

**STATE OF THE AMERICAN SAMOA ECONOMY  
2005 ANNUAL REPORT**

A report to the Governor

**1. NATIONAL INCOME AND PRODUCT ACCOUNTS (NIPA)**

The constant value of goods and services produced in American Samoa in 2003 was \$510.1 million or \$8,052 per capita GDP<sup>1</sup>, a 3 percent increase from the GDP reported in 2002. In other words, American Samoa experienced a real growth in the value of its production after accounting for the effect of inflation in which case, 1999 is being used as the base year for comparison purposes.

In the second Semi Annual report of the NIPA Task Force, 1999 & 2000 GDP were calculated and reported which were at \$444.2 million and \$437.9 million respectively. With availability of better information especially on compensation from all sector (Government, Authorities, and Private Sector), Tax data, Government Finance Statistics (GFS), 2004 Agricultural Census, and Trade statistics, GDP components were revised upward.

In the opinion of most economists, the portrait of economic activity at the country level does not necessarily represent the well-being or welfare of the individual. For this reason, it is more enlightening to focus on personnel income per capita, which was reported at \$5,884.2 in 2003. On the other hand, GDP value account for the income receipts and payment to the rest of the world in which case, 2003 recorded an income payment to the rest of the world of \$135.1 million. This value was the calculated operating surplus of both canneries.

Detailed figures for GDP, PCE, Gross Private Domestic Investment, GNI, and GDI are listed in Appendix A.

**2. INCOME LEVEL**

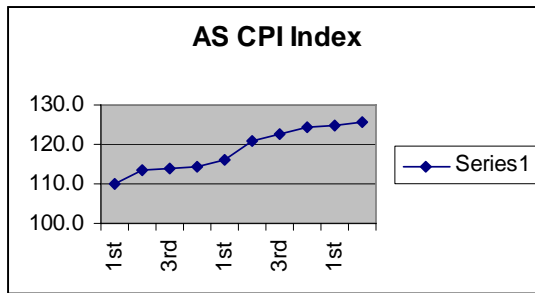
According to Census Population of 2000, American Samoa per capita income, the broadest measure of economic well being, was \$4,357 with median household income at \$18,219. Because of the predominance of low wage job growth, there has been little or no growth in real (inflation adjusted) per capita income in American Samoa in the last two decades. Over time, as the population of AS increases and wage rates remain low, the income growth in AS may decline and future GDP amounts may need to be spread thinner over an expanding work force. New data is anticipated from the Household Expense and Income Survey (HIES) in 2005 to update these figures and give a clearer mid-census decade picture of income changes, if any.

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<sup>1</sup> This is different from a per capita income (wages, salaries, income from other sources) of \$4,357 measured from the census.

The U.S. Fair Labor Standards Act currently covers American Samoa. Minimum wages are set every two years after a US Department of Labor Minimum Wage Hearing held in the Territory. The currently minimum wages range between \$2.63 and \$4.09 per hour since October 28<sup>th</sup>, 2005. Based on Special Industry Committee #26 minimum wage hearing held in June 2005 the recommended and effective dates of the new wages for American Samoa is illustrated in Appendix D.

### 3. COST OF LIVING



The American Samoa Consumer Price Index measure changes in prices of commodities and services normally purchased by the local consumers. It is based on the concept of representative “market basket”, involving the quarterly collection of over 800 price quotations from about 51 retailers, service establishments, government agencies and private businesses.

American Samoa encountered high inflations from 2004 up to mid-2005. Inflation stabilizes as we come to the end of 2005. The effects of the war in Iraq and ever increasing cost of oil prices impacted all global economies. The local economy heavily depends on importation. Therefore, movements in fuel and oil cost basically define the rest of economic activities; thus any increase in fuel and oil prices affects food cost, transportation, housing, etc. Alcoholic beverages and tobacco Group had the highest increase (over 40 percent since 1997). Housing Group and Transportation Group have pushed the index to this rapid climb. Both these sub-group indices have moved on an annual average increase of about 8 percent.

### 4. CAPITAL IMPROVEMENT PROJECTS

The level of funds made available by the Department of the Interior (DOI) is formulated on a performance point system and American Samoa received \$9,731,000 for fiscal year 2005. The awards have been declining over the past few years but are projected to rise for FY2007, FY2008 and FY2009 to \$10,000,000 a year. This year (Program Year 2005) saw a number of projects completed for a total expenditure of \$10,619,090 in six categories. Funds came from awards received in several previous fiscal years with expenditures on health (about 1.5 million dollars) and education (about 1.6 million dollars) being the top program areas.

For next year (FY2005/PY2006), the CIP Plan has total expenditures set at 9.7 million dollars) with funds ear-marked for health (1.7 million), education (2.8 million), utilities (2.6 million) international sea/air ports (.5 million), public works (.7 million), public safety (.5 million), parks/recreation (.07 million), other public building projects (.3 million) and an operational and maintenance set-aside (.5 million). These DOI funds do not match our need in the public facility area, but they provide very welcome facilities to serve our local communities. The government will continue to monitor the use of funds in the best interests of the people and set priorities to balance our needs in a number of critical areas. For detail information please refer to Appendix H.

## **5. EMPLOYMENT**

End year 2005 approximated that Government (General and Authorities) accounted for 34.8% of the employed labor force. Total government employment increased by 3.7% despite a 17.2% reduction by ASPA in its work force due to the expiration of temporary employment contracts, fewer interns, and completion of the post hurricane recovery effort. With mounting pressure to increase the minimum wage and to stay competitive, the canneries at end year 2005 employed 4,546 workers; accounting for 26.3% of the workforce. Current employment at the fish canning industry dropped by 6.6%. The secondary private sector industries accounted for the remaining 38.9% of the work force, which is a 3.0% reduction from 6,941 reported in 2004.

Overall, our economy has been extremely soft in year 2005. The government was the only sector experiencing growth that it actually created and added a total of **217 new jobs**, a 3.7% increase from 2004. This is illustrated in Appendix B.

## **6. BUSINESS ENVIRONMENT**

The balance of the economy consists of a variety of small firms involved in retail, wholesale, transportation, real estate, rental, leasing and service activities. Typically, these businesses are small, owned by independent local operators who sell exclusively to the local market. Many of these businesses face high costs due to limited access to capital, are lacking in managerial skills, and must import most goods and raw materials, and face high labor costs compared to the rest of the Pacific region. High cost and the distance to markets restrict their ability to export. Thus, local businesses are vulnerable to competition from neighboring islands with lower wage levels and from larger, more efficient businesses in the U.S.

Small businesses in American Samoa have a high turn over rate of ownership and management composition. They change business ownership for a number of reasons -- cash flow problems, poor management, business transfer to relatives, take advantage of immigration law for any partnership or corporation to sponsor alien, social security mandates, immigration status of one parent bill and "permanent resident status", low quality products, insufficient advertising, and under capitalization. Also our unique culture adversely affects the market forces.

As of December 19<sup>th</sup>, 2005 a total of 3,157 business licenses were registered at the Revenue Division, Department of Treasury, an increased of 4.5% compared to 2004. However, from 1995 to December 2005 registered businesses recorded an increase of 46.6% or an average annual increased of 4.23 %, as indicated in Appendix C.

## 7. INTERNATIONAL TRADE

The fiscal year 2005 exports showed report should be ready by the end of December 2005. Total exports in 2004 valued at \$446 million, consists of canned tuna and by-products such as pet food and fishmeal. Canned tuna production dropped by 10 percent (\$46 million) compared to 2003 figures. Value of all exports dropped from about \$460 million in FY-2003 to \$446 million in FY-2004

Product	FY-2003	FY-2004
Total canned tuna	\$447,818,527	\$401,576,515
Total pet food	\$7,732,855	\$42,035,303
Total fish meal	\$3,933,893	\$1,977,646
Total fish oil	\$52,418	-
<b>Total Exports</b>	<b>\$459,537,693</b>	<b>\$445,589,464</b>

Total imports of commodities for resale also dropped from \$325 million in 2003 to \$309 million in 2004. The United States accounted for almost 50 percent of all imports followed by New Zealand (8%), Korea (7%), Samoa (6%) and Fiji (5%).

## 8. FISHERIES

The canned tuna industry is undergoing change as the supply of suitable fish becomes harder to secure and international market conditions become less favorable to American Samoa based canneries. Duty-free export status (IRS 936) has been extended one year, but this is only aimed at giving American Samoa time to come up with new incentive to make tuna canning attractive in the territory or diversify the economy away from its dependency on canned tuna.

### a. Local Fish Industry

The lack of a stable fish supply is still a current problem that is likely to continue into the future, and would tend to nullify a new incentive package. More information is needed to determine the long-term sustainability of the tuna supply, but the outlook is not promising for continuing past production levels.

The local fish industry has room for improvement with expansion of local *alia* fleets and developing a much-needed local and export market, outside of the canneries. One promising area is marketing discarded fish (bycatch) from the tuna fleet serving the canneries. This is a sizable resource and a proposal is moving forward to establish a fresh fish market and small-scale fish processing business. However, this by-catch supply depends on the local canneries and their supplying fishing fleet staying, and this might not be the case. Local bottom fish resources are not extensive and history has

shown that they can easily be fished down to uneconomical levels. Some potential for game fishing exists as tourism development become more promoted.

**b. Sustainable Reef Fishing**

One area of continuing concern is the sustainability of local reef fishing. Traditional subsistence reef fishing is an important source of fish for village families, but it is not a sustainable source if commercially exploited. Reef fish stocks cannot support expanded development, except in the sense of using the coral reef habitat for EcoTourism development. Village fisherman fishing with traditional methods can be sustainable with proper management and would be compatible with expanded use of reef habitats for EcoTourism. This type of visitor promotion holds great promise for increasing village revenues while not threatening reef fish and habitat.

Conservation measure could be seen as a positive inducement to improving village well-being, rather than a negative limitation. In the case of using fish resources for tourism development, game fishing, snorkeling, scuba diving and sustainable harvesting of fish for visitor meals are based on having available healthy reefs and bottom fish habitats.”

**9. AGRICULTURE**

The 2003 American Samoa Agricultural Census is the tenth census of the territory, but only the second to be conducted by USDA. The census of agriculture is the leading source of statistics about American Samoa’s agricultural production and the only source of consistent, comparable data at the island level. Census statistics are used to measure agricultural production and to identify trends in an ever-changing agricultural sector. The subsistence activities become part of the economic cycle of production and consumption.

The 2003 Census of Agriculture of American Samoa provides data on production and value of agriculture both for sale and for home consumption. The collection of data for home consumption reflects the importance of this sector of agriculture in American Samoa, where a majority of households provide a portion of their food needs through agricultural activities that may fall outside the commercial marketplace.

The statistics collected in the census represent all places in American Samoa with agricultural operations during the 2003 calendar year qualifying as farms. By definition, farm is any place that raised or produced any agricultural products for sale or home consumption. Approximately 75 percent of all households in American Samoa fit this definition. The agricultural census produces data for all farms, commercial farms, and noncommercial farms. Commercial farms are defined as those with sales or \$100 or more, and noncommercial farms are those with less than \$100 in sales. Many of the commercial farms produce more for home consumption than for sale, but by virtue of having sales in excess of \$100 are classified as commercial.

**a. Farms, Land in Farms and Land Use**

Total farms in the territory were 7,094 covering close to 20,000 acres of land. There were 2,318 commercial farms (sales of more than \$100), and 4,776 noncommercial farms. About 41 percent of our land area is used for farming including 14,300 acres of cropland, 59 acres of pastureland, 1,280 acres of woodland and 4,014 acres of other land.

**b. Labor Status and Farm Expenses**

There were 920 paid workers in the Agriculture Sector earning \$730,900 in 2002 (an average earning of about \$795 a year.) Total expenses reported by all farms amounted to \$4.6 million in which 41 percent of expenses went on feed for livestock, poultry and fish.

**c. Value of Agricultural Products Sold and used for Family Consumption**

Total value of agricultural production amounted to \$58.2 million. About \$40.1 million was the value of commercial agriculture and \$18.1 million was noncommercial. Of the \$58.2 million of agricultural production valuation, \$36 million (62 percent) worth of products were used for family consumption, while only \$22 million were commercial sales.

**d. Livestock production**

Hogs and pigs accounted for the most livestock farming, producing over \$2.7 million worth of agricultural value. Production for sale amounted to 42 percent while 58 percent were for family consumption.

**10. NATURAL ENVIRONMENT**

The natural environment continues to be impacted adversely by a variety of issues affecting land, sea, and air. Progress is being made to alleviate these conditions and improve the health and resources of the Territory. The continued degradation of our wetlands (a 30% loss of the 32 sq. acres of Territorial lands) is primarily due to the clearing and filling activities to accommodate homes, commercial activities, and piggeries.

**a. Land Use Permit (LUP)**

Strict enforcement of Land Use Permits (LUP) to regulate clearing and filling have led to 777 applications filed in 2005, 99 Majors and 678 Minors LUPs, with more than 31 Stop Work Orders issued specifically for un-permitted activities to include construction, container storage sites, excavations, and filling. Moreover, DOC hired an Assistant Attorney General to assist with legal matters, enforce land use laws, and establish an ocean statue for protection of ocean and coastal resources in American Samoa.

**b. Water Pollution**

Related issues of water pollution in the streams and ocean directly effect Pago Harbor and Territorial groundwater. Local canneries waste disposal is strictly regulated to enforce disposal of strength waste at sea, and pumping of treated waste water to an outfall in the outer harbor. Where sediments previously revealed heavy metals contamination

and fish unsafe to eat, point source pollution in the bay and coastal waters has improved to currently comply with USEPA requirements and ASG standards. Potential groundwater pollution has been deterred by strict enforcement of LUP laws, plus use of community used oil collection points.

This year EPA Non-point Source Pollution Piggery Inspections issued over 100 notices for inadequate piggery waste control and/or closeness to stream or ocean. Notifications specifying illegal septic tanks, open burning, and solid waste accumulation were also issued. Recently, ASEPA was given citation authority for non-compliant piggeries. This will greatly improve enforcement of non-compliant piggeries and help clean up numerous streams and waterways that are being polluted by non-compliant piggeries. From a beach water quality standpoint, 12 of 31 beaches sampled weekly in FY05 exceeded the American Samoa Water Quality Standards (ASWQS) for enterococci more than 50% of the time. For every sampling event in FY05 (samples collected weekly), there were at least 3 (out of 31) non-compliant beaches. The median number of weekly beaches that ASEPA issued advisories for in FY05 was 11 and the average number per week was 12.56. Additionally, 30% of the year, more than half of the beaches monitored each week exceeded the ASWQS for enterococci, but there was never a sampling day where all 31 beaches were contaminated.

**c. Soil Erosion**

Soil erosion issues, particularly evident with the occurrence of natural disasters, are being addressed by the USDA Environment Quality Incentive Program (EQIP), a cost sharing financial assistance for structural practices and 100% financial aid for incentive practices. The Conservation Technical Assistance (CTA) program offers advice for slope farming and other agriculture needs. As a result of CTA, the NRCS field office representative reports that American Samoa is at a 300 ton savings for 2005 when compared to soil erosion from recent years. Likewise, there has been steady progress in protecting slope farming from heavy rainfall and slope erosion. After only a year since its inception, the Vetiver Grass development program initiated by ASCC Land Grant and USDA NRCS has a couple of farmers in Tutuila successfully producing and distributing Vetiver Grass.

**d. Coral Reefs**

Coral reefs have been seriously affected by human settlement, natural disasters, and over fishing in the past three decades. They are slowly recovering as a result of combined efforts of AS government and non-government initiatives, including the DMWR community-based fisheries management program (CFMP), to adopt certain sites as Marine Protected Areas (MPA's). In 2000 American Samoa adopted "no-take" ecological reserves with a goal to protect at least 20% of all coral reefs and associated habitats by 2010. An MPA Strategy was drafted in 2005 to refocus the MPA program and help reach this 20% goal. The existing MPAs that was set up to be no-take areas (e.g. CFMP villages and Rose Atoll National Wildlife Refuge) cover less than 1% of the total coral reef area in the Territory. Other MPAs exist, but were not set up as no-take areas (e.g., the marine portion of the National Park, American Samoa Coastal Management Program's Special Management Areas, and Fagatele Bay National Marine Sanctuary). The draft MPA Strategy will help increase the amount of "no-take" areas to promote

sustainable fisheries and restock our territorial waters with more fish species and larger fish.

**e. Air Quality**

Air quality remains generally excellent as the topography of the island allows for rapid dispersion of automobile exhaust and emissions from diesel powered generators. Multiple public outreach campaigns have been completed in the past year to address burning and waste management issues in the Territory. Presentations and fieldtrips targeted schools, radio and newspaper advertisements targeted mass awareness, and increased distribution of anti-litter signs and receptacles provided access to proper waste management. There has been improvement in some areas but continued education is needed to properly clean up American Samoa. Details of the above are listed in Appendices E, F.

**11. TOURISM**

**a. Airline Services**

With the addition of two new airlines serving American Samoa into the Pacific Region South Pacific Express and Inter Island Airways provide our community with more opportunities to travel to Samoa and the South Pacific. The increase of airline service brings our total availability of seats to sell and market to over 6,000 a week (with Hawaiian, and Polynesian Airlines.) The probability of Inter Island Air and South Pacific Express to increase service by adding direct flights to Tonga and Fiji will also help to broaden our visitor numbers and expand our tourism industry base.

**b. Accommodations**

There are a total of 257 units available in American Samoa, 234 on Tutuila and 23 on the Manu'a Islands. The development of Sadie's By The Sea has added another 42 standard rooms. The steady growth of our local tourism industry has provided more jobs and training for our youth and skilled professionals. The new development of Sadie's and the two airlines for example, and the expansion of fast food restaurants Taco Bell, Checkers and a Poolside Café at Sadie's and kayak and jet ski rentals, offer jobs and careers in the tourism and hospitality industry. Also a Pacific Region cruise line recently recruited locals to be trained and work on the cruise ships, and will recruit here annually.

**c. Cruise Ships**

So far the cruise ships Oriana, Europa, Maxim Gorki, and Pacific Princess have called into Pago Pago Harbor with over 4,500 passengers and crew visiting our territory. The last two cruise ships, *Artemis* will dock December 10<sup>th</sup> and *Mona Lisa* on December 16<sup>th</sup> with an estimated 2,000 more passengers and crew. There was significantly higher number of cruise ship arrivals in 2003 unfortunately; the arrivals declined almost 60% in 2004 for the most part, due to Hurricane Heta in the beginning of the year. Cruise ship arrival for end year 2005 is being projected to double the number reported for 2004 which is projected to be a 90% increase.

In terms of employment opportunities prompted as a result of cruise ship visits, based on a one day visit an estimated 100 people will be hired by tour companies and related

businesses to coordinate the bus transportation, entertainment and special tour guides for golf, hiking, fishing and diving tours. About 30 Cruise Ship vendors who set up on the main dock will also make money on souvenirs, handicraft demonstrations, flower arrangements and selling coconuts. Taxi operators, local restaurants, Internet cafes, and just about everyone makes money on this one-day event. The Tourism Office will continue to conduct the cruise ship expenditure survey with the assistance of the Statistical Division. Detailed tourism information and cruise ship passengers statistics are listed in Appendices G, H.

Deleted:

**d. Future promotional events**

- The Samoa Bowl III on New Year's Eve proves to be more popular every year
- The launch of the 2008 South Pacific Arts Festival January 27, 2006 will set the tone for American Samoa to lead the way.
- The Oceania Baseball Tournament in April will also be promoted with the Territorial Flag Day activities.
- The DOI Business Opportunities Mission May 6-12, 2006
- The Tourism Office will also initiate the inaugural Governor's Conference on Eco-Tourism to be held in 2006 to examine our Final Eco-tourism Management Plan developed by Dr. Tusi Avegalio, Dr. Juanita Liu and the UH Pacific Business Center staff
- Tisa's Annual Tatau Festival in Alega

**APPENDIX A: NIPA Detailed Indicators**

Members of the American Samoa NIPA Unit recently traveled to Washington DC to review GDP figures for the Territory beginning 1999. The *Insular Areas Gross Domestic Product Workshop*, hosted by the International Programs Center of the US Census Bureau, and conducted by Dr. Marc Rubin, provided much insight into the direction of development that project currently needs to take regarding certain mechanics of the 5 Summary Accounts. However, the project is well under way in providing the Territory with the long overdue services of accurate economic indicators for the sake of much needed economic policy planning.

**GDP as Expenditures = PCE + PDI + Net Exports + GCE/I**

<b>Indicator</b>	<b>Year 1999 (million)</b>	<b>Year 2000 (million)</b>	<b>Year 2001 (million)</b>	<b>Year 2002 (million)</b>	<b>Year 2003 (million)</b>
Personal Consumption Expenditure (PCE)	\$310.4	\$323.2	\$322.6	\$338.0	\$365.6
Gross Private Domestic Investment (PDI)	\$40.5	\$42.8	\$49.4	\$55.5	\$47.1
Net Exports (Trade deficits)	-\$37.8	-\$11.8	-\$23.2	-\$25.6	-\$37.5
Government Consumption (expenditure and investment)(GCE/I)	\$137.1	\$126.1	\$119.2	\$123.9	\$134.9
Gross Domestic Product (GDP)	\$450.2	\$480.2	\$468.1	\$493.8	\$510.1

The compilation of the GDP as charted above: On the expenditures side of the GDP equation, Personal Consumption Expenditure (PCE) account for 72 % of GDP, only a slight increase from the 68 % for 2002. Other factors include: Gross Private Domestic Investment 11% decline from the \$27 million recorded for 1999, Net Exports of goods and services depicts an unfavorable balance of \$32.4 million in 2000, however, it is an improvement over the trade deficits of \$71.6 million recorded for 1999; and Government Consumption expenditure and gross investment decreased by 21.9% in 2000 from \$190.1 million in 1999

On the Income side, Gross National Income (GNI) amounted to \$362.5 million in 1999 and \$348.6 million in 2000. This measures the total economic production (output) by domestic and foreign businesses in the Territory. If we use Gross Domestic Income (GDI), measuring only those businesses located only within the Territory, it reflects the income aspect of GDP. This amounted to \$474.1 million in 1999 versus \$458.9 million in 2000.

**APPENDIX B: Employment In American Samoa 2002-Mid-Year 2005**

Sector	2001	2002	2003	2004	2005	Annual % change
Government	4,134	4,979	5,539	5,806	<b>6,023</b>	3.7
ASG	4,134	4979	4230	4310	4,613 (DHR)	7.4
ASCC	n/a	n/a	241	245	246(SRD)	0.4
ASTCA	n/a	n/a	166	165	172(SRD)	4.2
ASPA	n/a	n/a	330	476	394(SRD)	-17.2
LBJ	n/a	n/a	570	610	580(SRD)	-4.9
Canneries	5,230	5,133	5036	4866	<b>4,745</b>	-6.6
VCS			2200	1985	2,046 (SRD)	3.1
SKS			2836	2881	2,500 apr.05Hearing	-13.2
Secondary	5,283	6,228	6,557	6,941	<b>6,734</b>	-3.0
<b>Total</b>	<b>14,647</b>	<b>16,340</b>	<b>17,132</b>	<b>17,613</b>	<b>17,303</b>	<b>-1.8</b>
Labor Force	17,627	17,627	17,627	17,627	17,627	
Estimated Potential unemployed	2,980	1287	495	14	516	
Percent		7%	3%	.1%	3%	

*Sources: ASG Pre-hearing Statement 2005, Pre-hearing Statements by VCS Samoa Packing and Star Kist Samoa, US Department of Labor Economic Report 2005, Government employment for 2003 - 2005 includes ASPA, LBJ Hospital, ASTCA, and ASCC employment figures collected by DOC; Stats. & Research Division (SRD); US Census Bureau; 2003 American Samoa's Comprehensive Economic Development Strategy (CEDS); StarKist Personnel Office; DHR-Department of Human Resources. ASG Secondary employment is calculated or derived from registered business licenses & renewals.*

**APPENDIX C: Registered Businesses in American Samoa**

Year	No. of Business Licenses Issued	% Increase
2005	3,157 as of Dec 19 <sup>th</sup> , 2005	4.50
2004	3,020	5.85
2003	2,853	5.28
2002	2,710	17.88
2001	2,299	0.26
2000	2,293	4.27
1999	2,199	5.56
1998	2,083	-13.28
1997	2,402	13.56
1996	2,115	-1.67
1995	2,151	-1.69

Source: Revenue Division, Department of Treasury

*Status on Business License Applications Processed by DOC as of June 30, 2005:*

Status of Business Applications	2003	2004	2005	Annual % Change 2004 2005
Approved	324	449	343	-23.6
Denied	2	0	1	
Pending	28	52	27	48
<b>Total</b>	<b>354</b>	<b>501</b>	<b>371</b>	<b>-25.9</b>

Source: EDD Second & Third Quarterly Performance Reports of FY 2005

**APPENDIX D: Minimum Wage Hearing Recommendations**

Industry	Minimum Wage Rate Present	Minimum Wage effective 10/28/2005	Minimum Wage effective 10/01/2006
1. Government Employees	\$2.77	\$2.84	\$2.91
2. Fish Canning and Processing	\$3.26	\$3.26*	\$3.26*
3. Petroleum Marketing	\$3.85	\$3.85*	\$3.85*
4. Shipping and Transportation:			
a. Classification A-Stevedoring, lighterage, and maritime shipping agency activities	\$4.09	\$4.09*	\$4.09*
b. Classification B-Unloading of raw and/or frozen fish from vessels	\$3.92	\$3.92*	\$3.92*
c. Classification C-All other activities in the shipping and transportation industry	\$3.88	\$3.88*	\$3.88*
5. Construction	\$3.60	\$3.60*	\$3.60*
6. Retailing, Wholesaling, and Warehousing	\$3.10	\$3.10*	\$3.10*
7. Bottling, Brewing, and Dairy Products	\$3.19	\$3.19*	\$3.19*
8. Printing	\$3.50	\$3.50*	\$3.50*
9. Publishing	\$3.63	\$3.63*	\$3.63*
10. Finance and Insurance	\$3.99	\$3.99*	\$3.99*
11. Ship Maintenance	\$3.34	\$3.42	\$3.51
12. Hotel	\$2.86	\$2.93	\$3.00
13. Tour and Travel Services	\$3.31	\$3.39	\$3.48
14. Private Hospitals and Educational Institutions	\$3.33	\$3.33*	\$3.33*
15. Garment Manufacturing	\$2.68	\$2.68*	\$2.68*
16. Miscellaneous Activities	\$2.57	\$2.63	\$2.70

Note: \* denotes no changes on the current minimum wages.

**APPENDIX E: Land Use Permits Approved**

<b>LUP Type</b>	<b>Numbers</b>
LUP Applications:	
*Major	99
**Minor	678
Stop Orders	31
<b>TOTAL</b>	<b>777</b>
Decisions on LUP Applications:	
Stop Orders	31
Approved LUP	746
<b>TOTAL</b>	<b>777</b>
*Major: physical actions with significant adverse impact on coastal resources	
**Minor: projects with cumulative or secondary adverse impact on coastal resources	

**APPENDIX F: Natural Environment Definitions**

**Vetiver grass slips** were brought into the Territory by the local USDA-NRCS in 1996 from Multiplan Center, HI (USDA, HI certified to insure no disease) as a trial to control erosion. Research has been conducted to show that the grass has been used in Aunu'u for many years (estimated since the 1940s) around taro plantations to hold the soil on the banks and to keep trail way stable, and were cut for mulching to replenish the soil.

USDA EQIP defining examples:

- Structural practices: diversion ditches, vegetative barriers, windbreaks, field borders
- Incentive practices: residue management, mulching, crop rotation, contour farming
- Residue management: Farmers who utilize natural residue from vegetation for mulching receive \$265 per acre per year for 3 consecutive years only

**APPENDIX G: Cruise Ship Arrival Statistics**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>TOTAL</b>
Passengers	4,914	2,791	8,229	3,538	6,702*	26,174
<b>Yearly change</b>		<b>(2,123)</b>	<b>5,438</b>	<b>(4,691)</b>	<b>3,164</b>	
*Arrivals for 2005 include estimates for the remaining cruise ships scheduled for December						

Source: American Samoa Statistical Yearbook 2003-2004.

**APPENDIX H: Completed CIP projects for program year 2005**

Project Name	Type of Project	Award Year	\$Amount	\$ Balance
<b>HEALTH</b>				
LBJ Hospital	Construction	2002/3	\$ 136,850	\$ -0-
	Planning & Design	2002	\$ 5,100	\$ -0-
	Equipment	2002/4	\$ 967,511	\$ -0-
ASG Public Health	Construction	2003	\$ 360,000	\$ 18,000
<b><i>SUBTOTAL</i></b>			<b><i>\$ 1,495,861</i></b>	<b><i>\$ 18,000</i></b>
<b>EDUCATION</b>				
Community College	Remodel	2004	\$ 100,000	\$ -0-
Elementary Schools	Construction (2)	2002	\$ 1,200,000	\$ -0-
Furniture/Equipment	Equipment	2002	\$ 150,000	\$ -0-
School Busses	Equipment	2003	\$ 105,984	\$ -0-
<b><i>SUBTOTAL</i></b>			<b><i>\$ 1,555,984</i></b>	<b><i>\$ -0-</i></b>
<b>UTILITIES</b>				
Aua Sewer Project	Feasibility Report	2004	\$ 100,000	\$ -0-
Solid Waste Projects	Construction	2002	\$ 237,500	\$ -0-
Solid Waste	Equipment (capitol)	2003	\$ 7,500	\$ -0-
Manu'a Water Project	Construction	2002	\$ 40,000	(-)\$ 3,282
<b><i>SUBTOTAL</i></b>			<b><i>\$ 385,000</i></b>	
<b>PUBLIC WORKS</b>				
Ottoville Road	Construction	2001	\$ 314,800	\$ -0-
Kananfou Village Road	Construction	2001	\$ 46,200	\$ -0-
M&O Road Maintenance	Equipment	2002	\$ 147,250	\$ -0-
<b><i>SUBTOTAL</i></b>			<b><i>\$ 508,200</i></b>	
<b>PARKS and RECREATION</b>				
Tony Solaita Baseball Field	Construction	2001/2/3	\$ 465,500	\$ -0-
<b><i>SUBTOTAL</i></b>			<b><i>\$ 465,500</i></b>	<b><i>\$ -0-</i></b>
<b>OTHER</b>				
Rainmaker Hotel		1997,1999	\$ 95,000	\$ -0-
Disaster Triage Command Vehicle		2002	\$ 500,000	\$ -0-
Economic Road Development		2001	\$ 304,000	\$ -0-
<b><i>SUBTOTAL</i></b>			<b><i>\$ 899,000</i></b>	<b><i>\$ -0-</i></b>
<b><i>FUNDS EXPENDED in Program Year 2005</i></b>			<b><i>TOTAL</i></b>	<b><i>\$10,619,090</i></b>