is declining at an annual average rate of -0.5%.

8. In terms of economic growth, Samoa performed relatively well during the period 1998-2007, with an average real GDP growth rate of approximately 2.5%. The Samoan economy was severely impacted by the global economic crises in 2008 and the 2009 Tsunami. Real GDP, as well as GDP per capita, plummeted to negative -5.2% and -2.2% in 2008 and 2009, respectively, after a period of reasonably high, relatively stable, growth rates that lasted from 1998 to 2007. Inflation rate soared to an unprecedented rate of 11.6% in 2008 (up from 3.7% and 5.6% in 2006 and 2007, respectively). The Samoan economy recovered in the subsequent years, yet never reached the pre-crises levels. Real economic growth has been very modest and mostly stagnant over the last five years. Inflation rates, however, declined to the pre-crises levels. In 2013, the inflation rate was around 0.6% and dropped further to -0.4% in 2014.

Figure 1

Real GDP and GDP per-capita growth rates 1998-2014



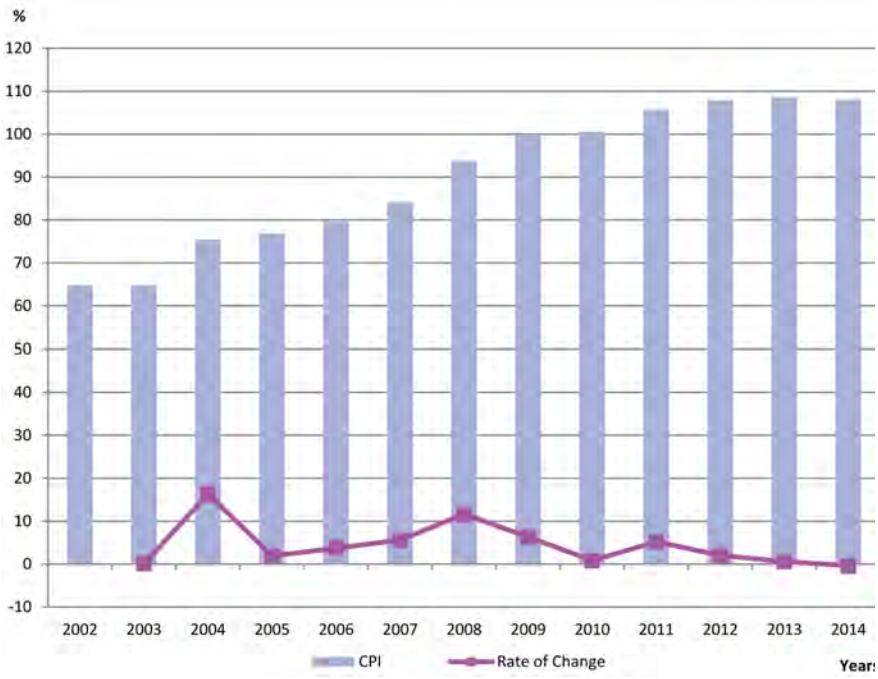
Source: Samoa Bureau of Statistics

9. The economy of Samoa has traditionally been dependent on agriculture, fishing, development aid and workers' remittances. Akin to most Small Islands Developing States (SIDS), particularly in the Pacific, the Samoan economy is rather fragile. There are some major imbalances in the overall economy. One imbalance is in foreign trade. Total imports are about 50% of GDP whereas exports are only slightly over 25% and, thereby, the ratio of imports to exports is high. About 90% of the exports consist of agricultural products with relatively low value added. Any redress in the merchandise trade deficit originates from remittances (about 5% of GDP), exports of services (e.g. tourism) and foreign aid. The performance of foreign trade, however, reflects the overall performance of the productive sectors, mainly agriculture and manufacturing.

10. Yet another imbalance is in the sectoral distribution of the labour force. Agriculture and fisheries sector employs two-thirds of the labour force and contributed 90% of the exports, yet contributes-on average- around 10-11% of GDP. The remaining 34% is employed by the industry, which is mostly agro-processing manufacturing and construction (which contributed around 11.6% of GDP in 2014) and in the service sector. Services comprise over 70% of GDP. Commerce, the largest sector in the Samoan economy, contributed around 32% of GDP in 2014, up from 30% in 2010.

Figure 2

Consumer price and rate of change in consumer price (2002-2014)



Source: Samoa Bureau of Statistics

11. Between 2002 and 2007, inflation rate fluctuated, yet was relatively under control. As result of the 2008 global economic and financial crises, the consumer price index (CPI) rose significantly in 2008 and 2009 (figure 2). Starting 2010, inflation was brought again under control and the rate of change of the CPI flattened with minor negative growth in 2014. The decline to the pre-economic-crises levels of inflation contributed to poverty reduction as will be discussed in the following sections.

C. Overview of the 2013/14, 2008 and 2002 HIES

12. The 2013/14 HIES, was based on a national sample of 8.4% of households (2,348 households), slightly larger than 2008 HIES (8.0% of households) and 2002 survey (6.4% of households). Table 1 summarizes the survey size, estimated number of households and populations for the 2002, 2008 and 2013/14 surveys[4].

Table 1

Comparison of Survey Size and Estimated HH & Populations (2002, 2008 and 2013/14)

Survey year	2002	2008	2013/14
Number of HH in Survey	1,480	2,012	2,348
Estimated Total Number of HH	23,244	25,123	27,865
% of all HH in Survey	6.4	8.0	8.4
Number of Persons in Survey	11,093	14,656	16,443
Estimated Total Number of Persons	175,527	182,488	192,657
% of all Persons in Survey	6.3	8.0	8.5

C.1 Households size and characteristics

13. In order to maintain comparability with 2002 and 2008 surveys, the analysis is based on actual number of household's members (per capita), which children as one, rather than adult equivalent, commonly used and derived from "equivalence factors" where children of 14 years and under are counted as half an adult.

14. Table 2 summarizes average size of households in the lowest expenditure quintile, lowest three deciles (L3D) and the highest quintile, at the national level and for each region, in 2013/14, compared to 2002 and 2008. The estimated average national size of households in 2013/14 is 6.9 members, down from 7.3 and 7.6 members in 2008 and 2002, respectively. Households at the lowest quintile (and lowest three deciles) tend to be larger in size compared to households at the highest expenditure quintiles.

15. At the national level, the estimated average size of households has been declining since 2002. The decline is driven by significant decrease in average size of households at the highest quintile. The decline in the average size of households is most significant for the highest quintile in Apia Urban Area, partially offset by a slight increase in the average size of households at the lowest quintile. Households in North-West Upolu tend to be larger across all expenditure deciles.

Table 2

Household size by expenditure level

Expenditure group		Average all Households	Lowest Quintile	Lowest Three Deciles	Highest Quintile	Total Population; survey est.
National	2002	7.6	8.9	8.8	5.5	175527
	2008	7.3	9.8	9.2	4.6	182488
	2013/14	6.9	9.3	8.8	4.3	191651
Apia Urban Area	2002	7.0	9.1	8.7	4.9	37574
	2008	6.8	9.3	8.9	4.1	37268
	2013/14	6.7	10.0	9.4	3.6	36693
North-West Upolu	2002	7.7	9.9	9.2	5.8	54591
	2008	7.3	10.1	9.7	4.6	57614
	2013/14	7.0	9.7	9.3	4.6	65307
Rest of Upolu	2002	7.4	8.5	8.5	5.4	39502
	2008	7.7	9.9	9.4	5.5	44314
	2013/14	6.8	8.5	8.2	4.5	44778
Savai'i	2002	8.0	8.6	8.5	6.4	43860
	2008	7.3	9.3	9.0	4.8	43293
	2013/14	6.8	8.8	8.4	4.4	44872

4 For more details on the HIES methodology, including sampling), see HIES report published separately by Samoa Bureau of Statistics

Expenditure deciles and quintiles and adult equivalent calculations

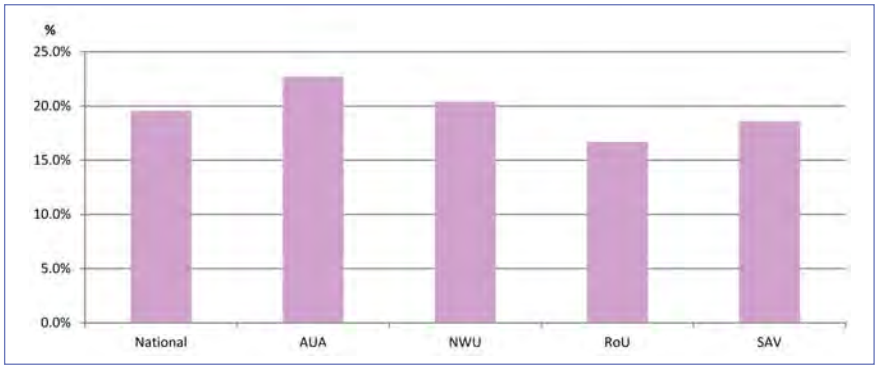
16. To make comparisons, the analysis divides households into deciles – that is ten equal sized groups of households that are ranked by, for example, the level of household expenditure per capita. The first decile will be the ten percent of households with the lowest expenditure per capita, the second decile the ten percent of households with the next lowest equivalent expenditure and so on. Quintiles are two deciles combined together – so the lowest quintile is decile one and two (the lowest two deciles). Dividing households this way enables a closer analysis of the characteristics of households of different expenditure levels.

Female-headed households

17. Overall, at the national level, 19.5% of households were reported as being headed by a female. The highest proportion of female-headed households was recorded in Apia Urban Area (22.7% of all households) followed by North-West Upolu (20.4%), Savai'i (18.6%) and the lowest proportion was recorded in the Rest of Upolu (16.7%) (Figure 3).

Figure 3

Proportion of households headed by females (percentage of all households)



Children

18. There were an estimated 72,947 children under the age of 15 years in 2013/14, accounting for around 38% of the population. Nationally, the estimated average number of children per household was 2.6, and this was also the case in Rest of Upolu and Savai'i. The estimated average number of children per household is 2.5 in Apia slightly higher in North-West Upolu (2.7). On average, the number of children is higher in households at the lower expenditure deciles, compared to households at the higher expenditure deciles.

C.2 Household expenditure

19. Household total weekly expenditure averaged around 950.43 SAT (up from 852.33 SAT and 574.88 SAT in 2008 and 2002, respectively) and an average total weekly expenditure per capita of 138.18 SAT (up from 117.34 SAT and 76.13 SAT in 2008 and 2002, respectively). This is an 18% increase between 2008 and 2013/14. For the lowest expenditure quintile, the average weekly household expenditure was 467.93 SAT (up from 394.55 SAT and 224.36 SAT in 2008 and 2002, respectively), compared to 1789.89 SAT per week (up from 1674.83 SAT and 1155.22 SAT in 2008 and 2002, respectively) for the highest expenditure quintile. The ratio of the average household's weekly expenditure at the lowest to the highest expenditure deciles is, therefore, 0.26 in 2013/14 compared to 0.24 and 0.19 in 2008 and 2002, respectively (Table 4).

20. Household average total weekly expenditure was significantly higher in Apia (1110.58 SAT) compared to the rest of the country (932.53 SAT, 918.19 SAT and 880.76 SAT in the Rest of Upolu, North-West Upolu and Savai'i, respectively). The same patterns were recorded for the lowest and highest quintiles (Table 3). The average per capita weekly expenditure is higher in Apia Urban Area (165 SAT) followed by the Rest of Upolu (136.5 SAT), North-West Upolu (130.49 SAT) and Savai'i (129 SAT).

Table 3

Weekly household and per capita average total expenditure by decile in 2002, 2008 and 2013/14

SAT per household per week															
	National			Apia Urban Area			North-West Upolu			Rest of Upolu			Savai'i		
SAT per week	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14
Average all HH	574.88	852.33	950.43	593.99	1017.13	1110.58	463.86	889.28	918.19	639.02	712.66	932.53	638.06	786.79	880.76
Lowest Quintile	224.36	394.55	467.93	260.28	412.61	542.40	212.10	446.71	435.15	259.32	356.64	456.35	214.21	354.53	469.75
L3D	260.38	424.61	513.40	285.23	472.37	590.51	228.13	489.29	482.45	304.90	388.23	499.93	255.42	389.17	509.35
Highest Quintile	1155.22	1674.83	1789.89	1214.22	2054.04	2018.27	914.74	1683.00	1890.58	1269.72	1320.22	1650.27	1314.20	1568.49	1497.76
Ratio Q1:Q5	0.19	0.24	0.26	0.21	0.20	0.27	0.23	0.27	0.23	0.20	0.27	0.28	0.16	0.23	0.31
SAT per capita per week															
Average all HH	76.13	117.34	138.18	84.54	150.01	165.23	60.38	121.80	130.49	85.93	92.88	136.49	79.69	108.32	128.96
Lowest Quintile	25.34	40.55	50.15	28.80	45.42	54.18	21.82	44.38	44.72	30.78	35.95	53.63	24.62	37.89	53.21
L3D	30.04	47.03	57.94	33.58	54.47	63.02	25.69	51.27	51.90	35.73	41.71	60.95	30.13	43.31	60.72
Highest Quintile	219.55	381.12	413.12	260.11	537.38	561.33	165.45	385.32	408.47	240.21	256.17	369.24	217.98	335.81	341.25
Ratio 5Q:1Q	8.7	9.4	8.2	9.0	11.8	10.4	7.6	8.7	9.1	7.8	7.1	6.9	8.9	8.9	6.4

% change in average per capita HH expenditure	National		Apia Urban Area		North-West Upolu		Rest of Upolu		Savai'i	
	2002 to 2008	2008 to 2013/14	2002 to 2008	2008 to 2013/14	2002 to 2008	2008 to 2013/14	2002 to 2008	2008 to 2013/14	2002 to 2008	2008 to 2013/14
Average all HH	54.1	17.76	77.4	10.1	101.7	7.1	8.1	46.9	35.9	19.1
Lowest Quintile	60.0	23.68	57.7	19.3	103.4	0.8	16.8	49.2	53.9	40.4
L3D	56.5	23.18	62.2	15.7	99.6	1.2	16.8	46.1	43.7	40.2
Highest Quintile	73.6	8.39	106.6	4.5	132.9	6.0	6.6	44.1	54.1	1.6

21. The average weekly expenditure on food accounted for 47% of total per capita weekly expenditure (up from 36% in 2008 and down from 51% in 2002). Expectedly, food expenditure accounted for about two thirds of total weekly per capita food expenditure in households at the lowest quintile compared to one third of total per capita expenditure in households at the highest quintile.

22. The overall average weekly expenditure on food per capita in Samoa was 65.35 SAT in 2013/14, up from 42.02 SAT and 38.64 SAT in 2008 and 2002, respectively (Table 4). In 2013/14 the highest average per capita food expenditure was recorded in Rest of Upolu, followed by Savai'i, while in 2008 the highest per capita food expenditure was recorded in Apia Urban Area. In general, there is an upward trend from 2002 to 2013/14 in the average per capita food expenditure, yet the increase over time is more significant at the highest expenditure deciles compared to the lowest expenditure deciles. The average per capita food expenditure at the lowest quintile was about one fifth of that at the highest quintile (Figure 4).

Figure 4

The share of food in total weekly per capita expenditure (2002, 2008 and 2013/14)

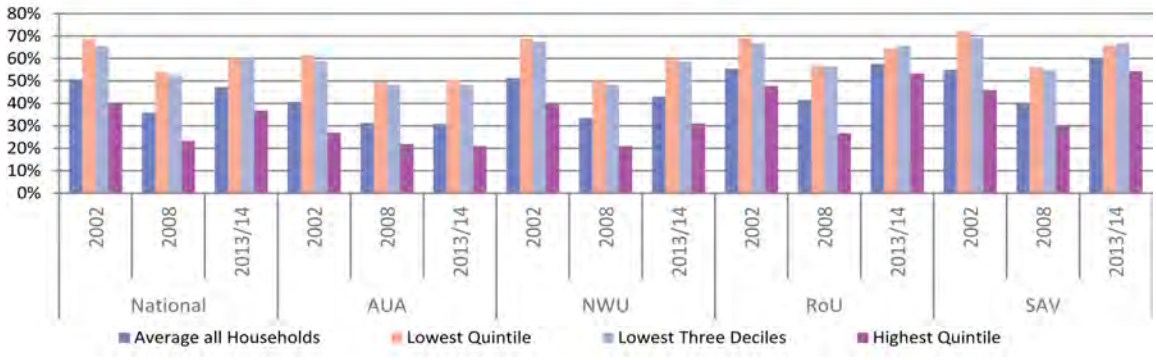


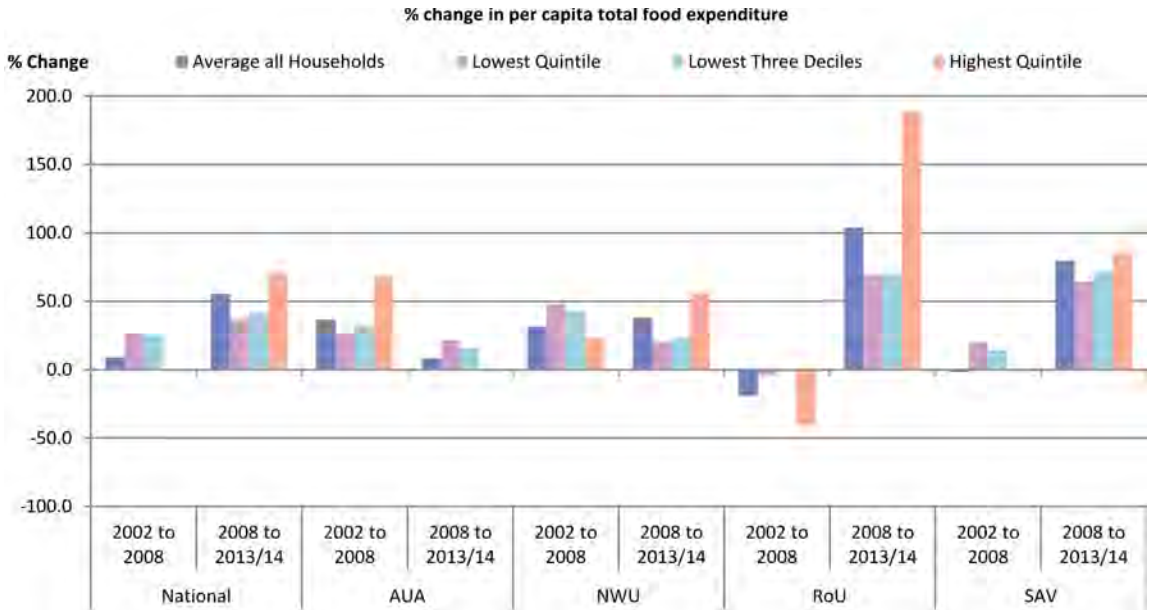
Table 4

Average weekly per capita total food expenditure by expenditure level and region (2002, 2008 and 2013/14)

Per capita per week SAT															
	National			Apia Urban Area			North-West Upolu			Rest of Upolu			Savai'i		
Deciles: HH weekly per capita expenditure	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14
Average all HH	38.64	42.02	65.35	34.41	47.05	50.87	30.93	40.68	56.13	47.63	38.55	78.68	43.77	43.03	77.33
Lowest Quintile	17.37	21.92	30.08	17.73	22.48	27.30	15.02	22.22	26.72	21.26	20.41	34.61	17.75	21.26	35.01
L3D	19.66	24.62	34.86	19.76	26.25	30.32	17.32	24.74	30.43	23.85	23.51	40.00	20.82	23.72	40.66
Highest Quintile	88.45	88.75	151.71	69.92	117.64	118.15	65.98	81.17	126.74	114.87	68.28	197.01	100.06	99.90	185.58
Ratio Q1:Q5	5.1	4.0	5.0	3.9	5.2	4.3	4.4	3.7	4.7	5.4	3.3	5.7	5.6	4.7	5.3

Figure 5

Trends in average weekly per capita total food expenditure by expenditure level and region (2002, 2008, and 2013/14)



23. Subsistence production is an intrinsic component of Pacific culture and traditions. The share of own food production in total per capita food expenditure in Samoa, nonetheless, is gradually and steadily declining. It averaged around 26% of own food production in total per capita food expenditure at the national level in 2013/14, down from 28% and 30% in 2008 and 2002, respectively. For the lowest three expenditure decile, an increase in the share of own food production from 41% in 2002 to 45% in 2008 was in response to rising food prices and the soaring inflation due to the global economic and financial crises and acted as effective mitigation and coping mechanism that maintained a downward trend in food poverty despite the increase in basic needs poverty. However, the share of own food production for households at the lowest three deciles declined to 26% of total food expenditure in 2013/14. To the contrary, the share of own food production for households at the highest expenditure quintile declined from 17% in 2002 to 13% in 2008 and then significantly rose to 24% of total food expenditure in 2013/14.

24. The aforementioned patterns reflect to a great extent the impact of 2009 tsunami and the 2012 Cyclone Evan, which resulted in significant damage to agricultural land and forests. Additionally, there is a clear return to pre-crises patterns of consumption. As inflationary pressure declined, the average share of own food production converged to the national average across decile. The geographic disparities reflecting local impact of natural disasters and access to land and other resources utilized for subsistence production prevailed.

25. In 2013/14 Apia Urban Area, expectedly, recorded the lowest share in own food production (10% compared to 33%, 32% and 22% in Savai'i, Rest of Upolu and North-West Upolu, respectively). The variations between high and low expenditure deciles within the same region are less significant and reflect primarily access to land and resources and, to a lesser extent, opportunity cost. For instance, in Apia, the share of own food production at the lowest expenditure quintile in 2013/14 is 14%, compared to 9% at the highest quintile. Meanwhile, in Savai'i, where resources, particularly land, is more equitably accessible, the share of own food production at the lowest quintile is 32% compared to 31% at the lowest quintiles. According to the 2014 DHS, 36.5% of urban households owned agricultural land and 69.3% of rural households owned agricultural land. It is also important

to note that Savai'i was impacted by neither 2009 tsunami nor cyclone Evan in 2012.

26. North-West Upolu, where basic needs poverty is significantly higher, was severely impacted by the 2012 cyclone. Population displacement and significant damage to land and forestry impacted households' subsistence production capacity. As a result, the share of own food production declined between 2008 and 2013/14. It is also clear that subsistence production in North-West Upolu seems to remain a mitigation mechanism against poverty, constrained by access to land and resources. The share of own production, therefore, is 23% of total food expenditure for households at the lowest expenditure quintile, compared to 17% at the highest expenditure quintile.

27. The impact of the 2009 tsunami was more severe for the poor at the lowest quintile and relatively less for households at the highest quintile that may have the necessary resources for recovery. As a result, the share of own food production at the lowest expenditure quintile declined from 42% in 2008 to 23% in 2013/14, while increased for households at the highest quintile from 12% in 2008 to 17% in 2013/14.

Table 5

The share of own food production in total per capita weekly total food expenditure

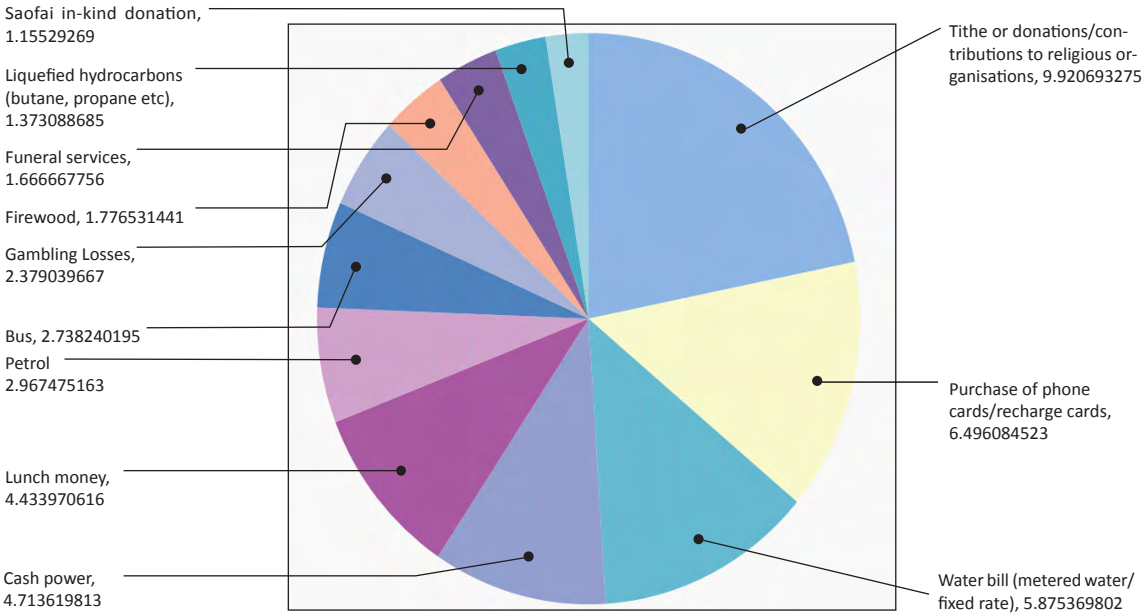
% of per capita total food expenditure															
	National			Apia Urban Area			North-West Upolu			Rest of Upolu			Savai'i		
Deciles:	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14
Average all HH	30%	28%	26%	10%	10%	10%	31%	24%	22%	39%	42%	32%	33%	38%	33%
Lowest Quintile	44%	47%	25%	16%	19%	14%	46%	42%	23%	53%	57%	29%	54%	55%	32%
L3D	41%	45%	26%	16%	17%	11%	45%	39%	24%	52%	54%	30%	54%	55%	33%
Highest Quintile	17%	13%	24%	3%	5%	9%	16%	12%	17%	25%	29%	35%	17%	23%	31%

28. The top non-food expenditure item for households in both the lowest three and the highest three expenditure deciles is donations and contribution to religious organizations accounting for 22% and 19% of non-food expenditure for households in the three lowest and three highest expenditure deciles, respectively, followed by phone cards and recharge cards for the three lowest deciles (accounting for 14% of their non-food expenditure) and Petrol for the three highest deciles (accounting for 18% of their non-food expenditure). Rent and utility accounted for about 15% of non-food expenditure of the three highest and three lowest deciles.

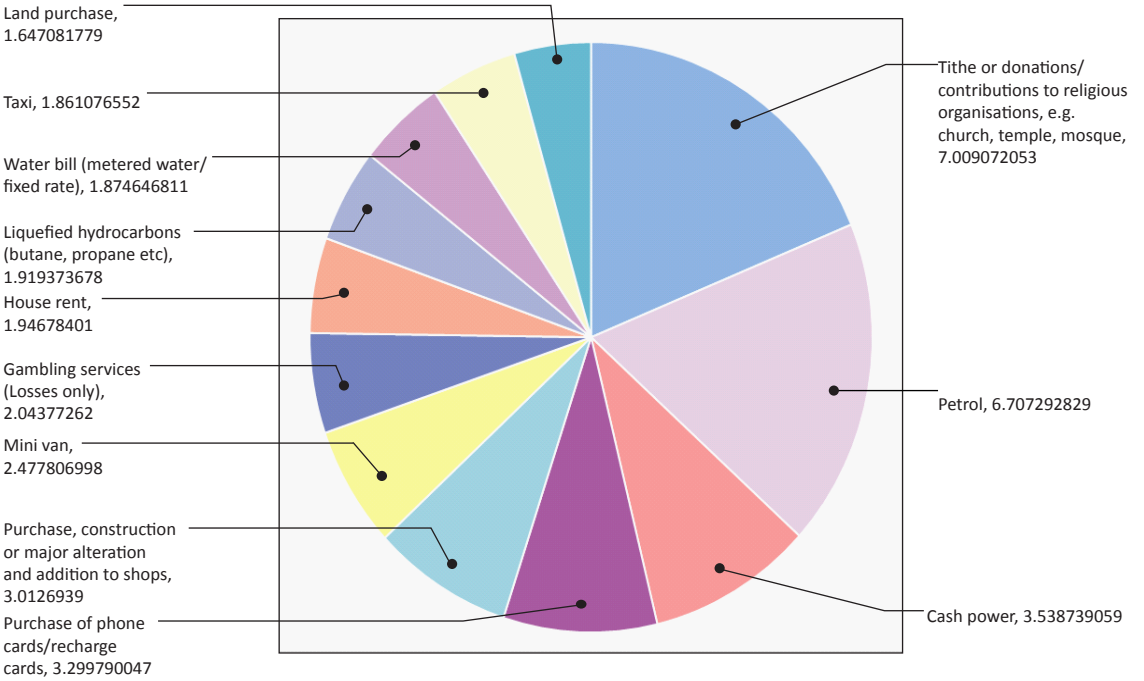
Figure 6.a and 6.b

Composition of non-food basket for the lowest three deciles and the highest three deciles

Lowest Three Deciles: Non-Food Expenditure; Top 12 Items



National Highest Three Deciles: Non-Food Expenditure; Top 12 Items



C.3 The Samoa Poverty Lines

29. Poverty lines provide a measure of the level of hardship experienced by households and individuals. They assess the basic costs of an acceptable minimum standard of living in a particular society and measure the number of households and/or the proportion of the population that cannot meet these basic needs. As the costs and basic needs for individual households differ between different parts of the country, the analysis distinguish four areas/regions, namely: Apia Urban Area (AUA); North-West Upolu (NWU), Rest of Upolu (RoU) and Savai'i (SAV).

30. Expenditure levels are used to quantify poverty. This is the standard used in the Pacific region for the analysis of poverty by the Secretariat of the Pacific Community (SPC), United Nations Development Program (UNDP) and the Asian Development Bank (ADB). Discrepancies are often observed between declared income and expenditure, with declared income being significantly lower than declared consumption. A consumption approach better allows for the incorporation of food production for own consumption, and gifts of food and non-food items, in the assessment of a household's position relative to the poverty line.

31. Poverty measures draw on the "Cost of Basic Needs" methodology. Using the "Cost of Basic Needs" methodology, the estimation of *food* and *basic needs* poverty lines and hence the extent or Incidence of Poverty (IP) in Samoa follows a five stage process:

i. Calculating the Food Poverty Line (FPL);

ii. Estimating a non-food basic needs component;

iii. Estimating the incidence of food poverty against the food poverty line;

iv. Combining the FPL with the non-food basic needs component to give an estimate of the Basic Needs Poverty Line (BNPL); and finally,

v. Estimating the incidence of poverty against the BNPL benchmark using the Head Count Index (HCI) (the proportion of the population with a standard of living below the poverty line); also measured are vulnerability-to-poverty status, and the prevalence of poverty by gender, age and other disaggregated characteristics and indicators of hardship and poverty.

32. **The Basic Needs Poverty Line** is made up of two components: the cost of a minimum food basket, and an amount of expenditure for "essential" non-food basic needs. The BNPL is therefore intended to represent the minimum expenditure that is required by an individual, household or family to:

- Provide a basic, low-cost, minimally nutritious diet - measured in terms of the minimum daily calorie intake required for basic human survival. This food energy requirement is internationally benchmarked at an average of 2,100 kilocalories/day per adult per capita[5] and termed the "Food Poverty Line" (FPL). The FPL includes food that is purchased from markets or shops, as well as food grown for own consumption (subsistence) and any gifts of food received;

- An additional amount which is required to meet the costs of purchasing (or otherwise acquiring) essential non-food basic needs (e.g. costs relating to housing/shelter, clothing, utilities, school fees and/or other education related expenses, health, transport and communications) and to meet family/community/church obligations. Most of these non-food costs require cash payments and are often the underlying cause of the greatest financial hardship.

33. The Incidence of Poverty is then measured against the BNPL by estimating the proportion of households or population which have a *Per Capita* expenditure (including the value of subsistence production consumed) less than the BNPL value. This is referred to as the Head Count Index (HCI).

34. Households with per capita expenditure below the FPL are deemed to be in "extreme" poverty since their expenditure is below that required to meet basic food needs. Those with expenditure below the BNPL are in "basic needs" poverty.

35. Table 6 classifies households/persons on a spectrum from very poor to non-poor in relation to the level of their expenditure.

5 This is the FAO/WHO recommended daily minimum adult calorie intake for a moderately active adult and the standard calorie benchmark for estimating food poverty lines.

Table 6

Poverty and vulnerability status classifications

Category of vulnerability Status	Expenditure relative to poverty line
Very Poor (extreme poverty)	Households/persons whose per capita adult equivalent weekly expenditure is below the FPL
Poor (basic needs poverty)	Households/persons whose per capita weekly expenditure is below the BNPL, i.e. the very poor and the poor
Highly/Extremely Vulnerable	Households/persons whose per capita expenditure which is above the BNPL but less than 20% above the BNPL
Vulnerable	Households/persons whose per capita expenditure between 20% and 50% above the BNPL
Potentially vulnerable	Households/persons whose per capita expenditure above 50% but less than 100% above the BNPL
Non-poor	Households/persons whose per capita expenditure was equal to or more than 100% above the BNPL

36. In the Pacific region, the extent of extreme or food poverty is generally very low. Most households, particularly those in the rural areas, have access to land for subsistence cropping, and many have access to the sea for fish and seafood. They are therefore able to meet a high proportion of their daily food needs from their own production. Even in many urban areas, households provide at least a proportion of their own food needs. This access to land, sea and subsistence crops sets the Pacific apart from most of the developing world where access to land and subsistence crops is often much less widespread.

C.4 Poverty line estimation

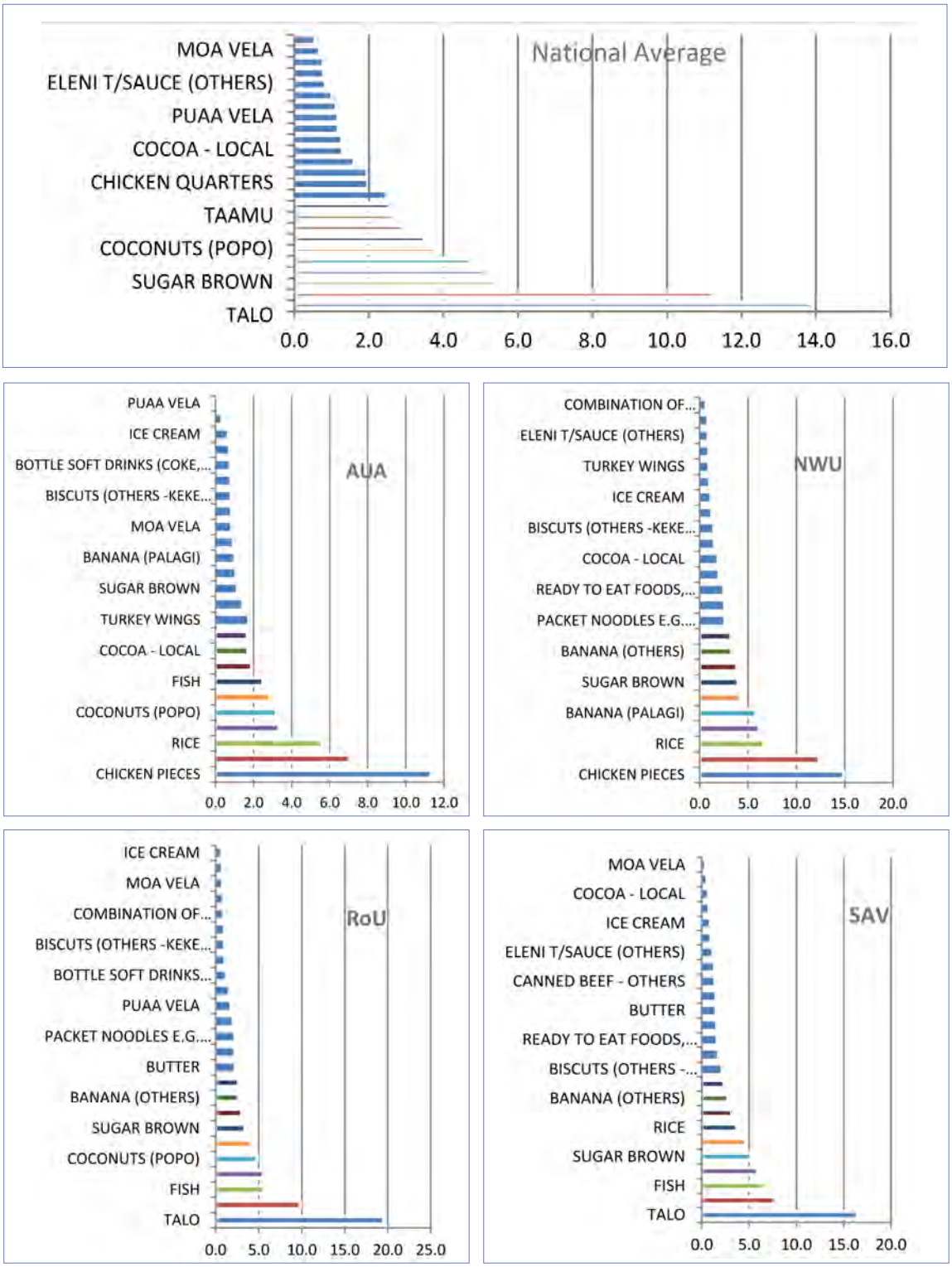
I) Derivation of the food basket for the FPL

37. For the HIES 2002, 2008 and HIES 2013/14, an expenditure-based method has been used to calculate the basic food baskets and the corresponding food poverty lines. The expenditure-based food baskets were derived from the type of food and expenditure patterns of households in the lowest three expenditure deciles. The food items (from purchases, household production, and transfers to and from households as gifts) were then weighted by expenditure shares and quantities. The top 25 items, with the highest weighted expenditure and covering approximately 75% of all food expenditure, formed the food basket used in the estimation of the FPL. The FPL has an absolute base (2,100 kilocalories/day) but the items that make up those calories are derived from actual consumption patterns in each of the three areas; Figures 4.a, 4.b and 4.c illustrate.

Figure 7

Food baskets (top 25 food items) of the bottom three expenditure deciles (national and by region)

38.



II) Derivation of the Food Poverty Line (FPL)

39. The average weekly per capita food expenditure and corresponding amount of food per week consumed were calculated from the diary-based weighted food basket. This calculation used commodity prices, primarily from the CPI, adjusted for the balance of purchases, household production, public and private transfers[6].

40. In some cases a weighted mean price of a commodity was estimated from the diary data in the calculation of poverty lines. In the particular cases of *dry coconuts and cooking bananas* where the actual consumable part of the commodity represents only a small part of the actual weight purchased in the market, adjustments to CPI prices were made to reflect the actual food value purchased[7].

41. The "consumed weights" in grams were converted to calorific values per capita per day using *The Pacific Islands Food Composition Tables*[8]. The food calorie values used in the analysis are either for raw food or cooked items as specified in the tables; no additional adjustments have been made for different cooking processes, and there is generally no loss of food-energy value due to cooking.

42. To get the cost of the nutritionally required 2,100 kilocalories[9], per person per day; 2,100 was divided by the total kilocalories consumed, as derived from the expenditure diary data, and multiplied by the mean weekly expenditure to get the food poverty lines for the four regions (Apia Urban Area; North-West Upolu, Rest of Upolu and Savai'i). Figure 8 illustrates the Food Poverty Lines (FPL) derived at the national level for different regions in comparison with 2002 and 2008 surveys. The national FPL is a weighted average of the regional FPL. Figure 8 shows the upward trend in the FPL, with significant increase between 2002 and 2008 due to the impact of global economic crises and rising food prices and lesser increase between 2008 and 2013/14 as inflation rate declined.

What makes a good poverty line?

We define a poverty line as the monetary cost of achieving a standard of living above which one is not deemed to be poor. A poverty comparison assesses which of two distributions (of an agreed indicator of living standards) has more poverty on average. The groups can be regions or sectors of a country, the same population at different dates, or the same population observed with and without a policy change. A special case of a poverty comparison is a poverty profile, where groups of households defined by some common characteristic (such as where they live) are compared at one date.

The guiding principle in making a poverty comparison to inform policy is that it should be consistent with the policy objective. When that objective is to reduce poverty by increasing people's command over basic consumption needs, any two individuals (at one date or at different dates) with the same command over those needs should be treated identically. This requires the poverty line to have a fixed purchasing power over relevant commodities.

The cost-of-basic-needs method

The cost-of-basic-needs method bases poverty lines on purchasing power over basic consumption needs. This achieves the desired consistency for the purposes of the World Bank Poverty Assessments. But putting this method into practice with imperfect data can be difficult. Once "basic needs" are defined, we need to be able to measure their cost over time and location. Setting basic needs requires an inherent value judgment, which often leads to disagreements. Also price data are often inadequate.

World Bank, 1994

6 The weighted price is a mean of prices from the different sources, i.e. purchases, own production and private transfers, each at its particular price.

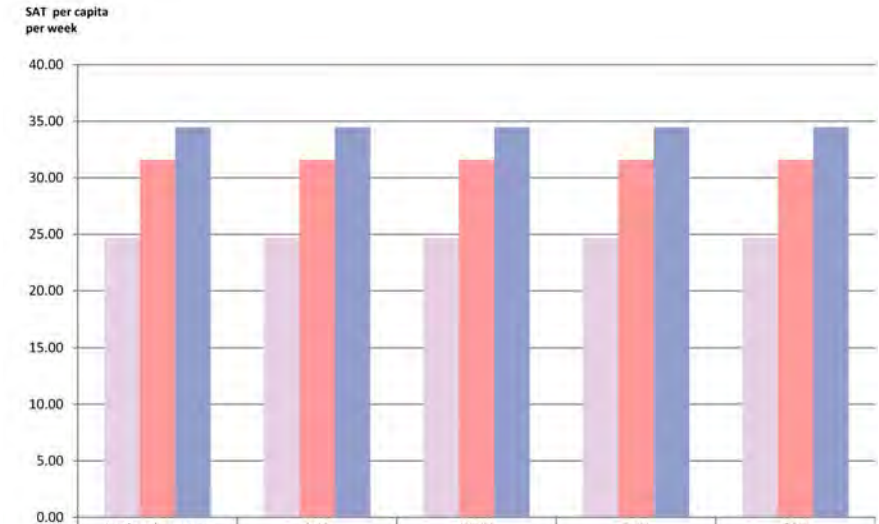
7 In the case of dry coconuts the consumable part is estimated at 150g per nut; for cooking bananas it is estimated that for each kg of product purchased in the market only 400g is consumable, the rest being skin and stalk.

8 The Pacific Islands Food Composition Tables, Second Edition, USP/FAO, 2004

9 The Food and Agricultural Organization (FAO) and the World Health Organization (WHO) recommend a minimum food energy intake of 2100 kilocalories per person per day for an average moderately active person.

Figure 8

Estimated food poverty lines for 2002, 2008 and 2013/14 HIES



	National average	AUA	NWU	RoU	SAV
2002	24.68	24.68	24.68	24.68	24.68
2008	31.56	31.56	31.56	31.56	31.56
2013/14	34.49	34.49	34.49	34.49	34.49

III) The Estimation of Non–Food Components

43. The FPL is not sufficient on its own to determine a benchmark of basic needs and poverty classifications. A household that can afford to meet food requirements of all members, but lacks the resources to purchase clothing, shelter, education, transport, communications, lighting and health care, experiences hardship in a very basic sense. A widely accepted scaling-up approach is used for non-food items to determine a Basic Needs Poverty Line (BNPL). This approach uses the FPL as the reference point for estimating non-food basic needs expenditure.

44. The rationale for this approach is that if a household is meeting all its food requirements, it is likely it would also be meeting basic non-food requirements. Conversely if a household is not able to meet its food requirements, it is probably not able to meet its basic needs for non-food items either. This is not necessarily always the case since as income increases; the share of food in total households' expenditure tends to decrease due to the low income elasticity of demand for food items.

45. Further, for Samoa and other Pacific Island Countries, taking the level of the FPL as a reference point for estimating non-food basic needs would give a very low figure for non-food basic needs expenditure. This is because subsistence production makes up a significant part of the FPL and, therefore, the proportion of households falling below the FPL is very small and the non-food basic needs calculation would be based on a very small number of the very poorest households. This would not give a true reflection of the actual costs of essential non-food items.

46. Therefore, the basis for the estimation of non-food basic needs expenditure for Samoa and all other PICs is the average actual non-food expenditure of households in the bottom three deciles. The BNPL for 2002, 2008 and 2013/14 surveys was calculated by estimating the average total non-food per capita weekly expenditure for households in the lowest three deciles and multiplying it by the average size of households at the lowest three expenditure deciles (Table 7). This is the estimated cost of "non-food" basic needs. This is a relative measure that will increase with growth in real incomes.

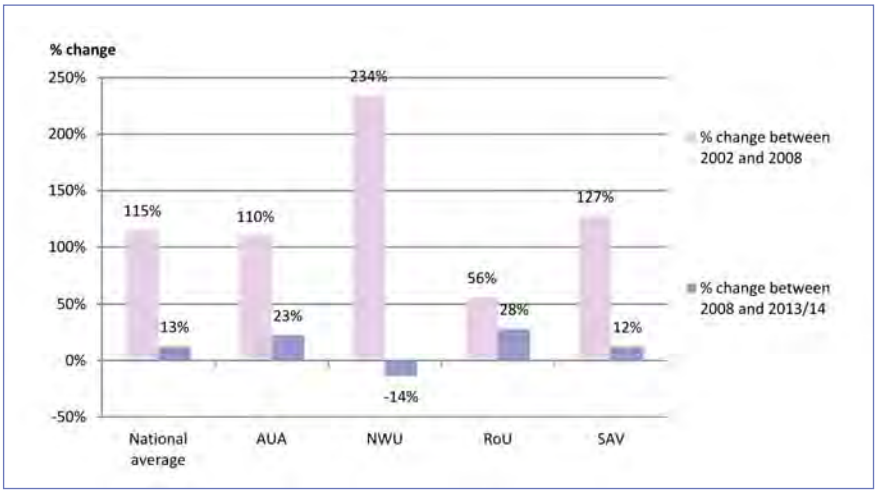
Table 7

The calculation of the weekly per capita Basic Needs Poverty Lines: 2002, 2008 and 2013/14

SAT per capita per week	Food Poverty Line	Estimated Non-Food Expenditure	Basic Needs Poverty Line	Weekly cost per HH in L3D
	A	B	C = A+B	D
		2002		
National average	24.68	10.25	34.93	306.00
Apia Urban Area	24.68	13.54	38.22	331.21
North-West Upolu	24.68	7.86	32.54	298.23
Rest of Upolu	24.68	11.48	36.16	308.86
Savai'i	24.68	8.48	33.16	281.79
		2008		
National average	31.56	22.03	53.59	493.02
Apia Urban Area	31.56	28.39	59.95	533.97
North-West Upolu	31.56	26.24	57.80	559.23
Rest of Upolu	31.56	17.90	49.46	466.76
Savai'i	31.56	19.27	50.83	459.96
		2013/14		
National average	34.49	24.78	59.27	525.19
Apia Urban Area	34.49	34.78	69.27	649.07
North-West Upolu	34.49	22.62	57.11	530.91
Rest of Upolu	34.49	22.93	57.42	470.96
Savai'i	34.49	21.64	56.13	470.80

Figure 9

Change in the non-food components of the BNPL



47. It is sometimes argued that this method leads to an over-inclusion of non-basic items and, therefore, raises the BNPL. However it is deemed preferable from a planning and policy perspective to slightly over-estimate than to under-estimate basic-needs requirements.

48. A reasonable increase in the non-food component of the BNPL to increase over a 4-5 years period is normal and expected in any growing economy. Akin to the food component (FPL), however, the significant rise in the non-food component of the BNPL in

2008 (compared to 2002) reflects the impact of the global economic and financial crises and the associated inflationary pressure. As the inflationary pressure eased in the subsequent years the increase in the non-food component in 2013/14 was reasonable. The non-food component of the BNPL declined in the case of North-West Upolu, where incidence of basic needs poverty as highest, reflecting the lowered standards of living.

IV) The Basic Needs Poverty Lines

49. Combining the food and non-food components provides the Basic Needs Poverty Lines (BNPL) for the four sub national areas (Table 8). These represent the estimated expenditure (including household subsistence production) required per capita per week to meet the costs of a minimum standard of living in each of the regions.

50. In general, there are major differences in non-food basic needs between rural and urban households. Rural households often do not have easy access to, or need for, transport while, for urban households, bus fares are often an essential cost. Rural housing is more likely to be made of traditional materials and will be less costly to maintain than urban housing, but has fewer amenities. Expenditure on essential clothing and other non-food items is limited in rural locations where there are limited supply and variety. As shown in Table 8, the average per capita weekly non-food basic needs costs in Apia are 32%, 29% and 44% higher than the national average in 2002, 2008 and 2013/14, respectively.

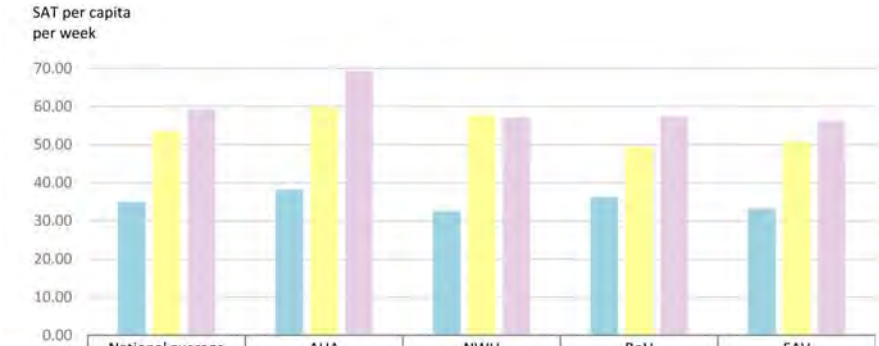
51. The BNPLs measure each household against the basic needs standard of the particular sub-national area. Since what is deemed to be a basic need is more restricted in rural areas, the poverty threshold is materially lower in rural areas and the average material standard of living is also lower. This means a rural household that had per capita expenditure equivalent to the rural BNPL would be below the urban BNPL and in poverty compared to the urban standard. Conversely, an urban household with per capita expenditure equivalent to the urban BNPL has a material living standard above the rural BNPL.

52. In general, it is easier for poor households to survive at a basic needs level in a rural environment where a larger proportion of needed food can be obtained from subsistence production and where non-food basic needs are limited (either by availability or "need"). A poor urban household would find it much more difficult to survive since there is less opportunity for subsistence production[10] and a much greater need for cash to purchase food and other non-food basic needs.

53. The incidence of basic-needs poverty/hardship is measured by the proportion of households and population that fall below these levels of per capita adult equivalent weekly expenditure for the respective regions. This is discussed in the next section.

Figure 10

Basic-Need Poverty Line comparison: 2002, 2008 and 2013/14



	National average	AUA	NWU	RoU	SAV
2002	34.93	38.22	32.54	36.16	33.16
2008	53.59	59.95	57.80	49.46	50.83
2013/14	59.27	69.27	57.11	57.42	56.13

10 2014 DHS reports 36.5% of urban households owned agricultural land and 69.3% of rural households owned agricultural land.

National Poverty Lines: Income or Consumption

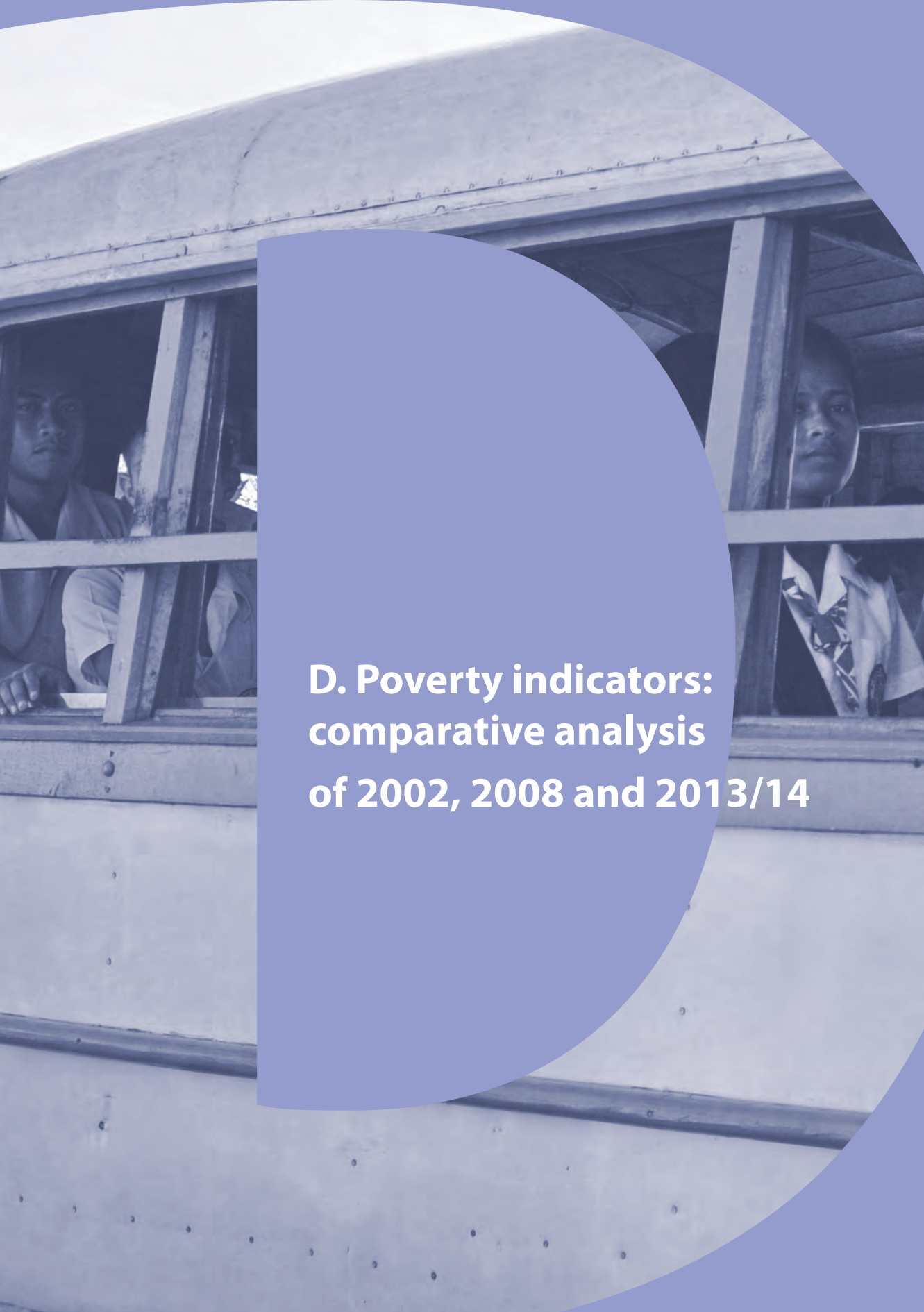
There are two basic ingredients in measuring poverty. The first is a poverty line that refers to a benchmark level of consumption (or income) that enables a person to attain a threshold standard of living. A person whose consumption is below this benchmark level does not attain the threshold standard of living and is thereby defined as poor. The poverty line is said to be absolute, as opposed to relative, when the threshold standard of living is held fixed both over time and space. Given that absolute poverty lines, and the poverty measures derived from these, are widely believed to be the appropriate bases on which to inform antipoverty policies in developing countries, the discussion focuses on these.

The second ingredient in measuring poverty is a survey that collects data on income and/or consumption levels from a sample of household's representative of a given population. The choice of income or consumption as an indicator of household welfare is often determined by the availability of data. Where choice is available, researchers have normally preferred consumption to income on the basis that the former is a better indicator of permanent income and standard of living of people due to consumption smoothing through savings and insurance opportunities. It has also been argued that it is easier to collect information from respondents on consumption than on income. Once a poverty line has been set and survey data are available, it is a simple matter to determine how many households or people are poor.'

Unfortunately, the setting of poverty lines always involves some element of subjective methodological choice. The poverty line refers to a minimum level of living necessary for physical and social development of a person. A minimum level of living defined in monetary terms comprises both food and non-food components of consumption. An objective approach could, in principle, be adopted for computing minimum food expenditure, the dominant component in the total consumption bundle of the poor. However, non-food expenditure is clearly affected by social needs and the minimum on this count obviously differs from one society (or region) to another. .... it is difficult to consider even the physical component of minimum needs entirely on an objective basis. Despite such problems, recent literature has grown substantially to define the absolute poverty line on a reasonably, although not completely, objective basis.

Once the poverty line is defined, data are required on size distribution of income or consumption to compute the number and proportion of the population below the poverty line. Household income or consumption expenditure surveys are the principle source of such data..... ADB 2004, pages 7-8

Poverty lines are defined either in terms of income or consumption. In practice, this choice is restricted by the availability of household survey data since most countries collect data on either household income or consumption. A few countries ... collect data on both income and consumption. Income is a better measure of opportunity for consumption than actual consumption in the case of households that save. But consumption might be a better measure of opportunity for poor households that save little or in fact dissave. Most practitioners also prefer to define poverty in terms of total consumption expenditure because income data collection faces a wider range of measurement problems. Consumption is less affected by short-term fluctuations due to the consumption smoothing opportunities available to a household. Hence, total consumption expenditure is thought to be a better indicator of the permanent income of a household, particularly in an agrarian economy..... (ADB 2004, p 41)



D. Poverty indicators: comparative analysis of 2002, 2008 and 2013/14

D.1 Poverty Indicators

54. Expenditure poverty is measured in terms of poverty incidence, the depth of poverty, and the severity of poverty. Poverty incidence is the proportion of households/population below the defined food and basic need poverty lines for the national and particular sub-national areas of Apia Urban Area (AUA), North-West Upolu (NWU), Rest of Upolu (RoU) and Savai'i (SAV).

55. The depth of poverty measures the gap between the average level of expenditures of the poor and the BNPL . It is expressed as the Poverty Gap Index (PGI). The PGI gives an indication of how much extra household expenditure would be required to bring people and households in poverty up to the BNPL. A higher PGI indicates a greater depth in the extent of poverty.

56. Poverty severity, expressed as the Squared Poverty Gap (the mathematical squaring of the poverty gap) or Poverty Severity Index, gives added weight to those households and individuals furthest below the poverty line. In the Poverty Severity Index, the higher the index, the greater the degree of poverty being experienced by those below the BNPL. This index helps policy-makers to see how "severe" the depth of poverty is by giving extra weight to the very poorest. It also helps to identify how resources might be redistributed to reduce inequality.

D.2 Incidence of Food Poverty

57. At the national level, the incidence of food poverty has been declining. During the period from 2002 to 2013/14, food poverty remarkably declined by nearly two thirds. Despite the impact of the global economic and financial crises and thanks to subsistence production, it declined from 10.6% of population (8.5% of households) in 2002 to 4.9 % of population (3.3% of Households) in 2008 and in 2013/14 it declined further to 4.3% of population (2.8% of households).

58. At the sub-national level, the decline in food poverty varied significantly. While in Savai'i the incidence of food poverty declined from 10.3% of population (9.8% of households) in 2002 to 5.1% of population (3.6% of households) in 2008 and further down to 2.95 of population (2.5% of households) in 2013/14; in Apia it declined from 7.6% of population (5.3% of households) in 2002 to 3.5% of population (2.3% of households) in 2008 and remained around this level in 2013/14. In North-West Upolu the incidence of food poverty declined from 16.2% of population (12.1% of households) in 2002 to 3.3% of population (2.0% of households) in 2008 and increased to 6.6% of the population (4.0% of households) in 2013/14; which is higher than the average incidence of food poverty anywhere else in the country. The three consecutive surveys confirm, therefore, high and persistent food poverty in North-West Upolu. Meanwhile, in the Rest of Upolu, food poverty declined from 10.3% of population (9.8% of households) in 2002 to 5.1% of population (3.6% of households) in 2008 and further down to 2.9% of population (2.5% of households) in 2013/14. (Table 8)

Table 8

Incidence of food poverty in 2002, 2008 and 2013/14

Proportion of HH and Population with Weekly Per Capita Expenditure less than the Food Poverty Line						
	Households			Population		
% falling below FPL	2002	2008	2013/14	2002	2008	2013/14
National average	8.5	3.3	2.8	10.6	4.9	4.3
Apia Urban Area	5.3	2.3	2.3	7.6	3.5	4.5
North-West Upolu	12.1	2.0	4.0	16.2	3.3	6.6
Rest of Upolu	5.6	5.6	1.8	6.1	8.1	2.4
Savai'i	9.8	3.6	2.5	10.3	5.1	2.9

D.3 Incidence of Basic Needs Poverty and Hardship

59. Due to the impact of the global economic and financial crises, the incidence of basic needs poverty rose, at the national level, from 22.9% of population (19.1% of households) in 2002 to 26.9% of population (20.1% of households) in 2008. There was also a sharp increase in basic-needs poverty in Rest of Upolu and Savai'i. This was associated with the loss of jobs at Yazaki around this time, and the increase in the prices of food, fuel and other items. In 2013/14, the incidence of basic needs poverty dropped significantly to 18.8% of population (13.4% of households). The aforementioned trends mainly reflected the significant changes in poverty in Savai'i, the Rest of Upolu and, to a lesser extent, North-West Upolu, while poverty trend in Apia Urban Area remain nearly flat (Figure 9). While the proportions of the population living below the BNPL dropped by nearly 50% in Savai'i and Rest of Upolu between 2008 and 2013/14, it only went down from approximately 27% to 24% of the population in North-West Upolu and remained around 24% of the population in Apia (Table 9 and Figure 11).

60. While food and basic needs poverty declined in Samoa, vulnerability remains a major challenge (refer to Table 6 for defini-

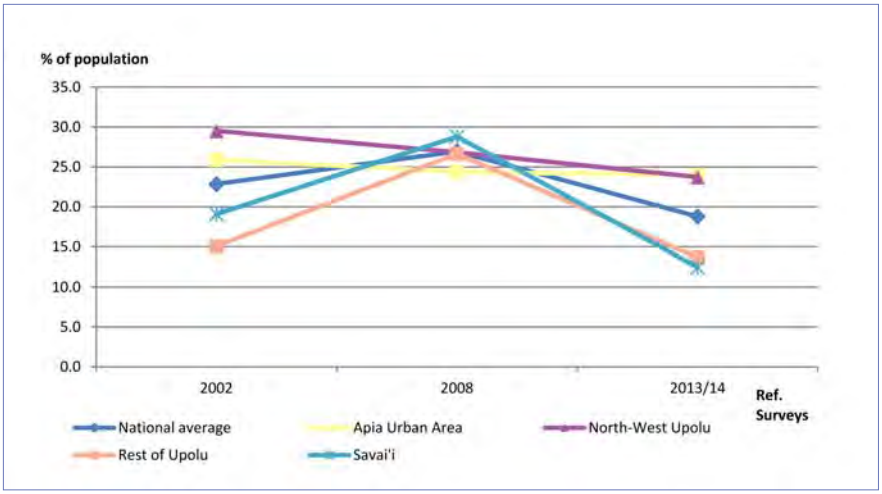
Table 9

Incidence of basic needs poverty in 2002, 2008 and 2013/14

Proportion of HH and Population with Weekly Per Capita Expenditure less than Basic Needs Poverty Line						
	Households			Population		
	2002	2008	2013/14	2002	2008	2013/14
National average	19.1	20.1	13.4	22.9	26.9	18.8
Apia Urban Area	20.1	17.2	15.4	25.9	24.4	24.0
North-West Upolu	23.8	19.4	16.7	29.5	26.8	23.7
Rest of Upolu	13.4	20.5	10.5	15.1	26.6	13.6
Savai'i	17.6	21.9	9.8	19.1	28.8	12.5

Figure 11

Basic needs poverty trends at the national and sub-national levels



tions). The increase in real income of the poor was only adequate to leave a large proportion of them just above the BNPL, creating a substantial number of vulnerable people at the margin of the BNPL. People with expenditure that is only 20% and 50% above poverty line are vulnerable and may slip back into poverty when faced by a shock at the macro, micro or individual levels. This renders the remarkable progress achieved in terms of poverty reduction unsustainable and highly fragile.

61. Table 11 summarizes the national and sub-national trends in vulnerability. At the national level, the proportion of the population highly vulnerable to becoming poor (per capita expenditure that is 20% or less above the basic needs poverty line) rose from 9.2 % in 2008 to 10.2 % of the population in 2013/14. The proportion of the vulnerable (with expenditure 50% above BNPL) has declined slightly 13.6% to 12.9% of the population between 2008 and 2013/14, whilst the proportion of the potentially vulnerable population (with expenditure more than 50% but less than 100% above BNPL) has increased by 19% during the same period (19.4 % in 2013/14 up from 16.3% in 2008). At the sub-national level vulnerability in Upolu, particularly Apia and North-West Upolu, is higher than Savai'i.

62. The decline in the general level of hardship and poverty is consistent with growth and macro-economic performance over the period from 2010 to 2014. The increases in the population vulnerable to falling into poverty suggests that the distribution effects of economic growth were just enough to lift a significant proportion of the population out of food and basic needs poverty, but not enough to provide decent income and reduce vulnerability. This is confirmed by the inequality trends.

63. In-depth studies of the performance of various economic sectors in the country (e.g. agriculture, fishery, services, tourism and manufacturing), as well as the dynamics of labor market, are needed to better understand which sectors have performed comparatively well and who reaped the benefits of such performance. Further, economic policies should be analysed thoroughly to identify and address biasness and lack of inclusiveness.

D.4 The depth and the severity of poverty

64. As discussed earlier (in section D1), the depth and severity of poverty are measured by the Poverty Gap Index[12] (PGI) and the Squared Poverty Gap Index[13] (SPGI) respectively (Table 12). The PGI is Indicator 2 of Target 1, Goal 1 of the MDGs.

65. At the national level the PGI (depth of poverty) for Samoa has declined from 6.6 in 2002 and 2008 to 4.9 in 2013/14. This means there needs to be an average of 4.9% real increase in income of households below the BNPL for them to move just above the BNPL. This PGI is significantly lower than, for example, Nauru (6.1 in 2014), Fiji (9.9 in 2008/09) and Tonga (6.3 in 2009) but higher than Vanuatu (2.9 in 2010). Since the average inflation rate for 2013 was 0.6%, and dropped to around -0.4% in 2014, assuming perfect equality in the distribution of income, a minimum of around 5% increase in income is needed to achieve 100% basic needs poverty reduction by 2016 at the national level.

66. The PGI was highest in Apia Urban Area, at 6.7 (down from 7.1 in 2008 and slightly up from 6.5 in 2002), followed by North-West Upolu (6.1, down from 6.5 and 8.8 in 2008 and 2002, respectively), and lowest in the Rest of Upolu and Savai'i, at 3.0 and 3.3 (down from 7.0 and 6.6 in 2008), respectively. This means that households with expenditure that falls below the BNPL in Apia Urban Area and North-West Upolu have, on average, a total expenditure that is 6-7% below the BNPL. In contrast, households below the BNPL in the Rest of Upolu and Savai'i have average expenditure that is only about 3% below the BNPL (Table 11).

67. At the national level the SPGI (severity of poverty) was estimated at 1.8 in 2013/14, down from 2.3 and 2.7 in 2008 and 2002, respectively. This is lower than Nauru (2.1 in 2014), Fiji (2.6 in 2008/09) and Tonga (4.0 in 2009), but higher than Vanuatu (1.0 in 2010). The significant decline in the SPGI is in line with overall trends in poverty indicators, as is the sub-national picture. In Apia and North-West Upolu, the SPGI remained at 2008 levels (2.7 and 2.2, respectively) while declined in Rest of Upolu (1.0 in 2013/14, down from 2.6 in 2008) and Savai'i (1.4 in 2013/14, down from 2.4 in 2008). Households below the BNPL in Apia and North-West Upolu, therefore, experience significantly more severe poverty and hardship than in the rest of Samoa.

12 The Poverty Gap Index gives an indication of how poor the poor are and reflects the depth of poverty. The formula calculates the mean distance below the basic needs poverty line as a proportion of the poverty line where the mean is taken over the whole population, counting the non-poor as having zero poverty gap. The PGI is an important indicator as recognized by its inclusion as a specific indicator in MDG1.

$$\text{Poverty Gap Index: } 1/N^{*}\left(\sum_{i=1}^{m}(BNPL - yi)/BNPL\right)$$

where: N = total number of households, m = number of households below basic needs poverty line; and yi equals expenditure of each household.

13 Through the process of squaring the index the SPGI gives greater weight to those at the lowest consumption/income levels and thus better reflects the severity of the poverty gap. In both the PGI and SPGI, the higher the index the greater the depth and severity of poverty, respectively.

Table 10

Vulnerability trends at the national and sub-national levels 2002, 2008 and 2013/14

Proportion (%) of population by poverty & vulnerability Status and Region					
	2013/14				
	Samoa	**AUA**	**NWU**	**RoU**	**SAV**
HH Per Capita Expenditure	All Persons	All Persons	All Persons	All Persons	All Persons
Below FPL	4.3	4.5	6.5	2.5	2.8
Above FPL but below BNPL	14.4	19.4	17.2	11.3	9.6
Total Below BNPL	18.8	23.9	23.8	13.7	12.4
Less than BNPL+20%	10.2	11.3	10.2	10.3	9.4
Between BNPL+20% and BNPL +50%	12.9	10.1	14.6	12.9	12.9
Between BNPL+50% and BNPL +100%	19.4	16.0	16.0	22.1	24.7
Not Poor above BNPL+100%	38.6	38.7	35.5	41.0	40.6
Total	100.0	100.0	100.0	100.0	100.0
	2008				
Below Food Poverty Line	4.9	3.5	3.3	8.1	5.1
Below Basic Needs Poverty Line	22.0	20.9	23.6	18.5	23.7
Total Below BNPL	26.9	24.4	26.8	26.6	28.8
Vulnerable at BNPL +20%	9.2	8.6	10.5	10.6	8.8
Vulnerable at BNPL +50%	13.6	10.1	14.6	16.5	11.7
Vulnerable at BNPL +100%	16.3	18.0	15.7	17.5	17.7
Not Poor or Vulnerable	33.9	38.8	32.5	28.7	33.0
	100.0	100.0	100.0	100.0	100.0
	2002				
Below Food Poverty Line	10.6	7.6	16.2	6.1	10.3
Below Basic Needs Poverty Line	12.3	18.3	13.3	8.9	8.8
Total Below BNPL	22.9	25.9	29.5	15.1	19.1
Vulnerable at BNPL +20%	9.0	7.8	10.5	10.8	6.6
Vulnerable at BNPL +50%	15.4	16.9	15.3	17.5	12.2
Vulnerable at BNPL +100%	17.2	16.8	16.0	15.6	20.4
Not Poor or Vulnerable	35.6	32.5	28.7	41.1	41.7
	100.0	100.0	100.0	100.0	100.0

Table11

Poverty Gap Index (PGI) and the Squared Poverty Gap Index (SPGI) in 2002, 2008 and 2013/14

	Poverty Gap Index (PGI)			Squared Poverty Gap Index (SPGI)		
	2002	2008	2013/14	2002	2008	2013/14
National average	6.6	6.6	4.9	2.7	2.3	1.8
Apia Urban Area	6.5	7.1	6.7	2.2	2.7	2.7
North-West Upolu	8.8	6.5	6.1	3.9	2.1	2.2
Rest of Upolu	4.0	7.0	3.0	1.6	2.6	1.0
Savai'i	5.4	6.6	3.3	2.2	2.4	1.4

D.5 Millennium Development Goals: poverty target status

68. Table 12 summarizes the MDG 1 poverty target indicators in 2002, 2008 and 2013/14. There has been significant progress towards the achievement of MDG 1, particularly in the areas of eradicating hunger and food poverty and cutting basic needs poverty by half. While fewer people are below the FPL and BNPL in 2013/14, compared to 2002 and 2008, there has been a small increase in the group vulnerable to falling back into poverty. As discussed, North-West Upolu lags behind with deteriorating indicators for nearly all targets. Further, urban hardship is increasing, illustrated by the increasing vulnerability and as well as severity of poverty in Apia Urban Area.

Table12

MDG 1 targets' indicators in 2002, 2008 and 2013/14

Millennium Development Goal (MDG) 1 Indicators						
Target Indicators	**Survey Year**	**National**	**AUA**	**NWU**	**RoU**	**SAV**
1.1 Proportion of Population below Basic Needs Poverty Lines % (Note 1)	2013/14	18.8	24.0	23.7	13.6	12.5
	2008	26.9	24.4	26.8	26.6	28.8
	2002	22.9	25.9	29.5	15.1	19.1
Proportion of Population vulnerable to falling into p	2013/14	10.2	11.3	10.2	10.3	9.4
	2008	4.4	3.9	5.7	6.0	4.5
	2002	4.7	5.4	4.6	5.0	3.5
1.2 Proportion of households with per capita expenditure below the minimum level of dietary energy consumption (FPL) %	2013/14	4.3	4.5	6.5	2.5	2.8
	2008	3.3	2.3	2.0	5.6	3.6
	2002	8.5	5.3	12.1	5.6	9.8
1.3 Poverty Gap Index (PGI) - Depth of Poverty	2013/14	4.9	6.7	6.1	3.0	3.3
	2008	6.6	7.1	6.5	7.0	6.6
	2002	7.8	8.7	9.0	8.0	6.6
Squared PGI - Severity of Poverty	2013/14	1.8	2.7	2.2	1.0	1.4
	2008	2.3	2.7	2.1	2.6	2.4
	2002	2.7	2.2	3.9	1.6	2.2
1.4 Share of poorest quintile (20%) in consumption by region %	2013/14	9.8	9.7	9.4	9.7	10.6
	2008	9.3	8.1	10.0	10.0	9.0
	2002	7.8	8.7	9.0	8.0	6.6
Ratio of Share of poorest quintile (20%) to highest quintile	2013/14	3.8	3.7	4.4	3.7	3.2
	2008	4.3	5.0	3.8	3.7	4.4
	2002	5.2	4.7	4.4	5.0	6.3
HH Gini Coefficient: (0 = perfect equality 1 = perfect inequality)	2013/14	0.56	0.50	0.44	0.37	0.36
	2008	0.47	0.48	0.46	0.44	0.46
	2002	NA	NA	NA	NA	NA

Note 1: National BNPL used as benchmark; MDG1 dollar-a-day not available

E. Expenditure distribution and inequality

69. The Gini coefficient is a measure of the level of inequality in the distribution of income or expenditure of households and individuals. In a situation of perfect equality (everyone has the same level of expenditure) the Gini coefficient would be equal to zero. At the other extreme, a Gini coefficient of 1.0 would indicate total inequality, where one household or individual received all the income while other households received none at all. Thus, an increase in the coefficient over time suggests an increase in the level of inequality. A "normal" index level would be between 0.3 and 0.4; anything above this indicates a high degree of inequality.

70. Despite the decline in both food and basic needs poverty, inequality in Samoa (measured by the Gini coefficient) has increased. Between 2008 and 2013/14 there was a substantial increase in the Gini coefficient[14] in Samoa (from 0.47 in 2008 to 0.56 in 2013/14). The rise at the national level was driven by increasing Gini coefficient in Apia and North-West Upolu, while the Gini coefficient for the Rest of Upolu and Savai'i have declined (Table 13). This trend in rising inequality regardless of progress in terms of poverty reduction is quite alarming and has been observed throughout the Pacific region.

71. The Gini coefficients can be depicted graphically in Lorenz Curves where the further the expenditure line is from the line of equality, the greater the degree of inequality. Figures 12 illustrate the Lorenz curves for national level. The greater the convexity of the line the greater degree of inequality (Lorenz curve graphs at the sub-national level are in appendix A.1).

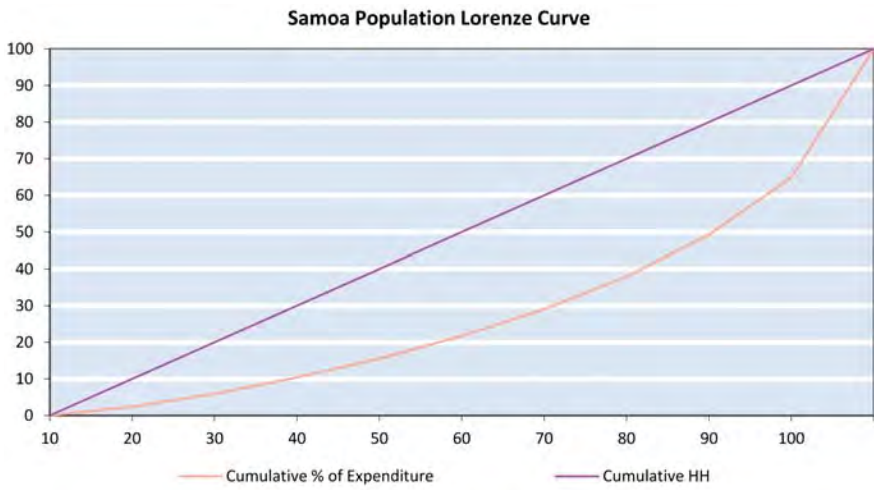
Table 13

National and sub-national households (HH) Gini coefficients of expenditure in 2002, 2008 and 2013/14

	HH Gini Coefficients		
	2002	2008	2013/14
National average	6.6	6.6	4.9
Apia Urban Area	6.5	7.1	6.7
North-West Upolu	8.8	6.5	6.1
Rest of Upolu	4.0	7.0	3.0
Savai'i	5.4	6.6	3.3

Table 12

2013/14 population expenditure Lorenz curves at the national level



Changes in the level and distribution of expenditure

72. The Gini coefficient has its limitations and must be interpreted cautiously as measure of inequality due to its inherent statistical bias towards the median (middle) income (or expenditure) strata. It should be complemented by careful analysis of the actual distribution across expenditure and/or income deciles and the use of indicators such as the share of the poorest quintile in total expenditure and the ratio of the share of the poorest quintile to the share of the highest quintile as well as vulnerability indicators.

14 A measure of inequality where 1 is total inequality and 0 total equality

73. For instance, at the national level, while the Gini coefficient in Samoa has increased significantly in 2013/14, compared to 2008 level, both the share of the poorest quintile in total consumption and ration of the share of the poorest to the share of the highest quintile have improved (Table 13). Such paradox can be easily explained in light of the vulnerability indicators and the changes in the shares of expenditure and the distribution of the population across expenditure deciles.

74. At the national level, the BNPL went up by 10.6% and the lowest three deciles were facing 6.5% higher weekly costs in 2013/14 compared to 2008 (Table 14). The average weekly per capita expenditure of the lowest three deciles increased by 42.1%. The average per capita weekly total expenditure (including food and non-food) at the 1st, 2nd and 3rd deciles in 2013/14 are 40.36 SAT, 61.51 SAT and 76.29 SAT (up from 33.28 SAT and 47.81 SAT in 2008), while the weekly per capita FPL and BNPL are 34.49 SAT and 59.27 SAT (up from 31.56 SAT and 53.59 SAT in 2008), respectively.

Table 14

Weekly cost per household in the lowest three deciles and per capita food and basic needs poverty lines in 2002, 2008 and 2013/14

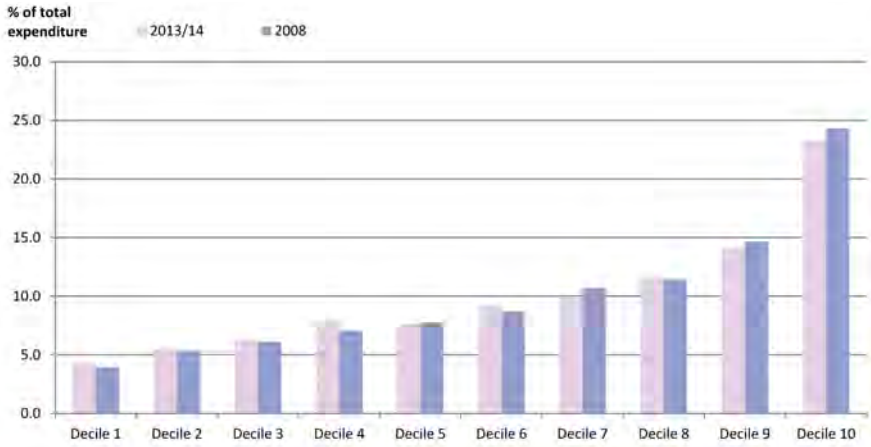
SAT per capita per week	Food Poverty Line			Estimated Non-Food Expenditure			Basic Needs Poverty Line			Weekly cost per HH in L3D		
	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14	2002	2008	2013/14
National average	24.68	31.56	34.49	10.25	22.03	24.78	34.93	53.59	59.27	306.00	493.02	525.19
Apia Urban Area	24.68	31.56	34.49	13.54	28.39	34.78	38.22	59.95	69.27	331.21	533.97	649.07
North-West Upolu	24.68	31.56	34.49	7.86	26.24	22.62	32.54	57.80	57.11	298.23	559.23	530.91
Rest of Upolu	24.68	31.56	34.49	11.48	17.90	22.93	36.16	49.46	57.42	308.86	466.76	470.96
Savai'i	24.68	31.56	34.49	8.48	19.27	21.64	33.16	50.83	56.13	281.79	459.96	470.80

% change 2002 to 2008 & 2008 to 2013/14	FPL		Non-Food		BNPL		Weekly cost per HH	
	2008 to 2002	2014/14 to 2008	2008 to 2002	2014/14 to 2008	2002 to 2008	2008 to 2013/14	2002 to 2008	2008 to 2013/14
National average	27.9	9.3	114.8	12.5	53.4	10.6	61.1	6.5
Apia Urban Area	27.9	9.3	109.7	22.5	56.9	15.5	61.2	21.6
North-West Upolu	27.9	9.3	234.0	-13.8	77.7	-1.2	87.5	-5.1
Rest of Upolu	27.9	9.3	55.9	28.1	36.8	16.1	51.1	0.9
Savai'i	27.9	9.3	127.1	12.3	53.3	10.4	63.2	2.4

75. In general, at the national level, there is no or little change in 2013/14, compared to 2008, in the shares in total expenditure by deciles (Figure 13 and Table 15). The lowest quintile's share of total expenditure increased by only 6.3%, from 9.3% in 2008 to 9.8% in 2013/14. While the share of the lowest three deciles have increased slightly (from 15.4% in 2008 to 16.2% of total expenditure in 2013/14), the shares of middle (5th, 6th and 7th) and highest three (8th, 9th and 10th) expenditure deciles declined from 27.2% and 50.4% in 2008 to 26.8% and 49% of total expenditure in 2013/14, respectively.

Figure 13

Comparison of shares in total expenditure by deciles (2008 and 2013/14)



76. Only a small proportion of the population in the lowest expenditure decile (1st decile) fall below the FPL and the majority of the population in the 1st decile and large proportion of the population in the 2nd decile fall under the BNPL. The proportion of the population in the 3rd decile remained around 12% in 2008 and 2013/14, while increased at the 4th expenditure decile from 11% in 2008 to 12% of all population in 2013/14 (Table 15). Meanwhile the proportion of the population at the middle (5th, 6th and 7th) expenditure deciles have decreased or remained around the same levels in 2013/14, compared to 2008. The proportion of the population at the highest three expenditure (8th, 9th and 10th) deciles remained around the same level in both surveys.

77. The increasing vulnerability indicates a concentration of vulnerable people/households close to the BNPL (per capita expenditure below 20% above BNPL and above 20% but lower than 50% above the BNPL) that are normally in the third and fourth expenditure deciles. Those households are, therefore, reflected by the Gini coefficient but not the share of the poorest quintile in total consumption and the ratio of the share of the poorest to the share of the highest quintile.

78. While the share of lowest quintile in total expenditure improved between 2008 and 2013/14 in Apia and Savai'i, it declined in North-West Upolu and Rest of Upolu. The share of the highest quintile in total expenditure declined throughout the country with the exception of North-West Upolu. As result, the ratio of the shares of the highest to the lowest quintiles improved in Apia and Savai'i, remained around the same level in the Rest of Upolu and worsened in North-West Upolu. Poverty, vulnerability and inequality are, therefore, significantly higher in North-West Upolu compared to other areas in Samoa.

79. The share of the middle expenditure strata (5th, 6th and 7th expenditure deciles) remained around the same levels in 2008 and 2013/14 in all sub-national regions, with slight increase in Savai'i and slight decrease in North-West Upolu and the Rest of Upolu. While the population is more evenly distributed across expenditure deciles in Savai'i, it is highly concentrated in the lower three expenditure deciles in Upolu, particularly in Apia and North-West Upolu.

Table 15

The distribution of population and expenditure among deciles in 2002, 2008 and 2013/14 at the national level

HH per capita weekly expenditure	2002		2008		2013/14	
	% of population	% of total expenditure	% of population	% of total expenditure	% of population	% of total expenditure
Decile 1	12.3	3.3	13.6	3.9	14.6	4.3
Decile 2	11.5	4.8	13.0	5.4	12.3	5.5
Decile 3	10.9	5.8	11.7	6.1	11.5	6.3
Decile 4	11.8	7.4	11.0	7.1	12.1	8.1
Decile 5	10.3	7.6	10.3	7.8	9.8	7.6
Decile 6	9.7	8.5	9.7	8.7	9.9	9.2
Decile 7	9.8	10.3	9.7	10.7	8.9	10.0
Decile 8	8.8	11.8	8.1	11.4	8.2	11.7
Decile 9	8.4	15.1	7.4	14.7	7.1	14.1
Decile 10	6.6	25.5	5.7	24.3	5.5	23.2
Total all HH	100	100.0	100.0	100.0	100.0	100.0

F. Growth, macroeconomic performance, income distribution and poverty linkages

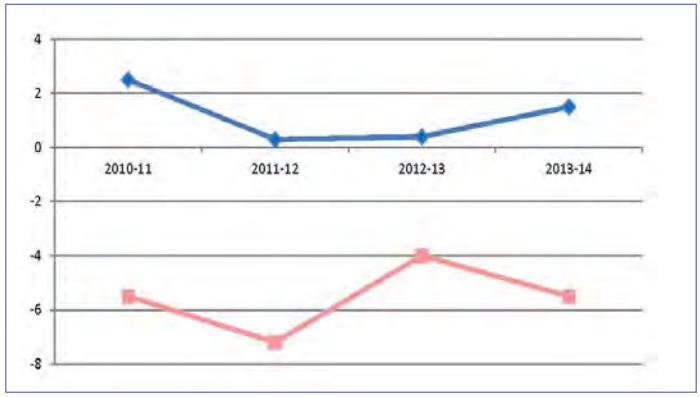
80. Akin to most Pacific countries, the Samoan economy is heavily dependent on remittances, government spending (mostly financed by development assistance and borrowing) and tourism. The significant increase in government spending during the period from 2010 to 2014 to stimulate the stagnant economy in the aftermath of the global economic crises contributed to poverty reduction. Both operating and capital expenditure grew steadily during the period from 2010 to 2014. The significant increase in capital expenditure fuelled the construction sector, providing jobs and income generating opportunities. While the government maintained a net surplus operating balance during the period from 2011 to 2014, the increase in capital expenditure resulted in a persistent fiscal deficit of around 8% of GDP (Figure 14).

81. The inflationary pressure in 2008 and 2009 was primarily cost-push due to rising international food and energy prices. Overall money supply, including net foreign inflow and domestic money creation, contracted in 2008 and 2009. The government of Samoa wisely did not resort to unnecessary monetary tools to curb the soaring inflation. As the international prices normalized over the subsequent years controlling inflation was relatively easy. The decline in inflation reaching a record low of -0.4 in 2014 contributed to poverty reduction.

82. The shares of agriculture and fishery and the manufacturing sectors in GDP declined from around 17% and 15% in 2000 to 10% and 11% in 2010, respectively, and maintained the same shares during the period from 2010 to 2014. The fastest growing sector in the Samoan economy is commerce, accounting for 32% of GDP in 2014 (up from 29% in 2008). Total earnings from tourism and total visitors' arrivals (Figures 15.a and 15.b) indicate steady increase in tourism throughout the period from 2002 to 2014 with the exception of a brief period of stagnation in 2009 and 2010. Accommodation and restaurants accounted for around 2% of GDP in 2014.

Figure 14

Fiscal trends (2010/11-2014)

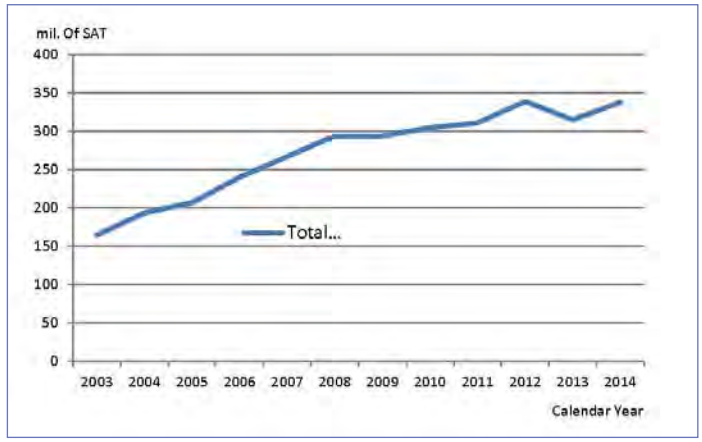


Source: Samoa Bureau of Statistics.

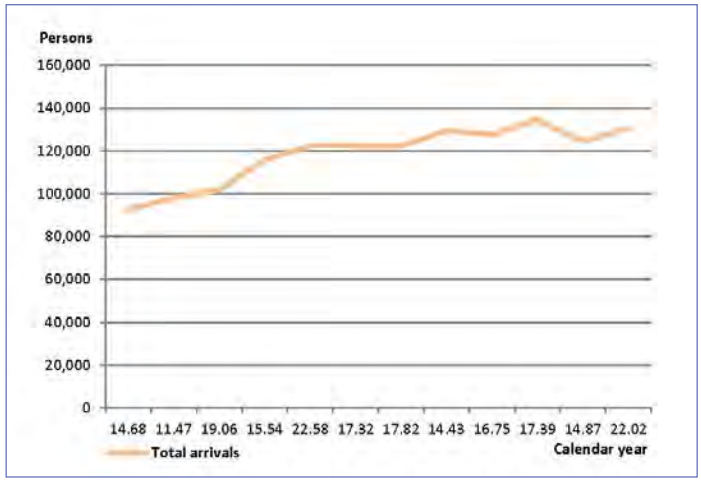
Net Operating and Net lending/borrowing as % of GDP: 2010/11-2014/2015

Figure 15.a and 15.b

Tourism's annual total earnings and total arrivals (2002-2014)



Source: Samoa Bureau of Statistics.



Source: Samoa Bureau of Statistics.

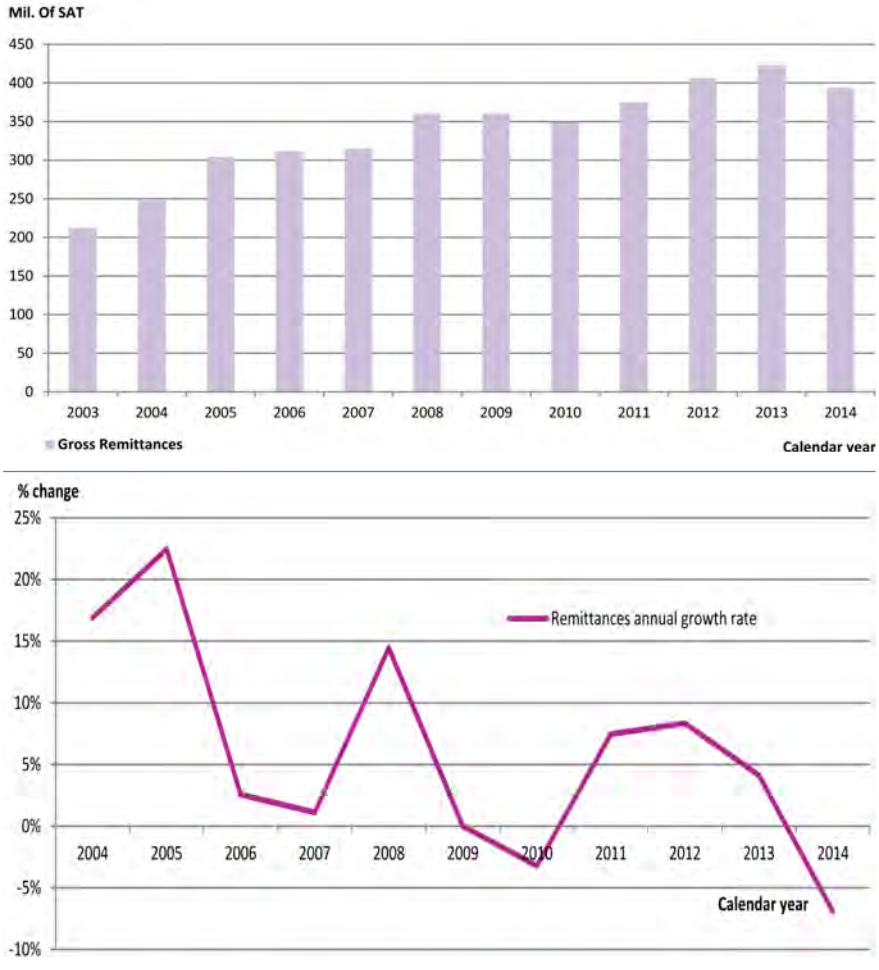
83. Due to reconstruction effort after the 2009 tsunami and 2012 cyclone Evan as well as the preparation for the 2014 SIDs conference in Apia, the construction sector maintained a share of GDP averaging around 12% during the period from 2010 to 2014, up from 7% in 2002. Meanwhile, remittances have been growing steadily with the exception of brief stagnation periods in 2009 and 2010 (Figures 16.a and 16.b).

84. These growth sectors provided enough real increase in income (more than the 2008 PGI of 6.6) to lift a significant proportion of the population, mostly those closest to the BNPL, above the BNPL. This resulted in a reduction in the incidence of basic needs poverty. The poorer households remained below, but closer to, the BNPL, and experienced less severe poverty (as indicated by the decline in PGI and SPGI) due to their share in economic growth. The lowest three deciles in Samoa faced only 6.6% increase in weekly costs between 2008 and 2013/14, due to the decline in inflation, while their average total weekly expenditure per capita increased by 26.3%, which translates into well above 20% increase in real income.

85. The agriculture, fishery and forestry sector stagnated between 2008 and 2014. Most of the reduction in poverty and improvement in income distribution in the rural areas can be attributed to increasing government expenditure and remittances, including internal remittances (urban to rural). The stagnation of the agriculture, fishery and forestry sector contributed to the erratic and poor performance of the manufacturing sector, which relies, mostly, on agro-processing.

Figure Figures 16.a and 16.b

Annual growth rate and gross remittances receipts (2002-2014)



Source: Samoa Bureau of Statistics.

G. Key characteristics of the poor and vulnerable

86. Understanding which groups are poor, their characteristics, and where they are located, is critical for the design of effective poverty reduction policies and provides the basis for better targeting of support.

G.1 Location of the poor

87. The incidence of basic needs poverty and hardship is highest in North-West Upolu, which houses 43.1% of all poor (below the BNPL) and 51.5% of the extremely poor (below the FPL). North-West Upolu is also home to the majority of the vulnerable population (Figure 17). However, it is important to note that North-West Upolu has the highest population density in Samoa. While Apia ranks second in terms of the concentration of the poor, both Rest of Upolu and Savai'i have higher concentration of the vulnerable. This reflects the higher degree of inequality in Apia compared to the rest of Samoa.

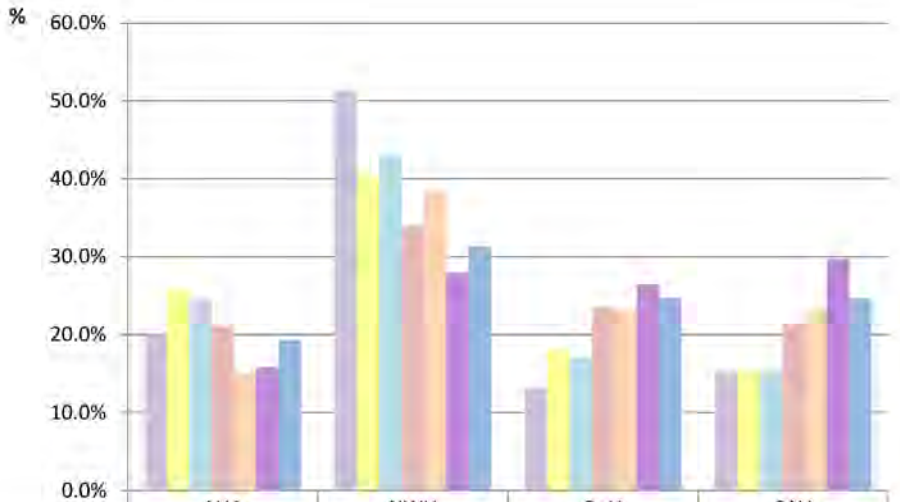
88. Granted, the distribution of the poor and vulnerable reflects, to a large extent, the overall distribution of the population and population density across the country. However, figure 19 demonstrates a significantly higher incidence of poverty and vulnerability in North-West Upolu and Apia, followed by Rest of Upolu and Savai'i. Moreover, while the incidence of basic needs poverty declined in both Savai'i and Rest of Upolu, it has increased in both North-West Upolu and Apia (Figure 18).

G.2 Gender

89. The gender dimension to poverty in Samoa, akin to most Pacific countries and unlike most developing countries in Asia and Africa, is rather subtle and mild. Nationally, female-headed households are proportionately represented below the food poverty line (2.9% of all female-headed households compared to 2.8% of all male-headed households). Meanwhile, female-headed households are slightly over represented below the BNPL (but above FPL), with 12.8% of all female-headed households compared to 10.1% of all male-headed households in this group. Female-headed

Figure 17

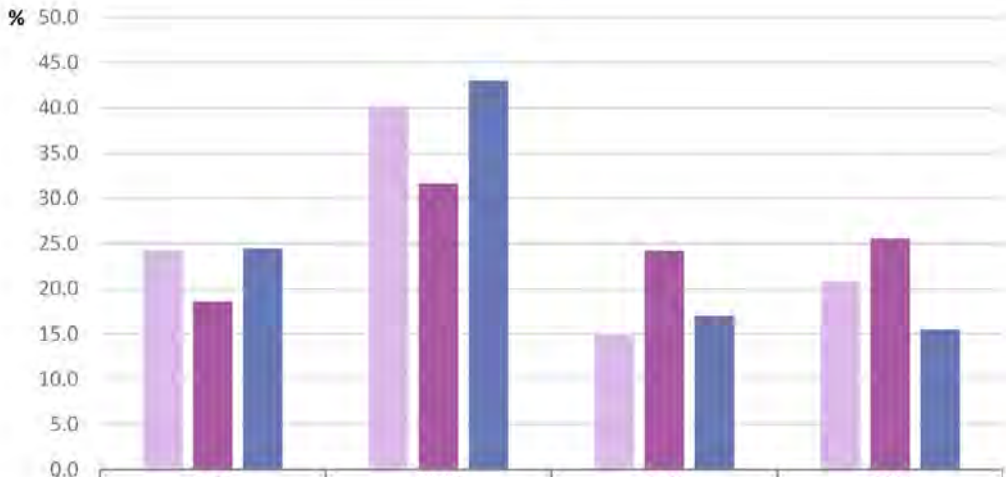
Distribution of the poor and vulnerable by region in 2013/14 (percentage of all poor)



	AUA	NWU	RoU	SAV
Below FPL	20.0%	51.5%	13.2%	15.4%
Above FPL but below BNPL	25.7%	40.6%	18.2%	15.5%
Total Below BNPL	24.4%	43.1%	17.0%	15.5%
Less than BNPL+20%	21.1%	33.9%	23.4%	21.5%
Between BNPL+20% and BNPL +50%	15.1%	38.4%	23.2%	23.3%
Between BNPL+50% and BNPL +100%	15.8%	28.0%	26.5%	29.7%
Not Poor above BNPL+100%	19.3%	31.3%	24.7%	24.6%

Figure 18

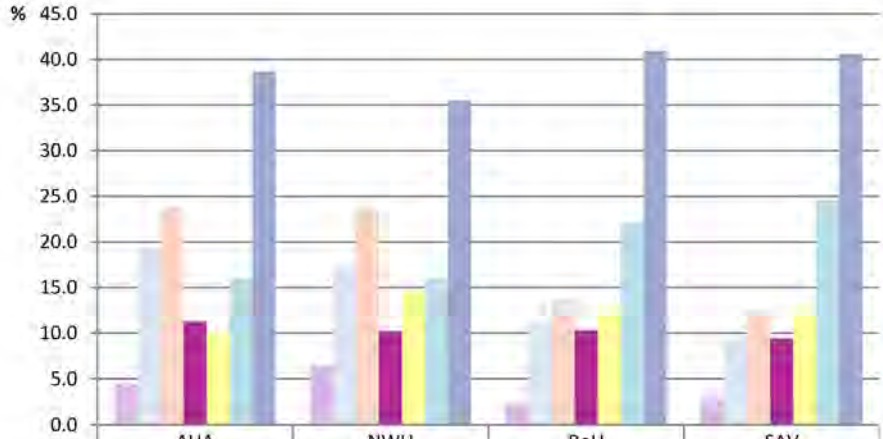
Basic needs poverty trends by region (2002, 2008 and 2013/14, percentage of population per region)



	AUA	NWU	RoU	SAV
Population 2002 %	24.3	40.1	14.8	20.8
Population 2008 %	18.6	31.7	24.2	25.5
Population 2013/14 %	24.4	43.0	17.0	15.5

Figure 19

The Incidence of poverty and vulnerability by region in 2013/14 (percentage of population by region)



	AUA	NWU	RoU	SAV
Below FPL	4.5	6.5	2.5	2.8
Above FPL but below BNPL	19.4	17.2	11.3	9.6
Total Below BNPL	23.9	23.8	13.7	12.4
Less than BNPL+20%	11.3	10.2	10.3	9.4
Between BNPL+20% and BNPL +50%	10.1	14.6	12.9	12.9
Between BNPL+50% and BNPL +100%	16.0	16.0	22.1	24.7
Not Poor above BNPL+100%	38.7	35.5	41.0	40.6

households are particularly overrepresented (compared to their male counterpart) among the households below the BNPL in Savai'i and North-West Upolu. Meanwhile male and female headed households are more equally represented across poverty and vulnerability groups in Apia and the Rest of Upolu.

90. At the national level and across all four regions, female-headed households at the lowest three expenditure deciles (L3D) as proportion of all female-headed households is higher than that of male-headed households, while over-represented while male-headed households at the highest three expenditure deciles (H3D) as proportion of all male-headed households is higher than that of female-headed households. This indicates a gender-based expenditure/income inequality. The ratio of the share of the highest to the lowest expenditure is higher for male-headed households (4.2 in 2013/14, slightly up from 4.0 in 2008) compared to female-headed households (2.7 in 2013/14 down from 4.8 in 2008), indicating higher degree of expenditure equality, and significant improvement compared to 2008, among female-headed households compared to male-headed households.

Table 16

Poverty & Vulnerability Status by head of household (2013/14)

Poverty & Vulnerability Status of HH	National		AUA		NWU		RoU		SAV	
	M-HHH	F-HHH	M-HHH	F-HHH	M-HHH	F-HHH	M-HHH	F-HHH	M-HHH	F-HHH
HH below Food Poverty Line	2.8	2.9	2.7	0.9	4.2	3.0	1.7	2.1	1.8	5.4
HH Below Basic-Needs Poverty Line	10.1	12.8	12.5	14.8	11.9	16.2	8.6	9.4	7.1	8.4
All HH <BNPL	12.8	15.6	15.3	15.7	16.1	19.1	10.3	11.5	8.9	13.7
HH Vulnerable within 20% of BNPL	7.8	10.2	8.9	9.6	7.3	11.5	7.7	13.9	7.8	5.4
HH Vulnerable within 20%-50% of BNPL	11.0	12.0	8.4	7.7	12.6	12.4	11.1	15.2	11.0	12.9
HH Vulnerable within 50%-100% of BNPL	18.9	14.9	17.0	11.9	15.8	15.5	21.7	11.2	22.0	20.5
HH Not Poor or Vulnerable	49.4	47.3	50.5	55.1	48.3	41.5	49.1	48.2	50.2	47.5
Totals	100	100	100	100	100	100	100	100	100	100

91. At the national level, as well as in the four main regions, men and women are, more or less, equally represented at the different poverty and vulnerability groups as well as amongst the non-poor population (Table 17). The proportion of females living below the food poverty line, however, is slightly higher than that of males in Apia Urban Area and Savai'i. Females, however, are more vulnerable, particularly in Apia and North-West Upolu.

92. The average wages and salaries received per capita per week tends to be lower for female-headed households compared to their male-headed households counterparts across all expenditure deciles, in general, but significantly higher (around 50%) for households in the highest three expenditure deciles. The average wages and salaries received per capita per week is 103.68 SAT, 53.83 SAT, 27.40 SAT and 20.49 SAT for male-headed households, compared to 97.76 SAT, 45.21 SAT, 25.62 SAT and 17.15 SAT for female-headed households in Apia, North-West Upolu, Rest of Upolu and Savai'i, respectively. Gender based disparity are more significant at the higher expenditure deciles (H3D) compared to the lower expenditure deciles (L3D). This also reflects higher female concentration at the low paid jobs and junior positions. It is important to note, however, that the gender-based wage disparities in Samoa are significantly lower than most Pacific countries.

Table 17

Distribution and profile of population by gender, region and poverty and vulnerability status (2013/14)

Distribution of population by gender and poverty and vulnerability status

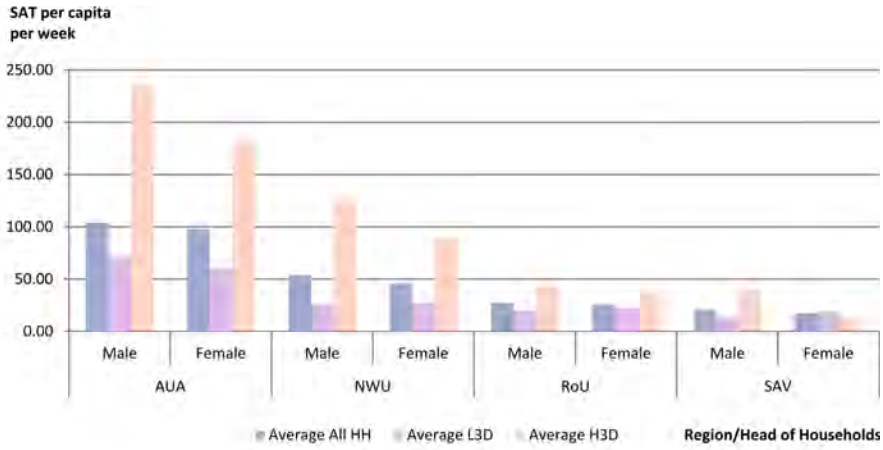
	All Persons			AUA			NWU			RoU			SAV		
HH Per Capita Expenditure	Females	Males	All	Females	Males	All	Females	Males	All	Females	Males	All	Females	Males	All
Below FPL	4.5	4.2	4.3	4.8	4.3	4.5	6.3	6.8	6.5	2.7	2.2	2.5	3.3	2.4	2.8
Above FPL but below BNPL	14.4	14.5	14.4	19.6	19.1	19.4	16.8	17.6	17.2	11.5	11.1	11.3	9.3	9.8	9.6
Total Below BNPL	18.9	18.7	18.8	24.3	23.4	23.9	23.1	24.4	23.8	14.2	13.3	13.7	12.6	12.2	12.4
Less than BNPL+20%	10.5	10.0	10.2	11.2	11.3	11.3	10.5	9.9	10.2	10.9	9.8	10.3	9.7	9.2	9.4
Between BNPL+20% and BNPL +50%	13.3	12.6	12.9	10.8	9.5	10.1	15.0	14.2	14.6	13.1	12.7	12.9	13.0	12.8	12.9
Between BNPL+50% and BNPL +100%	19.2	19.7	19.4	15.5	16.5	16.0	15.8	16.1	16.0	21.4	22.8	22.1	25.2	24.2	24.7
Not Poor above BNPL+100%	38.1	39.1	38.6	38.2	39.2	38.7	35.5	35.4	35.5	40.4	41.4	41.0	39.5	41.7	40.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Gender profile of population by region and poverty and vulnerability status

	All Persons			AUA			NWU			RoU			SAV		
HH Per Capita Expenditure	Females	Males	All	Females	Males	All	Females	Males	All	Females	Males	All	Females	Males	All
Below FPL	50.1	49.9	100.0	20.9	19.0	20.0	48.3	54.6	51.5	13.7	12.7	13.2	17.1	13.6	15.4
Above FPL but below BNPL	48.1	51.9	100.0	26.9	24.7	25.7	40.3	40.9	40.6	17.8	18.5	18.2%	15.0	16.0	15.5
Total Below BNPL	48.6	51.4	100.0	25.5	23.4	24.4	42.2	44.0	43.1	16.8	17.2	17.0	15.5	15.5	15.5
Less than BNPL+20%	49.7	50.3	100.0	21.0	21.2	21.1	34.4	33.5	33.9	23.2	23.7	23.4	21.4	21.6	21.5
Between BNPL+20% and BNPL +50%	49.5	50.5	100.0	16.1	14.1	15.1	39.0	37.8	38.4	22.1	24.2	23.2	22.7	23.9	23.3
Between BNPL+50% and BNPL +100%	47.6	52.4	100.0	16.0	15.7	15.8	28.5	27.5	28.0	25.0	27.9	26.5	30.5	28.9	29.7
Not Poor above BNPL+100%	47.6	52.4	100.0	19.9	18.7	19.3	32.2	30.5	31.3	23.8	25.6	24.7	24.1	25.1	24.6

Figure 20

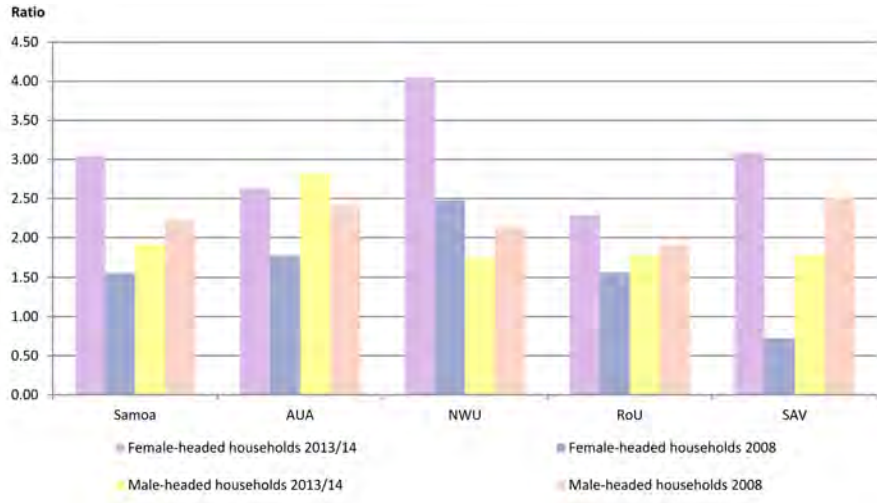
Average wages & salaries received per capita per week by decile, region & gender of HH Head



93. Nationally, the ratio of numbers female-headed households in the lowest quintile to female-headed households in highest quintile nearly doubled between 2008 and 2013/14 (rising from 1.55 in 2008 to 3.05 in 2013/14), due to a larger increase in the proportion of female-headed households in the lowest quintile than in the highest quintile. The largest increase in inequality across female-headed households (as represented by the ratio of the lowest quintile to the highest quintile) occurred in Savai'i (328%), followed by North-West Upolu (63%). Meanwhile, the ratio of male-headed households in the lowest quintile to male-headed households in highest quintile declined by 13% at the national level and 18%, 7% and 29% in North-West Upolu, the Rest of Upolu and Savai'i respectively. While increased by 17% in Apia. This indicates disproportionate improvement in the status of households favouring male-headed households. In other words, male-headed households benefited more from economic growth compared to female-headed households.

Figure 21

The ratios of numbers of households in highest to lowest quintiles by head of households and region in 2013/14 and 2008



The impact of employment trends on women

94. Inequality among female-headed households can be related to the pattern of economic growth between 2008 and 2013/14, during which many of the main formal employment generating sectors (e.g. wholesale and retail) were male dominated. According to the 2013 labor market survey, wholesale and retail employed 22% of private sector labor force in Samoa, of which 56% were males. Manufacturing and construction employed 14.4% and 5.6% of private sector labor force, of which 56% and 91% were males, respectively. Overall, 60% of the formal private sector labor force in 2013 was males. The same survey also indicates that the number of females (451) working at the minimum wage (2 SAT per hour) in 2013 was twice that of males (248). It is important to note that the private sector in Samoa accounts for 64% of formal employment (including employers, self-employed, public, NGO, international agencies (e.g. UN) and private sectors).

Table 18

Primary Activity by Type of Activity and Poverty/Vulnerability Status (2013/14)

		Below FPL	Above FPL but below BNPL	Total Below BNPL	Less than BNPL+20%	Between BNPL+20% and BNPL +50%	Between BNPL+50% and BNPL +100%	Not Poor above BNPL+100%	Total
Employment & Self-Employed	Employer	0.0	7.9	7.9	6.2	6.8	14.2	64.9	100
	Employee in Public Sector, NGO & International Agencies	2.1	8.3	10.5	7.8	8.8	16.0	56.9	100
	Employee in Private Sector	4.0	13.9	17.9	10.4	14.4	17.5	39.8	100
	Self Employed & Producing Goods for Sale	1.4	9.9	11.3	7.7	11.0	18.6	51.5	100
Subsistence Agriculture	Production for Own Consumption	3.4	11.8	15.2	10.2	13.3	24.4	36.9	100
	Unpaid Family Worker Agriculture & Business	6.7	14.5	21.2	9.5	13.0	18.6	37.7	100
Household Duties & Voluntary Work	Unpaid Family Worker Home Duties	4.3	17.7	22.0	14.5	13.7	19.6	30.1	100
	Voluntary Worker Community etc.	0.0	17.0	17.0	7.4	7.3	22.7	45.7	100
	Household Duties	3.8	13.5	17.3	8.8	12.3	19.8	41.8	100
Student	Student - full time	2.9	13.1	16.1	9.4	13.2	19.5	41.9	100
	Student - part time	0.0	19.0	19.0	8.5	11.8	16.9	43.8	100
No-Activity	Retired / Too old	5.2	13.9	19.1	7.1	7.9	18.4	47.5	100
	Other	2.8	12.8	15.7	7.1	12.1	24.9	40.1	100

G.3 Economic activity and poverty

95. Poverty and hardship is exceptionally higher among the unemployed and individuals working primarily in the informal sector (including unpaid family and community work, household's duties and subsistence production). Within the formal sector, government and public sector employees are better off compared to their counterparts in the private sector. This is in line with the findings of the 2013 labor-market survey which indicates that 27% and 26% of private sector employees being paid minimum wage (2.00 SAT) and slightly above minimum wage (2.01 to 2.60 SAT), correspondingly. Students (part-time and full-time) and retirees are among the most vulnerable groups. Poverty and hardship is considerably lower amongst self-employed. Interestingly, people in the informal sector in Savai'i are significantly better off than their counterparts in informal sector in other regions. Meanwhile, around 50% of individuals below the BNPL and 31% of the extremely vulnerable live in North-West Upolu and are working primarily in subsistence agriculture. Geographical location and economic activity (combined), therefore, form are strong determinant of poverty and vulnerability. This can be a good basis for characteristics-based targeting of poverty.

96. Females working at the government and public sector are significantly better off than their counterparts in privates sector. While only 11% of females working for government and public sector are below the BNPL, around 23% of females working for private sector are below the BNPL. Only 38% of females working in the private sector (compared to 55% of female employees at the government and public sector) are not poor or vulnerable. Females working in the subsistence agriculture sector (particularly in North-West Upolu) are the most vulnerable female group in the country. At the national level, 40% of females working subsistence agriculture are below the BNPL; 70% of females working subsistence agriculture in North-West Upolu are below the BNPL.

97. Around 17.4% of the labor force (individuals age 15-59) is below the BNPL, of which 42.4% live in North-West Upolu. This indicates that one of the main factors contributing to the high incidence of basic needs poverty in North-West Upolu is the lack of formal employment and limited income generating opportunities.

98. The employment and labor market in Samoa has direct correlations to its uneven economic growth of the past two decades. Approximately 20 years ago, one in three Samoans were active in the labor force, whereas today the ratio is one in four – a relative as well as absolute decline in employment. Total labor force participation has fallen from 56,000 in 1991 to 37,440 in the most recent year for which data are available[15].

G.4 Education level

99. Expectedly, there is a strong correlation between poverty and vulnerability status and the level of education. The incidence of food and basic needs poverty is significantly higher among people with low levels of education (primary and secondary education only), particularly in Apia Urban Areas and North-West Upolu. However, males with no tertiary education in urban areas are more likely to be vulnerable to poverty than all other groups. This may be because the low paid employment opportunities in the formal and informal sectors that do not require secondary and tertiary education tend to be male-dominated and concentrated in urban areas.

100. Interestingly, combining the gender and educational attainment factors does not impact poverty and/or vulnerability status (Table 20). Combining geographical location and educational attainment, however, enhances the correlation between poverty and educational attainment. Around 28% of females and 30% of males with only primary education in Apia are below the BNPL, compared to the national average of 16.1% and 16.5%, respectively (Table 20).

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Table 19

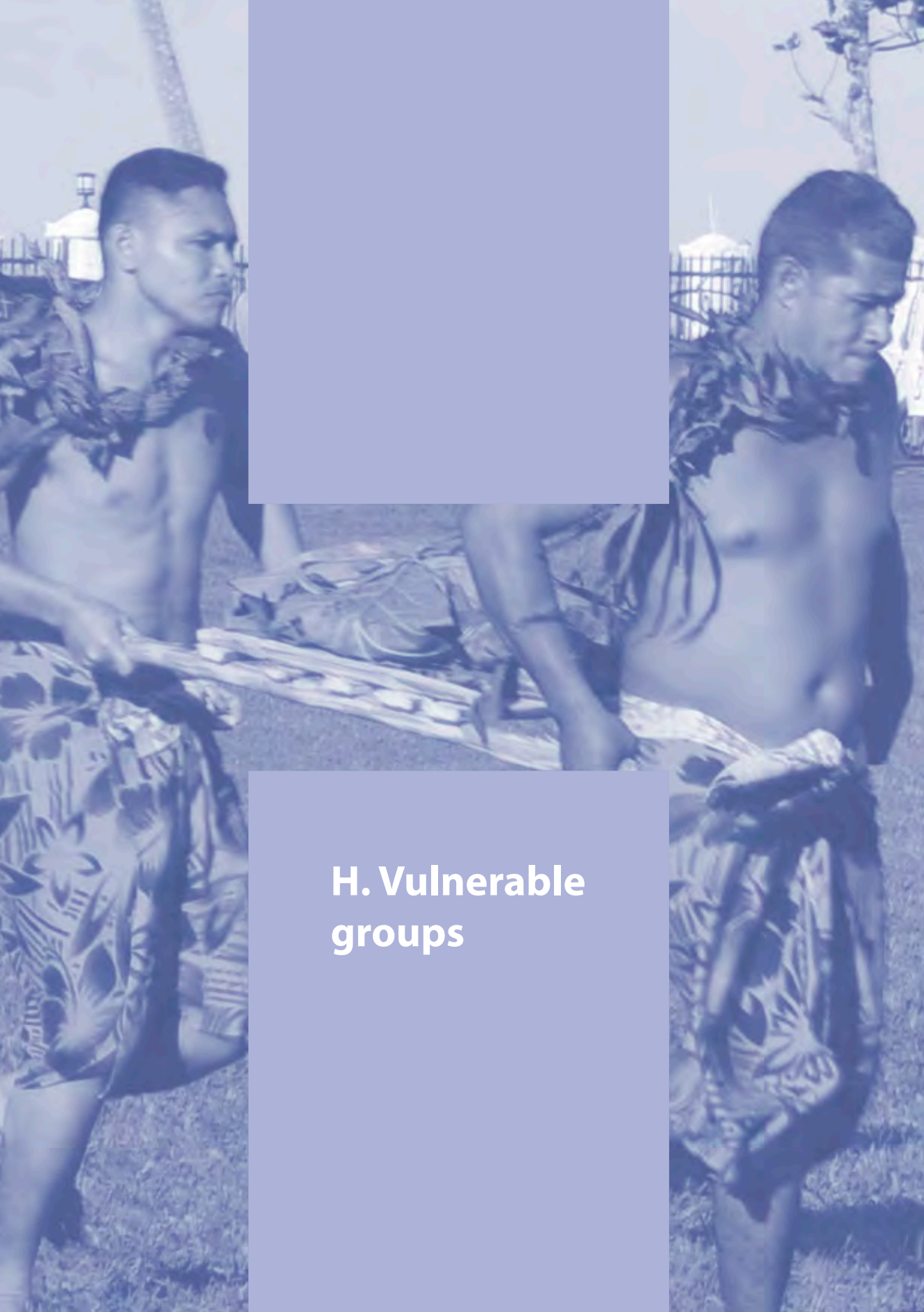
Vulnerability status by education level and gender, National 2013/14

	Primary Yrs. 1 - 8		Secondary Yrs. 9 - 13 & Form 7		Tertiary	
Total	Males	Females	Males	Females	Males	Females
FPL	3.9	3.5	4.3	4.6	0.9	0.9
BNPL	12.6	12.6	15.5	14.8	5.4	5.1
Total < BNPL	16.5	16.1	19.8	19.4	6.3	6.0
BNPL+20%	9.5	11.3	10.1	11.2	4.7	5.1
BNPL+50%	12.3	13.1	12.9	13.3	7.4	7.6
BNPL+100%	23.3	21.0	20.4	20.1	12.7	13.8
Not Poor	38.4	38.5	36.8	35.9	68.9	67.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

Table 20

Vulnerability status by education level, gender and region 2013/14

		Primary Yrs. 1 - 8		Secondary Yrs. 9 - 13 & Form 7		Tertiary	
	Total	Males	Females	Males	Females	Males	Females
APIA Urban Area	FPL	6.9	6.8	4.8	4.7	0.0	0.3
	BNPL	23.2	21.2	21.9	22.4	7.4	6.2
	Total < BNPL	30.1	27.9	26.7	27.1	7.4	6.5
	BNPL+20	10.1	13.0	11.0	11.7	5.0	5.7
	BNPL+50	5.2	7.3	10.1	10.7	6.1	6.1
	BNPL+100	18.9	17.6	17.7	16.9	14.4	14.5
	Not Poor	35.7	34.1	34.4	33.7	67.2	67.3
	Total all persons	100.0	100.0	100.0	100.0	100.0	100.0
NWU	FPL	6.2	5.7	6.6	6.6	1.6	1.4
	BNPL	11.6	13.3	20.1	19.2	4.6	4.7
	Total < BNPL	17.8	19.0	26.7	25.8	6.2	6.1
	BNPL+20	14.1	13.3	9.6	10.6	4.0	3.5
	BNPL+50	17.0	17.0	15.0	15.6	10.3	10.2
	BNPL+100	17.7	15.9	17.0	16.5	10.3	12.0
	Not Poor	33.4	34.7	31.7	31.5	69.1	68.2
	Total all persons	100.0	100.0	100.0	100.0	100.0	100.0
RoU	FPL	1.9	4.1	2.0	2.4	0.0	0.0
	BNPL	11.4	8.3	11.1	11.4	6.7	5.4
	Total < BNPL	13.3	12.3	13.2	13.8	6.7	5.4
	BNPL+20	6.8	9.2	9.7	11.3	3.0	7.5
	BNPL+50	11.5	15.0	13.5	12.1	6.9	6.7
	BNPL+100	24.9	25.9	22.3	22.9	12.7	11.2
	Not Poor	43.5	37.7	41.3	39.9	70.7	69.2
	Total all persons	100.0	100.0	100.0	100.0	100.0	100.0
SAV	FPL	1.7	0.0	3.0	3.7	2.3	2.0
	BNPL	10.3	9.4	9.0	7.3	1.1	5.1
	Total < BNPL	12.0	9.4	12.0	11.0	3.5	7.2
	BNPL+20	6.7	9.2	10.6	9.9	7.6	3.9
	BNPL+50	11.1	10.1	11.2	12.0	4.6	7.0
	BNPL+100	29.2	27.7	25.3	26.2	14.1	15.0
	Not Poor	41.0	43.7	40.9	40.8	70.3	66.9
	Total all persons	100.0	100.0	100.0	100.0	100.0	100.0



H. Vulnerable groups

H.1 Vulnerable age groups

101. Elderly (age 60 and above) are among the vulnerable groups, with around 13.3% below the BNPL and nearly 20% vulnerable (at the national level). Elderly in Apia Urban Areas and North-West Upolu are more vulnerable than in Savai'i and the Rest of Upolu. Around 20% and 19% of elderly in Apia and North-West Upolu, respectively, compared to only 8% of elderly in Savai'i and the Rest of Upolu, are below the BNPL (Table A.2). Around 42% and 24% of all poor elderly (below BNPL) live in North-West Upolu and Apia, correspondingly.

Table 21

Poverty & Vulnerability Status of the Elderly Aged 60 years and above by Region

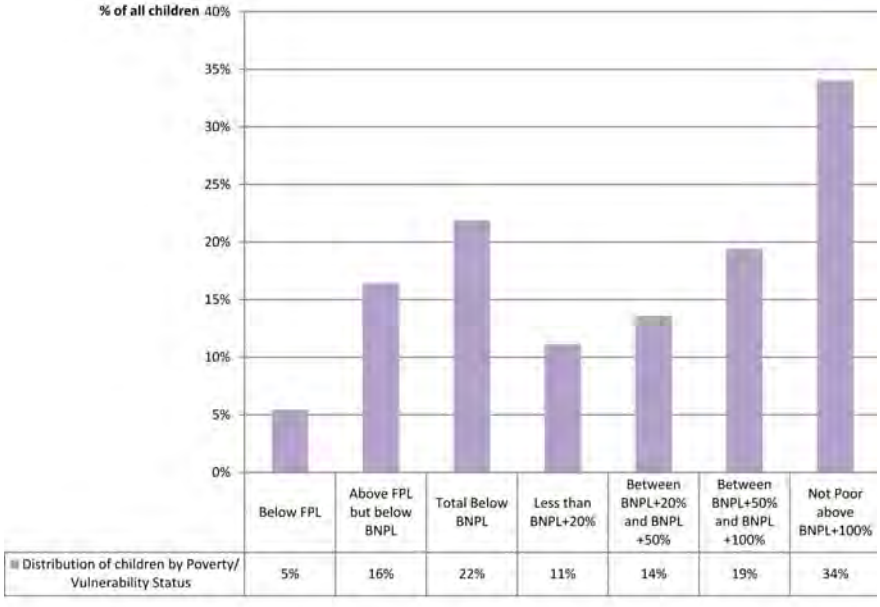
HH Per Capita Expenditure	All Elderly 60+ years	AUA	NWU	RoU	SAV
Below FPL	3.0	2.7	5.5	1.6	1.8
Above FPL but below BNPL	10.3	16.9	13.7	6.5	6.5
Total Below BNPL	13.3	19.7	19.1	8.1	8.3
Less than BNPL+20%	8.3	7.5	8.6	9.1	7.6
Between BNPL+20% and BNPL +50%	10.6	8.4	13.1	11.0	8.8
Between BNPL+50% and BNPL +100%	21.3	12.3	16.6	23.4	29.2
Not Poor above BNPL+100%	46.6	52.1	42.6	48.4	46.1
Total all persons	100.0	100.0	100.0	100.0	100.0

Children

102. Around 22% of all children in Samoa live under the BNPL and around 25% live in households that are vulnerable to poverty (expenditure below 50% above the BNPL) (Figure 22). Only 34% of all children in Samoa are considered to be not poor or vulnerable and therefore, children are among the most vulnerable groups in the country.

Figure 22

Distribution of children by region and Poverty/ Vulnerability Status



103. Poor and vulnerable children (age 0-14) are concentrated in female-headed households in North-West Upolu and, to a lesser extent, Apia Urban Area. Around 49.6% and 24.5% of all children below the FPL in female-headed households are in North-West Upolu and Savai'i. Children (age 0-14) living in female-headed households is more vulnerable than their counterparts in male-headed households, particularly in Apia and North-West Upolu. At the national level, 26.3% of children living in female-headed households are below the BNPL (compared to 20.7% of children living in male-headed households). Around 48.4% and 23.6% of all poor children living in female-headed households are in North-West Upolu and Apia, respectively.

104. Typically, households in the lowest three expenditure deciles and households in rural areas tend to have more children than households in the highest expenditure quintile and households in urban areas. Samoa is not an exception in this regard. It is important to note however, that while a larger proportion of children below the FPL living in Savai'i (as noted above), there is a larger proportion of children living between the FPL and the BNPL in Apia.

Table 22

Poverty & Vulnerability Status of children (aged 0-14 years) by Region and gender of head of household

	National		AUA		NWU		RoU		SAV	
HH Per Capita Expenditure	M-HHH	F-HHH	M-HHH	F-HHH	M-HHH	F-HHH	M-HHH	F-HHH	M-HHH	F-HHH
Below FPL	6.0	5.3	3.1	7.0	8.2	8.1	3.6	3.1	6.5	2.2
Above FPL but below BNPL	20.3	15.4	27.1	20.9	25.4	17.8	14.9	12.0	11.3	11.1
Total Below BNPL	26.3	20.7	30.2	27.9	33.6	26.0	18.5	15.1	17.9	13.3
Less than BNPL+20%	14.7	10.2	11.7	12.5	16.0	9.0	23.8	8.8	6.1	11.5
Between BNPL+20% and BNPL +50%	14.1	13.4	8.8	11.4	12.6	14.3	14.9	12.9	20.1	14.4
Between BNPL+50% and BNPL +100%	14.7	20.6	11.2	17.1	13.1	17.1	11.7	24.6	22.9	24.4
Not Poor above BNPL+100%	30.2	35.0	38.0	31.0	24.7	33.7	31.1	38.6	33.0	36.4
Total	100	100	100	100	100	100	100	100	100	100

Youth

105. Youth (age 15-29) account for 25% of the population in Samoa. Around 3.9% of all youth are below the FPL and around 19.3% of youth are below the BNPL, of which 42.6% and 25.9% live in North-West Upolu and Apia, respectively. The incidence of basic needs poverty in among youth in Apia and North-West Upolu is 23.6%, compared to 15.2% and 12.4% in Rest of Upolu and Savai'i, respectively. Moreover, at the national level, 10.8% of youth are highly vulnerable and 13.8% are vulnerable (Table 23).

106. Poverty and vulnerability are considerably higher among youth working for the private sector. The incidence of basic needs poverty among youth working for privates is 24%, compared to only 9.9% among youth working for government and public sector. Around 13% of youth working for private sector are highly vulnerable to fall into poverty, compared to only 7.1% of their counterparts in the government and public sector. (Table 24) Youth working in the subsistence sector are particularly vulnerable.

107. In general, government and public sector employees of all age groups are better off than their counterparts in the private sector. This, however, may be attributed to underemployment and large concentration in low-paid jobs due to the nature and structure of the private sector in Samoa.

Table 23

Distribution and poverty & Vulnerability Status of youth (aged 15-29 years) by Region (2013/14)

Distribution of Youth Aged 15 - 24 years According to Region and Poverty/Vulnerability Status										
HH Per Capita Expenditure	All Youth 15-29 years		AUA		NWU		RoU		SAV	
Below FPL	100.0	19.3	52.6	12.2	15.9	8.1	3.6	3.1	6.5	2.2
Above FPL but below BNPL	100.0	27.6	40.0	19.3	13.1	17.8	14.9	12.0	11.3	11.1
Total Below BNPL	100.0	25.9	42.6	17.8	13.7	26.0	18.5	15.1	17.9	13.3
Less than BNPL+20%	100.0	23.2	35.6	22.0	19.2	9.0	23.8	8.8	6.1	11.5
Between BNPL+20% and BNPL +50%	100.0	14.9	42.9	23.4	18.8	14.3	14.9	12.9	20.1	14.4
Between BNPL+50% and BNPL +100%	100.0	18.5	29.8	23.6	28.1	17.1	11.7	24.6	22.9	24.4
Not Poor above BNPL+100%	100.0	21.8	30.4	24.5	23.3	33.7	31.1	38.6	33.0	36.4
Total all persons	100.0	21.2	34.9	22.6	21.3	100	100	100	100	100
Poverty & Vulnerability Status of Youth Aged 15 - 24 years by Region										
Below FPL	3.9	3.6	5.9	2.1	2.9	8.1	3.6	3.1	6.5	2.2
Above FPL but below BNPL	15.4	20.0	17.6	13.1	9.5	17.8	14.9	12.0	11.3	11.1
Total Below BNPL	19.3	23.6	23.5	15.2	12.4	26.0	18.5	15.1	17.9	13.3
Less than BNPL+20%	10.8	11.8	11.0	10.5	9.7	9.0	23.8	8.8	6.1	11.5
Between BNPL+20% and BNPL +50%	13.8	9.7	17.0	14.2	12.2	14.3	14.9	12.9	20.1	14.4
Between BNPL+50% and BNPL +100%	18.7	16.3	16.0	19.5	24.6	17.1	11.7	24.6	22.9	24.4
Not Poor above BNPL+100%	37.5	38.6	32.6	40.6	41.1	33.7	31.1	38.6	33.0	36.4
Total all persons	100.0	100.0	100.0	100.0	100.0	100	100	100	100	100

Table 24

Youth poverty and vulnerability Status by type of primary activity

HH Per Capita Expenditure	Employment & Self-Employed				Subsistence Agriculture		Household Duties & Voluntary Work			Student		No-Activity
	Employer	Employee in Public Sector, NGO & International Agencies	Employee in Private Sector	Self Employed & Producing Goods for Sale	Production for Own Consumption	Unpaid Family Worker Agriculture & Business	Unpaid Family Worker Home Duties	Voluntary Worker Community etc.	Household Duties	Student full time	Student part time	Other
Below FPL	0.0	1.4	5.7	1.5	2.4	7.8	4.4	0.0	4.3	3.0	0.0	2.6
Above FPL but below BNPL	42.3	8.5	18.4	17.3	14.3	18.4	20.1	19.5	13.9	13.0	23.4	7.6
Total Below BNPL	42.3	9.9	24.1	18.8	16.8	26.2	24.5	19.5	18.3	15.9	23.4	10.2
Less than BNPL+20%	20.8	7.1	13.0	5.8	9.4	10.9	15.5	11.2	8.9	9.4	12.2	16.8
Between BNPL+20% and BNPL +50%	0.0	10.6	15.0	11.0	15.7	13.4	15.7	15.0	13.1	13.0	16.8	15.9
Between BNPL+50% and BNPL +100%	19.5	19.9	15.5	21.3	24.0	17.7	17.2	24.4	18.6	19.3	12.8	27.3
Not Poor above BNPL+100%	17.4	52.5	32.3	43.1	34.2	31.8	27.1	30.0	41.1	42.5	34.9	29.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

I. Human and Multidimensional Poverty

I.1 Access to and use of energy

108. Around 97% of Samoan households have access to electricity though the main grid. There are hardly any geographical disparities. However, the proportion of households with access to electricity through main grid is lower among households at the lowest three expenditure deciles; compared to households at the highest three expenditure deciles. Solar generators (photovoltaic Solar Home Systems) and kerosene lamps are more common sources of lighting among households at the three lowest expenditure deciles, particularly in North-West Upolu.

109. Nearly 99% of Samoan households have designated cooking areas and facilities. Around 54%, 11.6% and 10.5% of households in Samoa use open fire, gas stoves and electric stoves, respectively, for cooking. Gas and electric stoves are, expectedly, more common in Apia Urban Area, while open fire is more common in Savai'i (around 75% of households) and North-West Upolu (51% of households). Accordingly, 81% of households in Savai'i have designated cooking facility only outside house, 16% of households have cooking facilities inside and outside the house and 2.8% have cooking facility only inside the house. Meanwhile, in Apia 44% of households have cooking facility inside and outside the house, 31.5% of households have only indoor cooking facility and 23.35% of households have only outdoor cooking facilities.

I.2 Drinking water and sanitation

110. Around 56.4% and 24.4% of all households in Samoa have access to metered and non-metered drinking water piped into households, respectively. Around 82.2% of all households have access to own flushed toilet. Geographical location is more influential determinant of access to safe drinking water and sanitation, rather than expenditure level and/or poverty and vulnerability status. Consequently, households in Apia Urban Areas (for instance) have better access to safe drinking water and sanitation compared to their counterparts in North-West Upolu, across all expenditure deciles. For instance, 92% and 86% of households in Apia (across all expenditure deciles) have access to own flushed toilet and drinking water piped into households (metered and non-metered), respectively, compared to 79% and 77.4 of households in North-West Upolu and 79% and 84% of all households in Savai'i. Luckily, the population of Samoa lives on two main large, and relatively close, islands. The geographical-based disparities, therefore, are not as significant as most Pacific countries with more disbursed population across large number, often remote, islands such as Fiji, Solomon Islands, Republic of the Marshall Islands (RMI) and Vanuatu.

I.3 Housing

111. There is a wide variety of types of houses in Samoa. The main types are the European closed and open houses, with and without extensions, and the Samoan Fale. At the national level, 45% of households live in closed European houses and around 31% of households live in open European houses. The second most common type of housing is the open Samoan Fale, comprising around 15% of all households in Samoa. Closed European houses are more common in Apia (68% of all households), while open Samoan Fale are more common in Savai'i and North-West Upolu (16% of households). In general, open Samoan Fale are more common among households in the lowest three expenditure deciles, while closed European houses are more common among households in the highest three expenditure deciles. The quality and type of construction material used for walls, roofs and floors are highly correlated with expenditure level and, hence, poverty and vulnerability status. Non-durable low quality construction materials (e.g. gravel) and open walls are most common (over 60%) among poor households.

I.4 Education and Health

112. Total education expenses accounted for an average of 3.2% of all non-food expenditure. Households in the lowest three expenditure deciles spent around an average of 5% of their non-food expenditure on education, while their counterparts at the highest three expenditure deciles spent an average of 3% on non-food expenditure on education (Table 24).

113. Akin to all Pacific countries, the incidence of chronic Non-Communicable Diseases (NCDs) in Samoa is high. The incidence of chronic NCDs is not linked to poverty and vulnerability status, geographical location or to the level of expenditure/income. It is, however, higher among females. Hypertension and diabetes are the leading NCDs.

I.5 Internet Connection

114. Around 41.6% of households in Samoa have some type of internet connection. Expectedly, a larger proportion of households in the higher expenditure deciles have internet connection compared to the lower expenditure deciles. A larger proportion of households in Apia Urban Area (74.2% of all households) across all expenditure have internet connect compared to their counterparts in other regions. North-West Upolu ranks second in terms of the proportion of households with internet connection (47.2% of all households), probably due to its geographical proximity to Apia Urban Area, followed by Savai'i and Rest of Upolu. Only 24% and 23.8% of all households in Savai'i and Rest of Upolu, respectively, have internet connection (Figure 23).

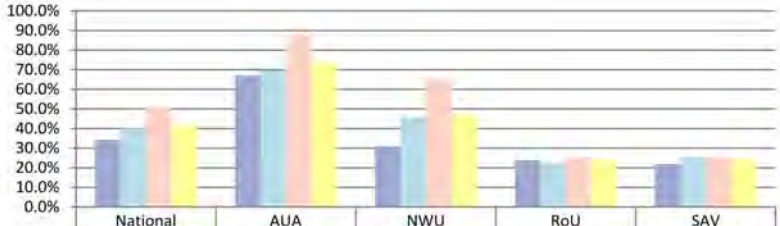
Table 25

Expenditure on education as a percentage of non-food expenditure by expenditure deciles

Decile: HH per capita weekly expenditure	School Uniforms	School Books & Materials	ECE & Primary	Secondary	Post-Secondary & others	Tertiary	Donation/ Contributions to Schools	Total Education Expenditure
1	1.4	0.1	0.9	1.5	0.8	0.3	0.4	5.3
2	1.1	0.1	0.8	1.0	1.5	0.2	0.4	5.3
3	0.9	0.1	0.7	0.9	1.1	0.5	0.6	4.9
4	0.8	0.1	0.8	0.8	0.9	0.7	0.6	4.6
5	0.6	0.1	0.4	0.8	1.0	0.4	0.4	3.7
6	0.6	0.1	0.7	0.6	0.4	0.4	0.4	3.1
7	0.4	0.2	0.6	0.8	0.9	0.5	0.4	3.9
8	0.4	0.1	0.5	0.7	0.5	0.4	0.3	2.8
9	0.3	0.2	0.7	0.9	0.5	0.3	0.3	3.1
10	0.1	0.1	0.4	0.3	0.4	0.1	0.2	1.7
Average all HH	0.5	0.1	0.6	0.7	0.7	0.3	0.3	3.2

Figure 23

Households' access to internet connection by expenditure deciles and region



	National	AUA	NWU	RoU	SAV
Lowest three deciles	34.2%	67.0%	31.0%	23.8%	21.8%
Middle four deciles	40.1%	69.5%	46%	22.4%	25.5%
Highest three deciles	50.9%	87.6%	65.5%	25.6%	25.1%
All Households	41.6%	74.2%	47.2%	23.8%	24.3%

J. Income analysis

115. On average, wages and salaries comprise around two thirds of the income received by the three lowest expenditure deciles in Apia and only around one third and one quarter of the income received their counter parts in North-West Upolu, Savai'i and the Rest of Upolu, respectively. The share of wages and salaries in households' total income tends to decline as income and expenditure increases in Upolu and rises as households' income/expenditure increases in North-West Upolu, the Rest of Upolu and Savai'i. This may be explained by the fact that many high income households in Upolu receive large portion of their income from self-employment and investments, while in the rest of the country high income/expenditure households tend to receive large portion of their income from wages earned through government and/or public sector employment.

116. At the national level, remittances accounted, on average, for around 7% of income received by all households. The share of remittances in total households' income is higher for households in the three lowest expenditure deciles compared to households in the three highest expenditure deciles. It is lower for households in Apia compared to their counterparts in the rest of the country across all expenditure deciles. Households in Apia, particularly at the high expenditure deciles, tend to have more diversified sources of income, with wages and salaries and remittances being relatively less significant sources of income compared to their counterparts in the rest of the country.

Table 26

Income from salaries and wages and remittances by expenditure level (% of total household's income) in 2013/14

Decile	National Average		AUA		NWU		RoU		SAV	
	Wages & Salaries	Remit-tances	Wages & Salaries	Remit-tances	Wages & Salaries	Remit-tances	Wages & Salaries	Remit-tances	Wages & Salaries	Remit-tances
1	37.6	7.7	61.0	5.8	30.8	8.9	28.3	6.5	31.2	9.9
2	34.6	7.0	66.6	4.7	33.0	8.5	27.4	6.7	19.1	8.1
3	43.5	6.0	65.7	2.9	37.9	8.7	24.8	6.4	25.7	9.3
4	31.6	7.6	57.8	6.4	34.9	9.4	22.6	6.1	13.7	7.8
5	30.6	7.6	52.3	4.4	35.3	8.3	17.2	8.1	11.9	10.9
6	33.8	6.4	61.2	4.7	37.1	7.0	17.8	6.1	15.5	8.7
7	37.8	6.8	63.7	2.8	46.1	7.8	18.4	8.5	20.7	9.5
8	34.1	8.8	53.2	6.8	38.4	8.3	30.9	8.0	10.2	14.1
9	35.3	5.3	50.9	2.8	49.8	2.9	18.0	11.1	10.6	8.8
10	33.5	5.8	50.8	3.0	45.5	5.1	7.6	11.7	21.9	7.0

K. Concluding Remarks

117. This report analyses the 2013/14 Households Income and Expenditure Survey (HIES), in comparison with the 2008 and 2002 surveys, focussing on poverty, vulnerability and inequality. The comparative analysis of the three most recent surveys reveals trends in poverty, vulnerability and inequality over the period from 2002 to 2014, during which Samoa has faced several economic shocks, natural disasters resulting in an erratic economic growth and periods of stagnation and negative growth.

118. After an initial increase in poverty in 2008 compared to 2002 mainly due to the impact of the global economic crises, Samoa has made remarkable progress in terms of both food and basic needs poverty during the period from 2008 to 2013/14. The incidences of food poverty and basic needs poverty declined in 2013/14 by 12% and 30%, respectively, in comparison with 2008, and dropped well below the 2002 levels. While such progress is indeed commendable, the macroeconomic and poverty trends reveal the following warning signals:

- First, 2008 HIES results mainly reflected the impact of the global economic crises. Meanwhile 2013/14 HIES reflects, to a great extent, a surge in public and private expenditure and investment due to the preparation for the 2014 SIDs conference. Analysis of the longer term trends (2002-2013/14), however, demonstrates a return back to pre-crises patterns of economic growth and production, consumption as well as poverty.

- Second, the trends illustrate the high vulnerability of the Samoan economy, to the extent that such significant variations in economic growth and poverty levels can occur over a relatively short span of time and in response to external and/or internal shocks

- Third, public works and public employment programmes has proved to be very effective 'safety nets' in response to shocks and contributed to poverty reduction. Most of the recipients of the income support, however, were existing workers and those mainly from Apia. That had left many people, particularly in the rural areas, with little or no marketable skills to miss out on the opportunities. This has led to the documented geographical disparities. Geographical disparities and pockets of high poverty in North-West Upolu are evident and require immediate attention.

- Fourth, inequality is on the rise and has reached alarming levels. Inequality is concentrated around the middle expenditure deciles and, therefore, reflected in the Gini coefficient but not the ratio of the shares of the highest to the poorest quintiles and the share of the lowest quintile in total expenditure. This is also confirmed by the increase in the proportion of the highly vulnerable (20% above BNPL) and the vulnerable (more than 20% but less than 50% above BNPL) population.

- Fifth, while both food and basic needs poverty have declined, vulnerability has increased as the proportion the highly vulnerable (with expenditure 20% above BNPL) rose during the same period. With a large number of households on the margin of the BNPL, the extremely vulnerable population can easily slip back into poverty and, hence, maintaining progress will pose a serious challenge.

- Sixth, the decline in the incidence of poverty was partially driven by the significant increase in government spending, which came at a very high fiscal cost as the fiscal deficit and public debt increased.

119. The most disadvantaged households are those with least access to cash incomes from paid work, remittances, or farm production. In urban areas, the poorest are the unemployed, especially unskilled youth, those with few employable skills, and those living on leased land or flood-prone areas without adequate space to grow crops or with poor infrastructure and environmental hazards that create unhealthy conditions.

120. Gender-based inequality is deeper in urban areas, compared to rural areas, and, to some extent, reflects wage inequality. Women's share of the benefits from economic growth has been less than men's with more of the growth being in male-dominated jobs such as construction. More women are vulnerable to falling below the poverty line than men. There is a strong correlation between vulnerability status and education level in urban areas, but less so in rural areas. A strong three-way relationship between gender, level of education and poverty prevails.

121. 1Around 22% of all children in Samoa live under the BNPL and around 25% live in households that are vulnerable to poverty (expenditure below 50% above the BNPL). Children living in female-headed households in North-West Upolu and Apia Urban Area are highly vulnerable to poverty and hardship. Poor households (lowest three deciles) are larger in size and tend to have more children than households in the highest expenditure quintile. In contrast with most Pacific countries, inequalities and geographic disparities are more severe when viewed through an income poverty, rather than human poverty, lens. Access to services is relatively equitable across expenditure deciles throughout the country with little or no geographic disparities.

122. While tradition and culture are clearly still very important in Samoa, influences such as migration, urbanization and the monetization of the economy have all had a huge impact. The state has stepped in to provide social protection to complement protection that was traditionally provided by the extended family. Traditional safety nets have suffered due to rising costs and inflation and reduced employment opportunities in recent years. Families simply do not have enough resources for their own purposes and are unable to reciprocate their social obligations as they would wish.

123. Individuals working for the private sector are significantly worse off compared to their counterparts working for the government and the public sector. This was evident from the significantly higher incidence of poverty and vulnerability among private sector employees.

124. Poverty and vulnerability are particularly high among youth, which reflects a persistence lack of employment and income generating opportunities. The incidence of poverty as well as vulnerability is significantly higher among youth working for the private sector.

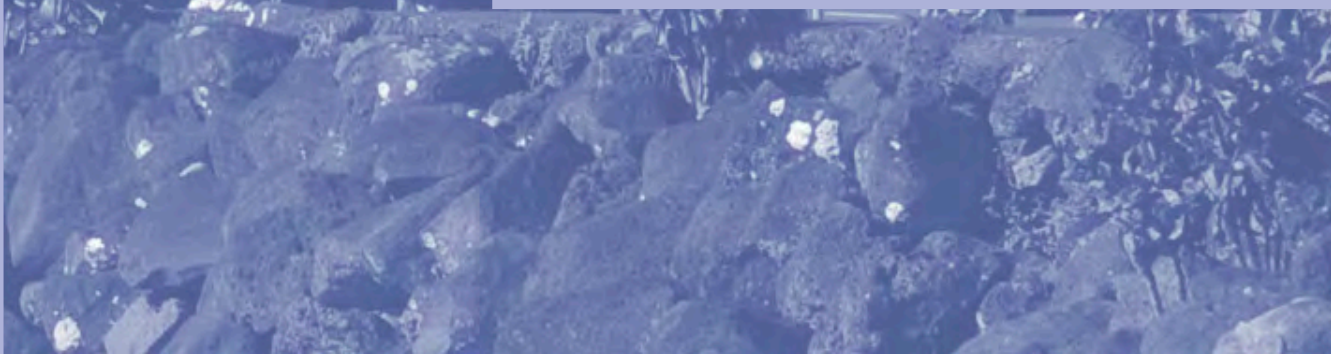
125. The social, psychological, and physiological consequences of alienation from the labor market are exceedingly well-research fields in "behavioral economics". In Samoa, police records show that prevalent forms of youth crime include burglary, theft, narcotics and assaults; with criminal offenders predominately being males aged 24-30 years of age[16]. Studies are also showing worrying high levels of violence against women in Samoa[17]. There is a linkage between socially (and personally) disruptive behavior and labor market opportunity: communities in areas with high numbers of unemployed youths must live with higher levels of insecurity.

126. The legal framework for labor and employment in Samoa has been strengthened over recent years resulting in significant changes for employers and employees. Enforcement of these Acts remains an issue, particularly as it relates to those employed in the informal sector.

16 MWCSD (Ministry of Women Community and Social Development). 2010. Crime Statistics for Information Search. Apia, cited in Urban Youth in the Pacific: Increasing resilience and reducing risk for involvement in crime and violence, June 2011

17 Samoa Family Health and Safety Study (2006), SPC and UNFPA

L. Policy Implications



Guiding principles for intervention

127. The characteristics of the poor revealed by the various HIES provide a wealth of information for Samoan policy makers to design targeted poverty reduction strategies. If interventions to reduce poverty are to be effective, they must be based on proven and cost effective mechanisms for allocating resources and assistance to poor households. Direct targeting is based on clearly identifying poor households or individuals. If providing assistance directly to the poor is not feasible, it may be possible to intervene on the basis of their characteristics.

128. Characteristic targeting, however, has two potential drawbacks. First, some non-poor households could possess the same characteristics as the poor and, hence, receive benefits (leakage). Second, not all poor households possess the designated characteristics to benefit from the intervention, and consequently all might not be reached (under-coverage). For instance, where the poor are concentrated in certain regions, islands or districts (as is the case in North-West Upolu), more public services could be provided to those areas. Other characteristics, such as education level, are useful to guide additional support. For instance, targeting based on level of education in North-West Upolu, combined with gender of the head of households. The success of characteristic targeting depends on the ability of programme designers to minimize these problems.

129. Targeting poverty reduction programmes to a subgroup of the population has an intuitive appeal for policymakers, but it also poses considerable difficulties. Direct targeting explicitly identifies individual households as poor or non-poor and directly provides benefits to the former group and tries to withhold them from the latter. The specific form of such targeting depends on the ability of governments to identify the poor. If beneficiaries can be identified on a household or individual level, transfers and/or some other forms of direct assistance could be mobilized to reduce their vulnerability. For example, the provision of food or medical care to households that show clear signs of malnutrition, or to individuals who have special needs (such as pregnant and lactating women, elderly and persons with disabilities) are all forms of direct targeting of assistance. However, the screening needed to identify the poor can be expensive and administratively difficult to implement.

130. There are two alternatives to direct targeting of the poor. The first involves targeting types of spending or 'broad targeting'. Under this approach, programmes target types of spending that are relatively more important to the poor. Spending on basic social services, such as primary education and primary health care, is one example.

131. The second approach targets categories of people. Under this approach, which can be called 'narrow targeting', benefits are directed to certain types of people. Examples are food stamp schemes targeted to mothers in food-insecure communities or micro-credit schemes targeting women vendors. Narrowly targeted schemes are based on one or both of two methods. The first is indicator targeting (also called categorical targeting). This approach identifies a characteristic of poor people (an indicator) that is highly correlated with low income and is used as a proxy for targeting. One drawback of indicator targeting is that not all of the poor can be identified by the same indicators. For example, even though most countries neither have poor regions, not all the poor live there, nor do all the rich live elsewhere

132. The second approach is self-targeting. Under this approach, beneficiaries self-select through the creation of incentives that would induce the poor, and only the poor, to participate in a programme. Examples are public employment schemes that use work requirements and conditions to help self-screen out the non-poor. Geographical targeting at the level of the village or the urban community could reduce the leakage of benefits to the non-poor.

133. Both narrow targeting approaches offer the hope of avoiding two commonly identified errors of targeting: 1) leakage of benefits to the non-poor, which are measured by the ratio of non-poor beneficiaries to total beneficiaries; and 2) under-coverage of the poor, which is measured by the ratio of poor beneficiaries to the total poor population.

134. For example, even though most countries have regions which are poorer than others, not all poor people live there, nor do all rich people

live elsewhere. Hence, geographic targeting can often benefit some of the rich and can bypass—and perhaps even tax—some of the poor who live in the better-off areas[18].

135. Narrow geographical targeting at the level of the village or the urban community could reduce the leakage of benefits to the non-poor in countries or regions where, because of common agro-climatic or socioeconomic conditions, the standard of living in the majority of the households in most villages and urban communities is similar. The households in these villages would often have similar sources of income, and could be affected by the same factors, such as road conditions, the distance to the nearest town, and the availability of public facilities such as health, education and water supply.

136. Common methods of assessment can obscure some of the potential benefits of narrow targeting. Assessments of the benefits from geographical targeting provide an example. Several studies have examined the potential impact on poverty of allocating a predetermined budget optimally across regions. But the static gains of such an allocation are often found to be modest, reflecting, in essence, that the poor are heterogeneous.

137. Recent work, which allows for gauging the potential dynamic effects of programmes, suggests, however, that static assessments can greatly underestimate the long-term benefits. Gains could percolate through and strengthen over time as a result of the positive external effects of development in poor regions on the productivity of the private investments by poor households.

Policy implication for Samoa

138. Samoa's poverty-reduction programme needs to focus its efforts on building up the human capital of the working-age population. This would enable the working members of poor households to secure more rewarding employment and generate income. Programmes to improve educational institutions have very high returns over the long-run.

139. Restoring fiscal prudence, which necessitates reducing the current fiscal deficit, while maintaining adequate levels of government expenditure on development and poverty reduction will require: increasing, as well as diversifying the source of, government revenues; and, enhancing government efficiency. More effective targeting that reduces the leakages will maximize the returns on government expenditure and allow for better use of the limited fiscal space. In addition, policymakers need to identify economic policies that can stimulate a broad-based, balanced and more inclusive and equitable pattern of economic growth.

140. Income and employment generating initiatives targeting youth can be very effective in reducing poverty, particularly if they are combined with characteristic-based targeting approaches, such as focussing on geographical areas with higher incidence of poverty (e.g. North-West Upolu).

18 Datt, G., and M. Ravallion (1993) 'Regional Disparities, Targeting, and Poverty in India' in Michael Lipton and Jacques Van Der Gaag, eds. Including the Poor. Washington D.C.: The World Bank. See also Ravallion, M. (1995). 'Growth and Poverty: Evidence for Developing Countries in the 1980s'. Economic Letters, 48

M. Policy Recommendations

141. There is scope for more detailed analysis of the 2013/14 HIES on specific issues relating, inter alia, to human poverty, food expenditure patterns, specific areas of expenditure including health and education, gender, children in poverty and geographic disparities identified in the report. Further and more detailed analysis will add policy substance to the key poverty indicators. Most importantly, it will guide the formulation of policies and initiatives aiming at addressing the various dimensions of human poverty and better targeting of vulnerable groups.

142. A social and economic policy package to accelerate poverty reduction will need to simultaneously address challenges at the macro and micro levels through micro-level and local people-centered development initiatives that complement overall macroeconomic policies and are geared towards balanced, sustainable and inclusive growth and widening the economic base.

143. Social protection in the form of non-contributory social pensions is a proven strategy for reducing poverty, vulnerability and inequality. A growing body of evidence demonstrates that social pensions both reduce the poverty and vulnerability of older people, and result in net contributions to multigenerational household economies and the wider community.

144. To build a secure future and reduce risks of poverty, it would be timely for the Government of Samoa to make a long term plan to expand formal social protection programmes as fiscal space allows. The challenge is profound but at least initial progress should be made in embarking on informal economic surveys to explore the most important of the following policy and programme options:

- The possibility of an unemployment benefit;
- The possibility of a sickness benefit once employer sick pay liability has expired,
- Maintenance of 'Fa'a Samoa' in all circumstances
- Possibility of extending social security to the informal sector

145. Samoa is a small country with a small population yet it provides a broad range of education and health services. Aggregated access to education, health and safe drinking water are high, but there are quality issues in all of these sectors.

146. At the macro level, maintaining the downward trend in income poverty will require concerted and coordinated efforts to push ahead with reforms that will allow Samoa to sustain and broaden economic growth and enhance its inclusiveness in the country. This requires continued investments in transport and communication infrastructure and services, allowing the rural majority to access domestic and export markets, as well as quality and affordable health, education and financial services, which will directly contribute to the reduction of human poverty.

147. The current Strategy for the Development of Samoa (2012-16) does not specifically discuss youth employment issues, but key indicators of relevance include an increase in the employability of PSET graduates, improved PSET knowledge management, and an increase in the number of graduates in agriculture and fisheries fields. The new national strategy should utilize the analysis and the findings of the 2013/14 HIES to better address youth employment issues.

148. The application of labor standards matters for poverty alleviation. A framework which encourages workers and employers to build their capacity to promote the fair allocation of resources through collective bargaining and national dialogue is an important tool in the battle against poverty. Minimum wage needs to be reviewed and updated on regular basis. Furthermore, measures and legislations to reduce gender-based wage discrimination are needed. Labor market regulation, particularly minimum wage, should be revised in light of the findings of the 2013/14 HIES. The recent progress made in tripartism under the International Labor Organization (ILO) Decent Work Programme should be consolidated and expanded to establish a truly tripartite body with stipulation of the process and outcome specified.

149. A large segment of the population is engaged in the informal or subsistence sector. The informal sector plays an important role in employing those leaving the rural agricultural sector as well as the unemployed in Apia. The expanding tourism sector has opened up opportunities for people in the informal sector particularly in Apia and along tourist facilities in the rural areas to sell artefacts. Food markets in Apia and rural villages are also common spots for money earning activities. There is a

need, therefore, for a comprehensive informal sector policy which supports the sector to gradually formalize. This should be supported through surveying the informal sector related business and employment activities and instituting appropriate programmes and activities.

150. Technical and Vocational Education and Training (TVET) can mitigate some youth issues in regard to offering opportunities but providing employment is beyond the scope of the training provider. Improved linkages with industry through industry advisory panels[19] will go some way to creating a more demand-lead TVET system rather than a traditional supply side system that offers training regardless of need. Young people and parents are frequently exhorted to choose TVET over academic courses but until wage rates for blue-collar work match those of white-collar, it is likely to remain a second choice. It is also well recognized that TVET needs to be accompanied by life-skills training, in order to empower young people to cope with the changes and challenges ahead of them.

151. Appropriate labor market policies should support that there is no mismatch between the skills taught by educational and training institutions and the requirements of the industry, making sure more emphasis is placed on the identification and provision of relevant marketable skills. There needs to be a more comprehensive shift in culture and attitudes towards meeting the demands of tourism industry, including others. Stronger emphasis in schools on entrepreneurship training and the promotion of successful entrepreneurs as role models are also needed. In parallel, Samoa needs to make progress in accreditation of skills, which is needed to improve the information that is given to employers concerning the competencies to be expected of various skills-training certificates.

152. One option to address geographical disparity is through local economic development (LED). LED is a participatory process in which local people from all sectors work together to stimulate local commercial activities. It encourages public, private and civil society sectors to establish partnerships and find local solutions to shared economic challenges. A LED strategy is a process-oriented and non-prescriptive endeavor incorporating local values (such as poverty reduction, basic needs, local jobs, integrating social and environmental values); economic drivers (value-added resource use, local skills training, local income retention, regional co-operation); and development (the role of structural change, quality of development).

153. Given the relatively high share of remittances in households' income, reducing the transaction cost of remittances will translate into higher disposable income with immediate effect on poverty. Competition and taking advantage of new technologies such as mobile money can help in reducing cost of remittances.

19 Industry advisory panels were started in 2001

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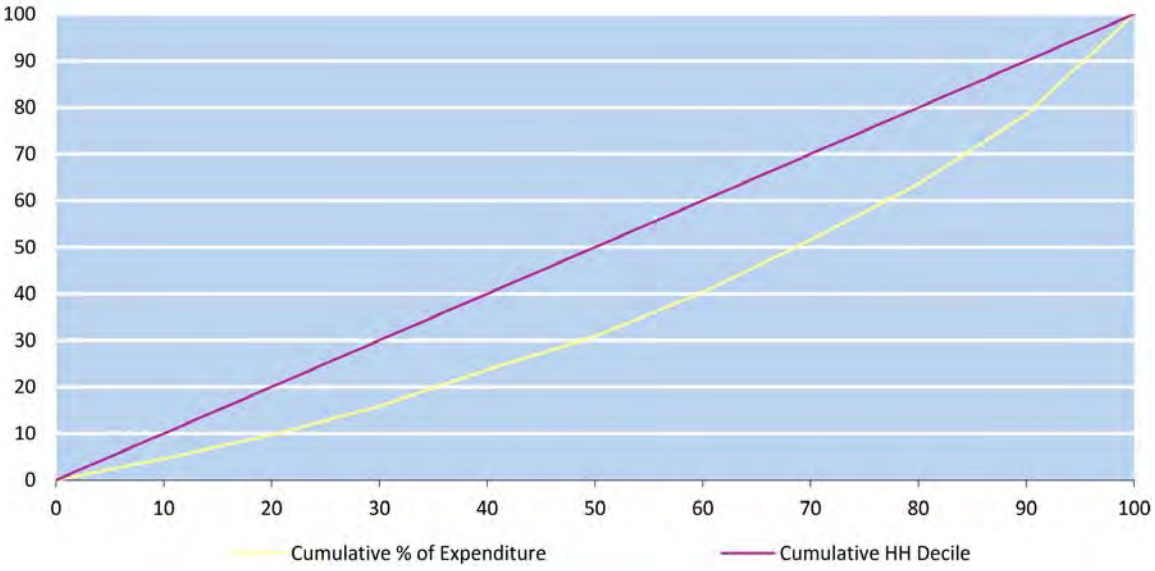
Appendix A

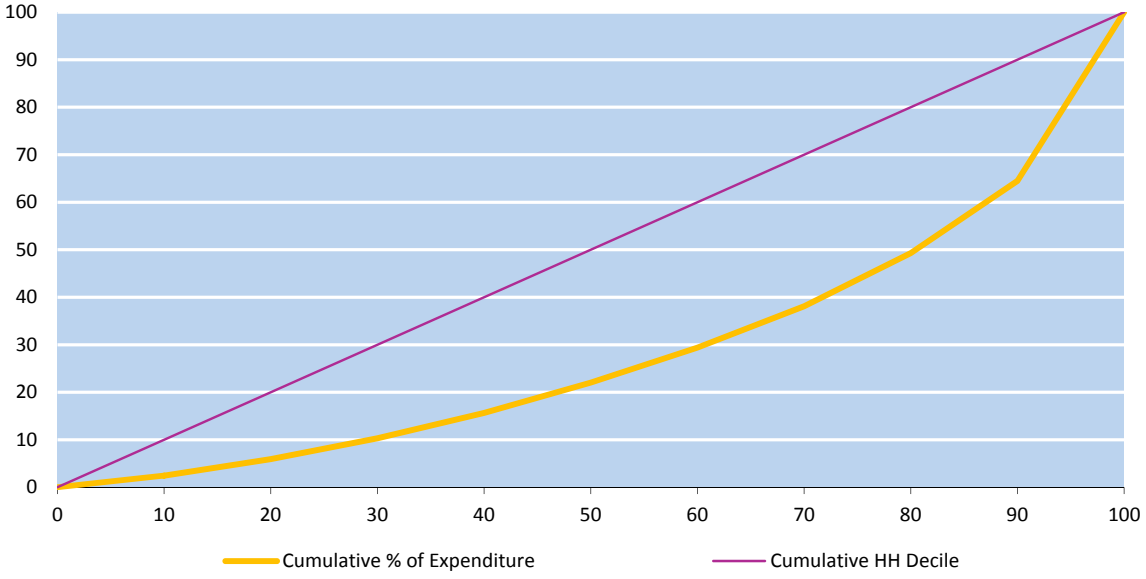
Figure A.1.a, A.1.b, A.1.c and A.1.d

Population Lorenz Curves by region

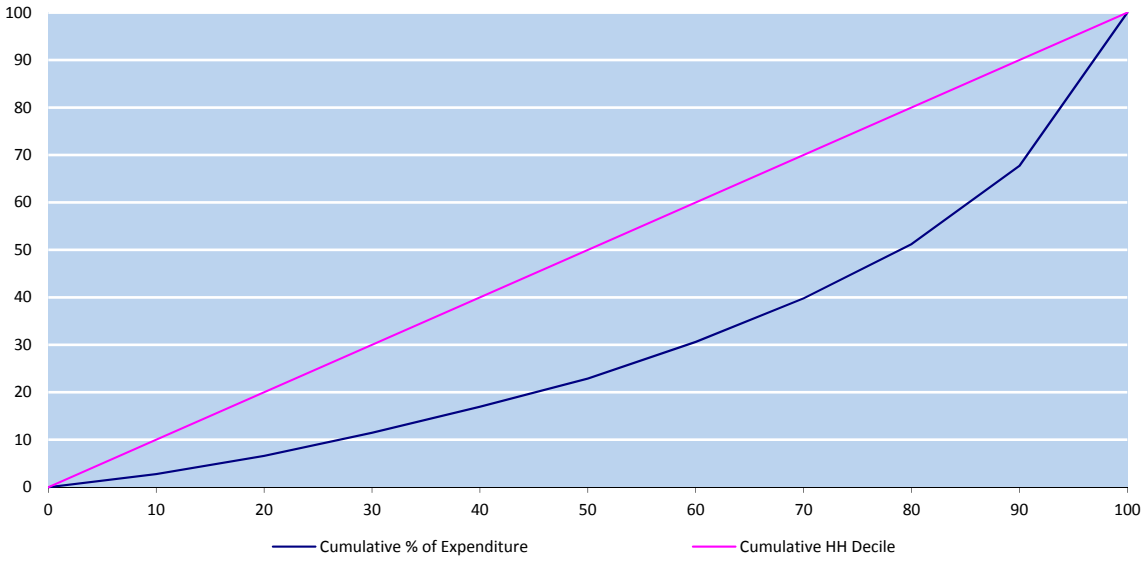
Apia 2013/14: Lorenze Curve population per capita HH expenditure



North-West Upolu 2013/14: Lorenz Curvepopulation percapita HH expenditure



Rest of Upolu 2013/14: Lorenz Curve population per capita HH expenditure



Savaii 2013/14: Lorenz Curve population per capita HH expenditure

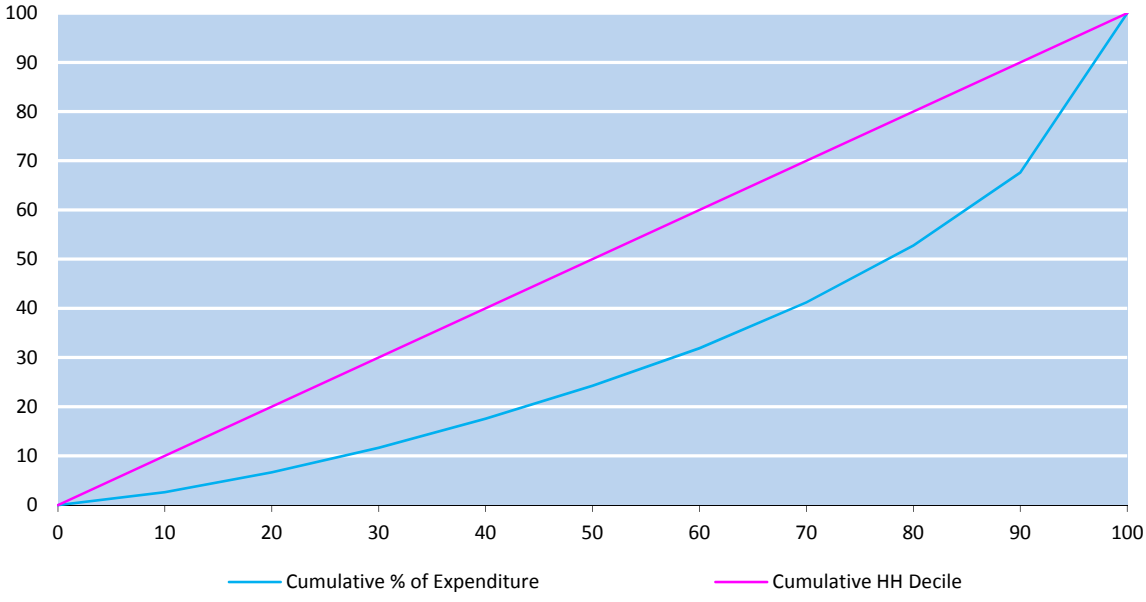


Table A.2

Poverty & Vulnerability Status and distribution of the Elderly Aged 60 years and above by Region

HH Per Capita Expenditure	All Elderly 60+ years	AUA	NWU	RoU	SAV
Below FPL	3.0	2.7	5.5	1.6	1.8
Above FPL but below BNPL	10.3	16.9	13.7	6.5	6.5
Total Below BNPL	13.3	19.7	19.1	8.1	8.3
Less than BNPL+20%	8.3	7.5	8.6	9.1	7.6
Between BNPL+20% and BNPL +50%	10.6	8.4	13.1	11.0	8.8
Between BNPL+50% and BNPL +100%	21.3	12.3	16.6	23.4	29.2
Not Poor above BNPL+100%	46.6	52.1	42.6	48.4	46.1
Total all persons	100.0	100.0	100.0	100.0	100.0
HH Per Capita Expenditure	All Elderly 60+ years	AUA	NWU	RoU	SAV
Below FPL	100.0	14.9	53.6	14.0	17.4
Above FPL but below BNPL	100.0	26.8	38.7	16.6	17.9
Total Below BNPL	100.0	24.1	42.0	16.0	17.8
Less than BNPL+20%	100.0	14.8	30.3	28.8	26.1
Between BNPL+20% and BNPL +50%	100.0	13.0	36.0	27.2	23.8
Between BNPL+50% and BNPL +100%	100.0	9.4	22.7	28.8	39.1
Not Poor above BNPL+100%	100.0	18.2	26.6	27.1	28.1
Total all persons	100.0	16.3	29.1	26.2	28.5

Table A.3

Poverty & Vulnerability Status of Labor Force Aged 15 - 59 years by Region

HH Per Capita Expenditure	All 15-59 years	AUA	NWU	RoU	SAV
Below FPL	3.8	3.6	5.6	2.1	2.9
Above FPL but below BNPL	13.7	17.9	15.9	11.1	9.0
Total Below BNPL	17.4	21.5	21.5	13.2	11.8
Less than BNPL+20%	9.9	11.0	10.1	9.6	9.0
Between BNPL+20% and BNPL +50%	12.8	9.8	15.2	12.9	11.7
Between BNPL+50% and BNPL +100%	19.2	16.4	15.8	21.9	24.3
Not Poor above BNPL+100%	40.6	41.3	37.4	42.4	43.2
Total all persons	100.0	100.0	100.0	100.0	100.0

Table A.4

Distribution of the Labor Force 15 - 59 years According to Region and Poverty/Vulnerability Status

HH Per Capita Expenditure	All 15-59 years	AUA	NWU	RoU	SAV
Below FPL	100.0	19.3	50.9	12.6	17.2
Above FPL but below BNPL	100.0	26.5	40.1	18.7	14.7
Total Below BNPL	100.0	24.9	42.4	17.4	15.3
Less than BNPL+20%	100.0	22.4	35.0	22.2	20.4
Between BNPL+20% and BNPL +50%	100.0	15.5	40.8	23.1	20.6
Between BNPL+50% and BNPL +100%	100.0	17.3	28.2	26.1	28.4
Not Poor above BNPL+100%	100.0	20.5	31.6	23.9	23.9
Total all persons	100.0	20.2	34.4	22.9	22.5

Table A.5

Distribution of Youth Aged 15 - 24 years According to Region and Poverty/Vulnerability Status

HH Per Capita Expenditure	All Youth 15-29 years	AUA	NWU	RoU	SAV
Below FPL	100.0	19.3	52.6	12.2	15.9
Above FPL but below BNPL	100.0	27.6	40.0	19.3	13.1
Total Below BNPL	100.0	25.9	42.6	17.8	13.7
Less than BNPL+20%	100.0	23.2	35.6	22.0	19.2
Between BNPL+20% and BNPL +50%	100.0	14.9	42.9	23.4	18.8
Between BNPL+50% and BNPL +100%	100.0	18.5	29.8	23.6	28.1
Not Poor above BNPL+100%	100.0	21.8	30.4	24.5	23.3
Total all persons	100.0	21.2	34.9	22.6	21.3

Table A.6

Poverty & Vulnerability Status of Youth Aged 15 - 24 years by Region

HH Per Capita Expenditure	All Youth 15-29 years	AUA	NWU	RoU	SAV
Below FPL	3.9	3.6	5.9	2.1	2.9
Above FPL but below BNPL	15.4	20.0	17.6	13.1	9.5
Total Below BNPL	19.3	23.6	23.5	15.2	12.4
Less than BNPL+20%	10.8	11.8	11.0	10.5	9.7
Between BNPL+20% and BNPL +50%	13.8	9.7	17.0	14.2	12.2
Between BNPL+50% and BNPL +100%	18.7	16.3	16.0	19.5	24.6
Not Poor above BNPL+100%	37.5	38.6	32.6	40.6	41.1
Total all persons	100.0	100.0	100.0	100.0	100.0

Table A.7

Apia Urban Area: Primary Activity by Type of Activity and Poverty/Vulnerability Status

	Employment & Self-Employed				Subsistence Agriculture		Household Duties & Voluntary Work			Student		No-Activity	
HH Per Capita Expenditure	Employer	Employee in Public Sector, NGO & International Agencies	Employee in Private Sector	Self Employed & Producing Goods for Sale	Production for Own Consumption	Unpaid Family Worker Agriculture & Business	Unpaid Family Worker Home Duties	Voluntary Worker Community etc.	Household Duties	Student full time	Student part time	Retired/ Too old	Other
Below FPL	0.0	2.0	4.4	0.0	3.5	3.8	3.5	0.0	5.7	2.3	0.0	4.6	3.7
Above FPL but below BNPL	4.5	9.5	17.1	9.8	28.5	14.3	27.6	34.4	20.4	17.7	18.8	20.5	27.1
Total Below BNPL	4.5	11.5	21.6	9.8	32.0	18.1	31.1	34.4	26.1	20.0	18.8	25.1	30.8
Less than BNPL+20%	3.1	9.7	10.6	8.0	8.8	12.2	15.9	6.4	10.2	10.8	0.0	12.8	6.1
Between BNPL+20% and BNPL +50%	6.1	7.9	8.6	13.1	10.7	9.6	12.0	0.0	10.3	10.9	9.0	3.0	7.9
Between BNPL+50% and BNPL +100%	12.5	19.9	17.4	8.0	16.1	13.5	11.5	7.5	18.1	14.9	8.4	11.2	19.6
Not Poor above BNPL+100%	73.9	51.0	41.8	61.1	32.5	46.6	29.6	51.7	35.3	43.4	63.8	48.0	35.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total Persons 15 years and above	399	3222	6184	935	692	855	2284	133	4028	3506	124	512	474

Table A.8

NWU: Primary Activity by Type of Activity and Poverty/Vulnerability Status

HH Per Capita Expenditure	Employment & Self-Employed				Subsistence Agriculture		Household Duties & Voluntary Work			Student		No-Activity	
	Employer	Employee in Public Sector, NGO & International Agencies	Employee in Private Sector	Self Employed & Producing Goods for Sale	Production for Own Consumption	Unpaid Family Worker Agriculture & Business	Unpaid Family Worker Home Duties	Voluntary Worker Community etc.	Household Duties	Student full time	Student part time	Retired/ Too old	Other
Below FPL	0.0	2.8	4.4	1.4	4.2	15.4	6.7	0.0	5.3	4.5	0.0	6.4	5.5
Above FPL but below BNPL	14.1	8.5	12.8	13.1	19.3	22.1	20.4	7.8	16.6	13.2	21.0	22.7	13.1
Total Below BNPL	14.1	11.3	17.2	14.5	23.5	37.5	27.1	7.8	21.9	17.7	21.0	29.0	18.6
Less than BNPL+20%	11.4	5.6	11.1	9.7	10.1	11.4	13.6	7.8	9.2	8.1	12.8	3.5	10.8
Between BNPL+20% and BNPL +50%	8.4	10.0	17.7	10.7	18.9	13.6	16.3	18.9	14.9	14.4	5.6	13.3	15.9
Between BNPL+50% and BNPL +100%	11.2	12.6	15.2	20.5	21.0	15.0	14.6	26.4	15.6	17.4	30.4	14.4	15.5
Not Poor above BNPL+100%	54.9	60.5	38.9	44.6	26.5	22.4	28.5	39.0	38.4	42.4	30.3	39.7	39.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total Persons 15 years and above	567	3309	8457	1789	2920	3735	4390	145	8093	4787	197	719	1029

Table A.9

RoU: Primary Activity by Type of Activity and Poverty/Vulnerability Status

HH Per Capita Expenditure	Employment & Self-Employed				Subsistence Agriculture		Household Duties & Voluntary Work			Student		No-Activity	
	Employer	Employee in Public Sector, NGO & International Agencies	Employee in Private Sector	Self Employed & Producing Goods for Sale	Production for Own Consumption	Unpaid Family Worker Agriculture & Business	Unpaid Family Worker Home Duties	Voluntary Worker Community etc.	Household Duties	Student full time	Student part time	Retired/ Too old	Other
Below FPL	0.0	1.5	1.3	2.6	2.8	1.5	2.7	0.0	2.0	1.6	0.0	7.8	0.0
Above FPL but below BNPL	0.0	6.2	14.0	13.5	7.9	9.9	14.6	14.0	9.9	10.8	0.0	8.0	3.9
Total Below BNPL	0.0	7.7	15.4	16.1	10.7	11.4	17.2	14.0	11.9	12.4	0.0	15.9	3.9
Less than BNPL+20%	0.0	10.7	8.7	9.9	10.7	6.8	14.4	0.0	8.5	10.2	27.9	6.1	7.6
Between BNPL+20% and BNPL +50%	0.0	9.9	16.5	17.0	12.8	11.9	12.4	4.8	11.6	14.4	72.1	4.1	11.7
Between BNPL+50% and BNPL +100%	46.7	12.9	21.1	12.7	29.7	17.9	24.9	25.7	21.0	23.0	0.0	18.2	34.0
Not Poor above BNPL+100%	53.3	58.8	38.3	44.3	36.0	52.0	31.1	55.5	47.0	40.0	0.0	55.7	42.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total Persons 15 years and above	108	1733	3034	957	2970	3584	3671	226	6393	3540	37	582	1053

Table A.10

SAV: Primary Activity by Type of Activity and Poverty/Vulnerability Status

HH Per Capita Expenditure	Employment & Self-Employed				Subsistence Agriculture		Household Duties & Voluntary Work			Student		No-Activity	
	Employer	Employee in Public Sector, NGO & International Agencies	Employee in Private Sector	Self Employed & Producing Goods for Sale	Production for Own Consumption	Unpaid Family Worker Agriculture & Business	Unpaid Family Worker Home Duties	Voluntary Worker Community etc.	Household Duties	Student full time	Student part time	Retired/ Too old	Other
Below FPL	0.0	1.9	5.4	1.5	3.3	0.7	3.3	0.0	2.4	2.6	0.0	2.0	2.7
Above FPL but below BNPL	0.0	7.8	8.3	4.2	8.6	7.7	8.7	15.5	8.5	10.5	24.7	3.7	14.8
Total Below BNPL	0.0	9.7	13.7	5.6	11.9	8.4	12.1	15.5	10.9	13.0	24.7	5.6	17.5
Less than BNPL+20%	0.0	5.5	9.7	3.7	10.1	9.5	15.1	15.4	7.4	8.9	0.0	7.7	4.0
Between BNPL+20% and BNPL +50%	7.3	7.1	14.9	6.3	11.4	15.4	12.8	6.7	10.7	12.5	0.0	9.3	11.0
Between BNPL+50% and BNPL +100%	7.2	18.4	22.5	26.3	24.4	30.0	27.9	26.4	25.6	24.1	0.0	29.2	27.2
Not Poor above BNPL+100%	85.5	59.3	39.3	58.0	42.2	36.7	32.2	36.0	45.3	41.4	75.3	48.3	40.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total Persons 15 years and above	161	1677	2003	1544	6854	1811	2592	215	5886	3033	58	610	1212

Table A.11

Type of Housing construction

HH Per Capita Expenditure Decile	Samoan Open Fale	Samoan Fale with extension	Closed Samoan fale	Closed Samoan fale with extension	Open European house	Open European house with extension\	Closed European house	Closed European house with extension	Two storey European house	Two storey Samoan house	Faleoo Samoa	Number of HH
1	19.3	18.2	15.2	4.6	13.8	9.7	6.2	6.5	0.0	0.0	7.4	2763
2	12.0	8.7	16.0	10.6	15.3	10.8	8.6	6.7	6.6	0.0	11.9	2784
3	12.6	11.6	13.9	10.1	12.2	10.6	11.6	6.3	1.6	0.0	12.1	2776
4	12.7	13.1	4.4	16.2	11.2	11.5	9.1	7.8	6.5	0.0	7.6	2799
5	10.2	10.1	11.5	4.1	12.5	9.9	10.3	9.1	3.0	0.0	12.6	2781
6	10.7	9.1	12.5	10.9	9.0	12.3	8.4	9.5	11.1	0.0	16.6	2776
7	8.2	8.1	6.4	12.5	9.4	9.0	9.9	12.4	11.0	0.0	8.9	2807
8	6.2	13.4	10.5	12.1	6.6	9.6	13.3	10.9	7.0	0.0	2.3	2777
9	3.0	4.5	7.1	5.2	6.4	9.1	11.0	14.5	24.5	100.0	10.3	2773
10	5.1	3.3	2.5	13.8	3.5	7.4	11.7	16.3	28.7	0.0	10.3	2827
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	0
Number of Households	2366	1816	501	752	4580	4096	5125	7392	732	9	496	27865
% of all HH	8.5	6.5	1.8	2.7	16.4	14.7	18.4	26.5	2.6	0.0	1.8	100.0