

ANALYSIS OF THE SAINT LUCIA LABOUR MARKET NEEDS ASSESSMENT SURVEY 2012

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FINAL REPORT

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I: METHODOLOGY

To identify the representative sample of 498 firms interviewed during the conduct of the St Lucia Labour Market Needs Assessment (LMNA) survey a list of these firms were drawn from the sample frame of the Central Statistical Office of Saint Lucia. The sample frame included all of 3,819 firms known to be operating on the island from a specific location. However, this frame excludes all agricultural farm holdings/firms and Central government entities. The frame however includes predominantly for profit private sector firms and a small number of quasi-government entities and non-profit institutions serving households (example, the red-cross etc) covering all industrial sectors.

The sampling method used to identify firms for inclusion in the survey is referred to as ordered probability proportional to size (pps) sampling. Essentially the probability of inclusion of a firm in the sample depended on the number of employees of the firm within its industrial sector of operation. Consequently, all of the largest firms were included in the sample within all major industry groups along with a representative sample of small firms. This is a relatively new method for creating pps samples based on Rosén (1997a, 1997b)¹. In the case of the St Lucia LMNA, a random number was used in association with the total number of employees within the firm to provide a means of ranking the units of the universe of all firms. The required number of firms within each industry group was selected from the beginning of the ranked list². This method overcomes the problem of replacing a selected firm which has refused to respond to the interviewer. Once a selected firm refuses to participate or there are difficulties reaching persons required to provide the appropriate responses to questions posed in the LMNA questionnaire, then using this methodology it was possible to replace the firm with the next available firm from the ranked list.

All questionnaires were completed by a direct interview with the human resource manager in the case of the large firms or with the managing director or chief executive officer in the case of the smaller firms during the period September to November 2012.

The questionnaire covered sections on the type of firm, structure and quality of employees, the characteristics of new persons employed during the period January to August 2012, filled and unfilled job openings during the last four weeks from the date of the interview conducted predominantly during the period September to November 2012, separations from the firm by reason for separation. The survey also covered the employer's evaluation of the strengths and weaknesses of their current employees and persons being hired who were trained at specific institutions in St Lucia, example, the Sir Arthur Lewis Community College (SALCC), secondary schools and NSDC.

¹ Rosén, B. 1997a. "Asymptotic Theory for Order Sampling", in *Journal of Statistical Planning and Inference*, Vol. 62, pp. 135–158. —. 1997b. "On Sampling with Probability Proportional to Size", in *Journal of Statistical Planning and Inference*, Vol. 62, pp. 159–191.

² The St Lucia LMNA survey design, sampling, methodology, survey administration and data verification procedures are described in Appendix I to this paper

A total of 498 firms, employing approximately 17,000 persons provided data for the survey. In the total employed resident labour force of St Lucia of 76,115 persons, excluding the agriculture sector and the central government, the firms in the sample covered 25% of the referenced employed population of 67,500 persons.

TABLE: For Firms Interviewed Total Number of Companies and Employees by Ownership Type as at August 31th 2012

Ownership Type	TOTAL	
	Number of Employees	Number of Firms
Sole Proprietorship	2,437	243
Partnership	973	46
Private Limited Company	9,865	171
Public Limited Company	1,769	11
Government	14	1
Co-operative	39	2
Nonprofit Institution Serving Households	52	4
Quasi-Government	840	8
Other	1,018	10
Total	17,007	496

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

II: IMPORTANT DEFINITIONS

For the purpose of this survey a *job opening* was defined as a position within a firm which was unfilled and for which the firm has been actively recruiting persons from outside of the establishment to fill this position within the last four weeks. An *unfilled job opening* is a job opening which is currently occupied but for which the firm is actively recruiting someone from outside the establishment to fill this position within the last four weeks, this represents potential job openings within the coming four week period.

This analysis also makes use of several rates computed at the occupation, industry of company size level. Firstly, the *job vacancy rate* is the total number of job openings/vacancies³ divided by the sum of job openings and the total number employed in the establishments covered by this survey. The *job creation rate* is the total number of new persons hired during the period Jan – Aug 2012 divided by the total number of persons employed. Conversely, the *job destruction rate* is the total number of separations from the establishments covered by this survey divided by the total number employed. The difference between the job creation rate and the job destruction rate is the *job turnover rate*. If the job turnover rate is positive it indicates that the labour market is adding job at the level indicated by this rate and vice versa if there is net job loss.

³ The term job opening and job vacancy are used interchangeably in this document.

Finally the job gap measures the number of unemployed persons to each vacancy and is computed by dividing the total number of unemployed by the number of vacancies. This measures the relative difficulty of finding a job at the sector, occupation, administrative district or industry level.

III. SUMMARY OF FINDINGS

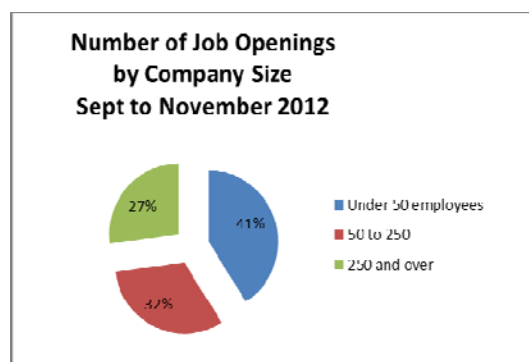
JOB RATES: Overall the vacancy rate for the non-agriculture private sector in Saint Lucia is 3%. The sectors contributing the most vacancies are in order of importance the services sector (622 vacancies), accommodation and food services (438) and the manufacturing sector (163 vacancies). In these sectors the vacancy rates were 3%, 5% and 4% respectively. Job creation was highest in the Services sector⁴ of the economy where jobs were created at twice the rate they were destroyed. Consequently, the job turnover rate for this sector was the highest of all the economic sectors at 7%. The Accommodation and food service activities sector have a zero job turnover rate and therefore created jobs at the same pace at which jobs were destroyed in the sector at a relatively high 14%. In the construction sector job destruction dominated and consequently the job turnover rate for that sector was negative 7%.

Table SAINT LUCIA: The job creation, Job destruction, Job turnover Sept - Nov 2012

ISIC	Job creation rate	Job destruction rate	Job turnover rate
Overall	13%	11%	2%
Manufacturing	16%	12%	4%
Construction	15%	22%	-7%
Wholesale and retail trade; repair of motor vehicles and motorcycles	10%	11%	-1%
Accommodation and food service activities	14%	14%	0%
Transportation, Communications, Utilities	6%	5%	0%
Finance, Insurance and Real Estate	9%	9%	0%
Services - Health, private education, social legal and other services	14%	7%	7%

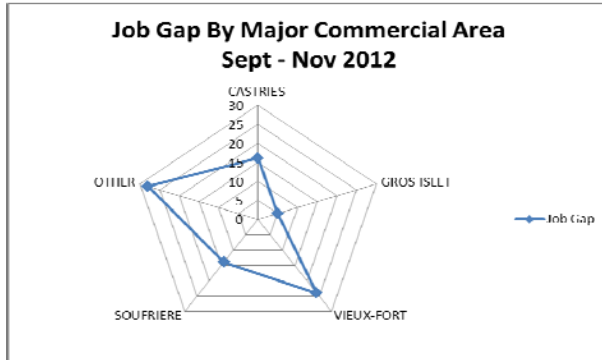
Source: St Lucia Central Statistical Office

JOB OPENINGS AND COMPANY SIZE: Two of three of the companies interviewed for this survey of size 250 and over employees had job openings. These firms also generated approximately 27% of the job openings discovered during the period of Sept - Nov 2012. This compares to 41% of job openings created by small to medium sized firms with less than 50 employees. Medium to larger firms between 50 to 250 employees created about 32% of the new jobs. This suggests the importance of small to medium sized firms in the job creation process in Saint Lucia. The

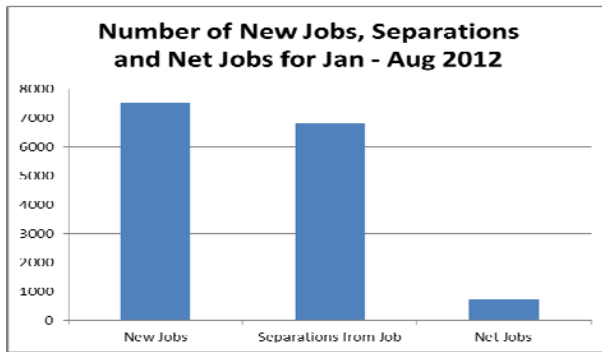


⁴ Services - Health, private education, social legal and other services

vacancy rates for small businesses in particular are highest at 14% for firms employing 1 – 4 persons and 9% for firms employing 5 to 9 persons. Job creation is strongest for smaller firms employing under 50 persons since the rates in these cases are large and positive compared to relatively larger firms employing 50 or more persons.



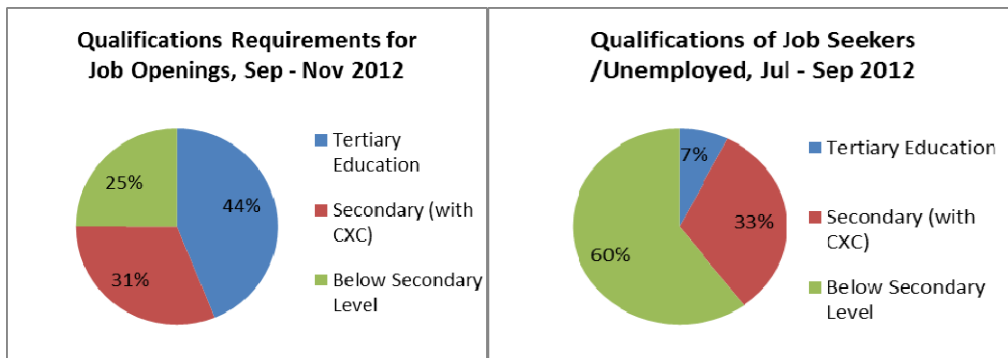
JOB GAPS: Saint Lucia has a national average job gap of 15. This measures the number of unemployed persons to each available job opening/vacancy. An examination of the job gap by major commercial area shows that this average is heavily influenced by higher levels of unemployment persons to available job openings in rural areas and much less so Vieux-Fort with a job gap of 25.



NET JOBS CREATED: The data from the Labour Needs Assessment Survey indicates that in the period January to August 2012, approximately 7518 new jobs were created. During that same period there were 6813 separations resulting in a total of 705 net jobs created (within the private sector excluding the Agriculture Sector). This is an average of approximately 90 jobs per month for the first eight months of 2012.

EMPLOYER QUALIFICATION REQUIREMENTS FOR PERSONS APPLYING FOR NEW JOBS:

A comparison of the basic qualification requirements of employers as reflected in job opening for the period Sept 2012 to Nov 2012 with the qualification levels of job seekers shows the gap between employer requirements and qualifications available within the unemployed population. Example, employer requirements for below secondary level certification amongst prospective employees is 25% however amongst Job seekers levels of below secondary level certification is 60%, a structural disparity.



OCCUPATIONS WHERE JOBS ARE AVAILABLE BY LEVEL OF QUALIFICATION:

Two broad certification levels were defined as:

- 1) Requiring a degree with experience or lower but not including the next category
- 2) Requiring secondary school or lower education

With respect to category 1) stated above:

- a) Job Occupations based on the ILO international classification of occupations for which persons were hired most in the period Jan – Aug 2012 were in order of importance, Service Managers, managing directors and restaurant managers
- b) Job Occupations based on the ILO international classification of occupations for which there were job openings in order of importance, sales and marketing managers and Information Technology service managers

With respect to category 2) stated above:

- a) Job Occupations based on the ILO international classification of occupations for which persons were hired most in the period Jan – Aug 2012 were in order of importance, waiters, shop sales assistant and security guard.
- b) Job Occupations based on the ILO international classification of occupations for which there were job openings in order of importance, Security guards, cleaners, carpenters.

IV. WHO'S HIRING: NEW EMPLOYEES HIRED AND JOB OPENINGS BY SIZE OF COMPANY

From the total row in Table 1 below it can be seen that one in five firms had existing job openings during the period of the survey, September to November 2012 and approximately one in three firms had hired at least one employee during the period January to August 2012. Hiring patterns for full time and part-time openings were strongly influenced both by the type of business in which a company was engaged and the size of the corporation. In the period September to November 2012, 65% of 13 companies with 250-499 employees had job openings while all of these firms employed new persons for the period under consideration. Of the 27 companies interviewed with 100-249 employees, 23% reported the availability of job openings while 64% had hired at least one employee during the period January to August 2012. Amongst the smallest firms a relative few (4-5%) were hiring or had job openings during the period.

Table 1: Percent of Companies with Job Openings and Hiring New Employees, 2012

Size of Company	Availability of Job Openings Sep - Nov 2012	New Employees Hired from Jan - Aug 2012	Number of Companies
	Job openings exist	New Persons Employed	
1-4 employees	4%	5%	184
5-9 employees	21%	18%	78
10-19 employees	19%	44%	83
20-49 employees	40%	67%	82
50-99 employees	69%	85%	29
100-249 employees	23%	64%	27
250-499 employees	65%	100%	13
500-999 employees	100%	100%	1
More than 999 employees	0%	100%	1
Total	19%	30%	498

Source: St Lucia Labour Market Needs Assessment Survey; Central Statistics Office

Fewer small companies have openings, but together they generated a significant portion of the average number of openings per month during the period September to November 2012. Of a total of 1,467 estimated average of number of job openings per month 41% were generated by firms with less the 50 employees with the same 40% generated by firms with 100 or more employees and the remainder 19% generated by firms of medium size 50-99 employees.

Table 2: Estimated Average Number of Unfilled Job Openings Per Month by Size of Company, Sept - November 2012

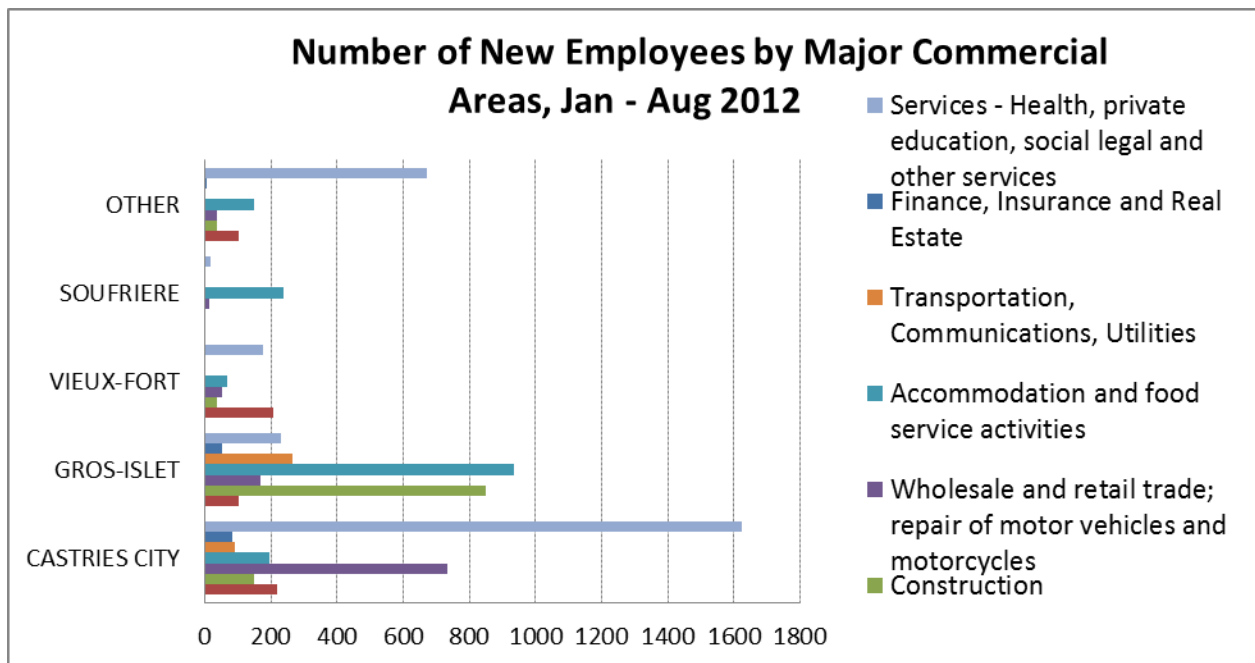
Size of Company	Number of Openings	Column %	Part-time	Full-time	Contract	Permanent	Temporary
			Number	Number	Number	Number	Number
1-4 employees	54	4%	4	44	0	48	0
5-9 employees	102	7%	0	75	43	30	2
10-19 employees	102	7%	8	76	3	62	19
20-49 employees	344	23%	9	204	91	113	9
50-99 employees	272	19%	94	145	23	216	0
100-249 employees	197	13%	0	59	0	59	0
250-499 employees	387	26%	3	69	25	47	0
500-999 employees	9	1%	0	4	0	4	0
More than 999 employees		0%	0	0	0	0	0
Total	1467	100%	117	676	184	579	30

Source: St Lucia Labour Market Needs Assessment Survey; Central Statistics Office

The characteristics of the job openings were also interesting. While the large employers, with company size of more than 100 employees created job openings at the rate of 593 per month (197+387+9), almost all jobs on which information was obtained was reported as full time, permanent jobs with only 25 reported as jobs granted on contract. Since the level of under-reporting was high in this case care in drawing conclusions about this result must be taken. It is however, very clear that amongst small firms under 50 employees the use of contract workers in particular is decidedly higher since some 137 openings (43+3+91) created were contract workers of a total of 602 job openings per month. Overall about 33% of job openings created per month for firms employing less than 50 persons were either part-time, contract or temporary jobs.

V. JOB OPENINGS AND NEW EMPLOYEES BY INDUSTRIAL SECTOR AND GEOGRAPHIC LOCATION

Job openings were analyzed by major industrial sector. The services sector (which includes health, education, social services, legal and other services) followed by accommodation and food service activities lead in the area of new persons employed from January to August 2012. The main commercial areas where new persons were employed were Castries City and Gros-Islet where 3,095 and 2,604 persons were employed respectively. In Castries most new employees were hired in the services sector (1,625) while in Gros-Islet the accommodation sector (934) employed most new persons.

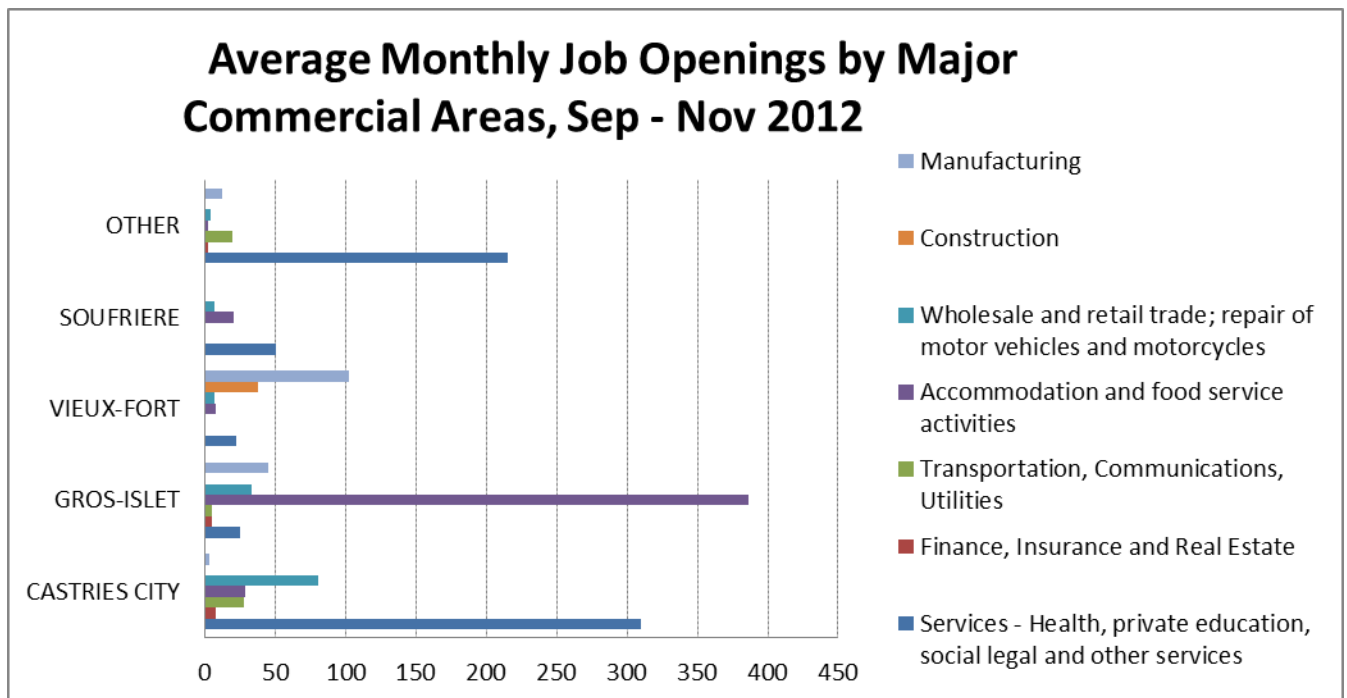


Number of New Persons Employed for the Period Jan - Aug 2012

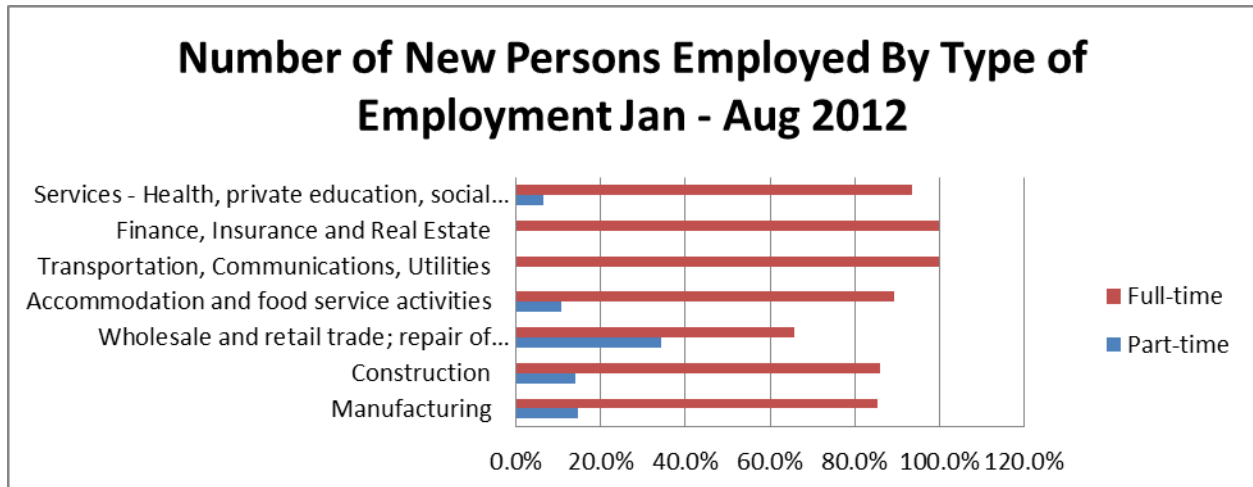
Major Industrial Sector	Major Commercial Areas					
	CASTRIES CITY	GROS-ISLET	VIEUX-FORT	SOUFRIERE	OTHER	Total
Services - Health, private education, social legal and other services	1625	231	176	19	672	2723
Finance, Insurance and Real Estate	83	52			7	142
Transportation, Communications, Utilities	90	266				356
Accommodation and food service activities	196	934	69	237	149	1585
Wholesale and retail trade	734	170	51	16	36	1006
Construction	151	849	38		38	1075
Manufacturing	217	103	208		103	630
Total	3095	2604	543	271	1005	7518

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

Average monthly Job openings for the period September to November 2012 showed a similar pattern to new jobs created described previously. The main difference was in the area of manufacturing job openings created monthly for the period September to November 2012 with Vieux-fort creating approximately 100 job openings, the most of all the major commercial areas.



The sector which account for the most part time jobs created in the period January to August 2012 was the wholesale and retail sector, 34% of all jobs created in the sector were part time. This was followed closely by manufacturing and construction 15% and 14% respectively of the jobs created in those sectors were part-time. Across all sectors approximately 12.5% of new persons hired during this period were hired on a part time basis.



Of a total of 7518 persons hired during the period January to August 2012, 879 were part time and 6,149 were hired on a full time basis, the specific breakdown of numbers employed by sector follows.

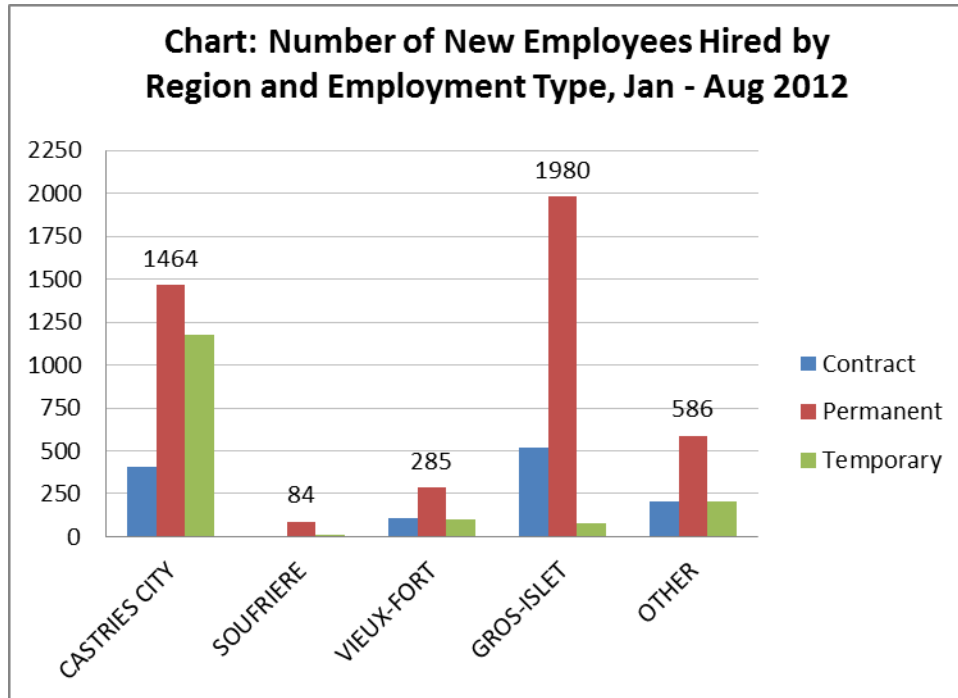
Number of New Persons Employed By Type of Employment Jan - Aug 2012

Major Industrial Sector	Part-time	Full-time	Total
Manufacturing	87	510	597
Construction	151	924	1075
Wholesale and retail trade; repair of motor vehicles and motorcycles	332	640	972
Accommodation and food service activities	139	1148	1287
Transportation, Communications, Utilities		345	345
Finance, Insurance and Real Estate		142	142
Services - Health, private education, social legal and other services	170	2440	2610
Total	879	6149	7028*

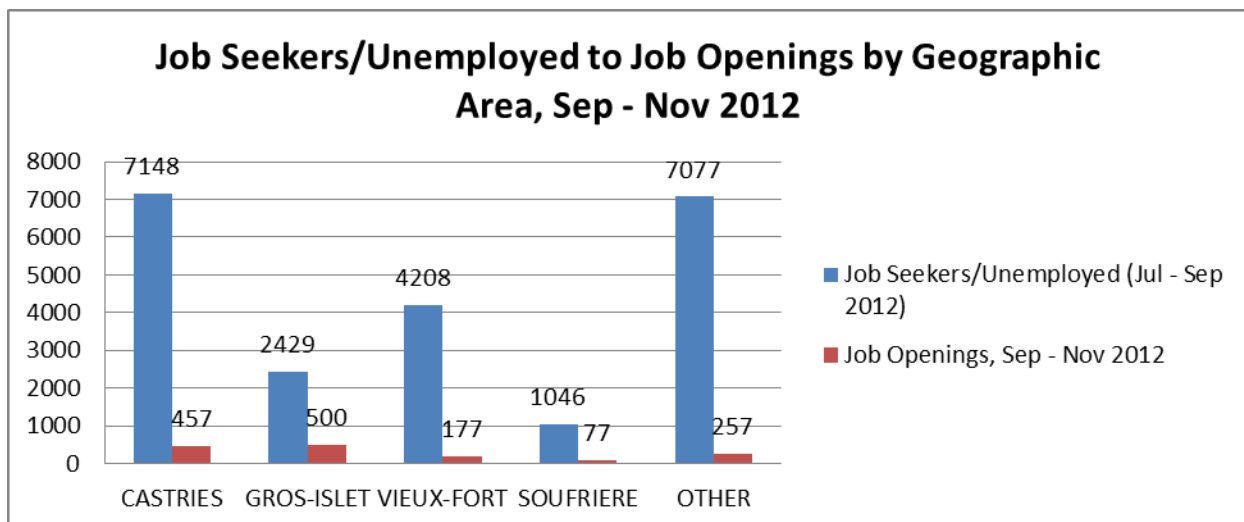
Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

*In the case of 490 persons employers did not report a type of employment, hence the difference between 7,518 and the total of 7028 reported in this table

The largest number of permanent jobs which were created in the period January to August 2012 was in Gros-Islet, this was also the case for contract jobs. In Gros-Islet, 1,980 permanent and 518 contract jobs were created. The largest number of temporary jobs were created in Castries City, predominantly in the construction sector. This was the largest number of temporary jobs created in any of the major commercial areas where the survey was conducted.



Job openings versus job seekers/unemployed can also be examined by geographic region by comparing the results on job openings for the period September to November 2012 from the Labour Market Needs Assessment (LMNA) survey with data from the 3rd Quarter of the Labour Force Survey. While the time periods in question are not precisely in sync the level of unemployment has remained fairly steady for the last three quarters and has not been subject to very much volatility nor has there been in any case the tendency for unemployment to rise or fall by a statistical significant amount between consecutive quarters. Indeed the definition of the unemployed has a rolling reference period of four weeks, exactly the same as is the case for the LMNA survey. Therefore we have here the basis of a valid comparison.



In the 3rd quarter of 2012 from a resident labour force of 98,217, 76,115 persons are employed and 22,102 are unemployed representing an overall unemployment rate of 22.3%. On average there are fifteen times as many job seekers/unemployed persons as there are jobs available. The situation appears to be particularly acute in the out-districts where the unemployment rate is 24.9% and the job gap is 28 followed by Vieux-Fort where the job gap is 24 and Castries where it is 16. Relative to the size of its population a significantly larger number of job openings exist in Gros-Islet where the job gap is 5. The significance of this spatial distribution of jobs is mitigated by the high degree of access to these jobs which people from Castries have. The same however cannot be said of the rest of Saint Lucia.

**Table: Job Seekers/Unemployed to Job Openings by Geographic Area:
Jul - Nov 2012**

Geographic Region	Resident Labour Force (Jul - Sep 2012)	Employed (Jul - Sep 2012)	Job Seekers /Unemployed (Jul - Sep 2012)	Unemploy-ment Rate 3 rd Quarter 2012	Job Openings Sep - Nov 2012	JOB GAP Multiple of Job Seekers to Job Openings
CASTRIES	37,186	30,037	7,148	19.2%	457	16
GROS-ISLET	16,220	13,792	2,429	15.0%	500	5
VIEUX-FORT	10,834	6,626	4,208	38.8%	177	24
SOUFRIERE	5,391	4,345	1,046	19.4%	77	14
OTHER	28,461	21,385	7,077	24.9%	257	28
TOTAL	98,093	76,185	22,102	22.3%	1,467	15

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

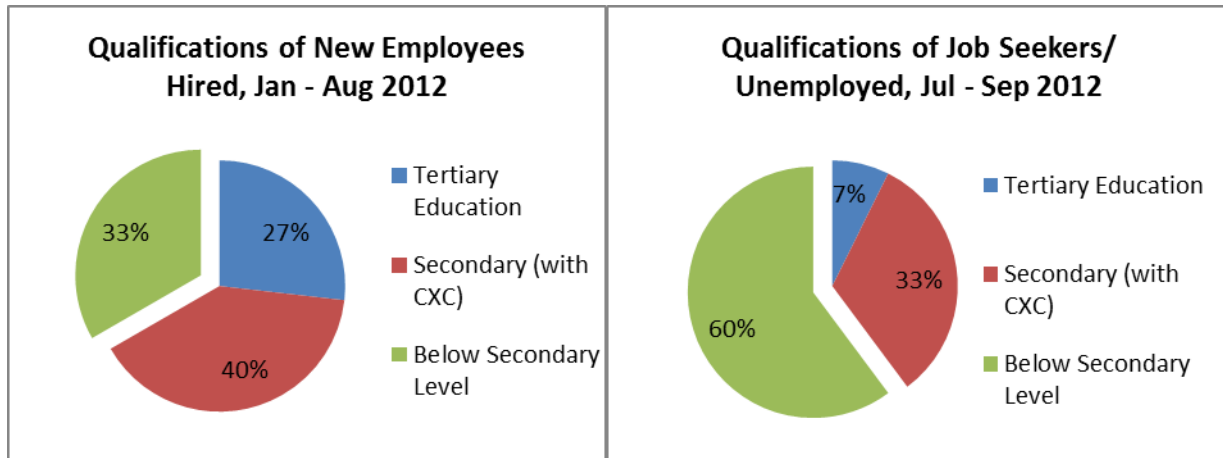
VI: SKILL LEVEL REQUIREMENTS FOR NEW EMPLOYEES HIRED AND JOB OPENINGS

Firms who hired new employees during the period January to August 2012 or who had job openings during the period September to November 2012 were asked to provide information on the qualification of new employees hired and for job openings. While most of the employers completed the survey questions as requested for educational qualifications of new employees or educational requirements to fill current job openings, most employers did not report skill level requirements. In the next round of this survey it will be important to include a structured question to capture employer's requirements for past experience related to new employees and job openings, example number of years of experience required. Narrative responses were categorized by level of education as follows:

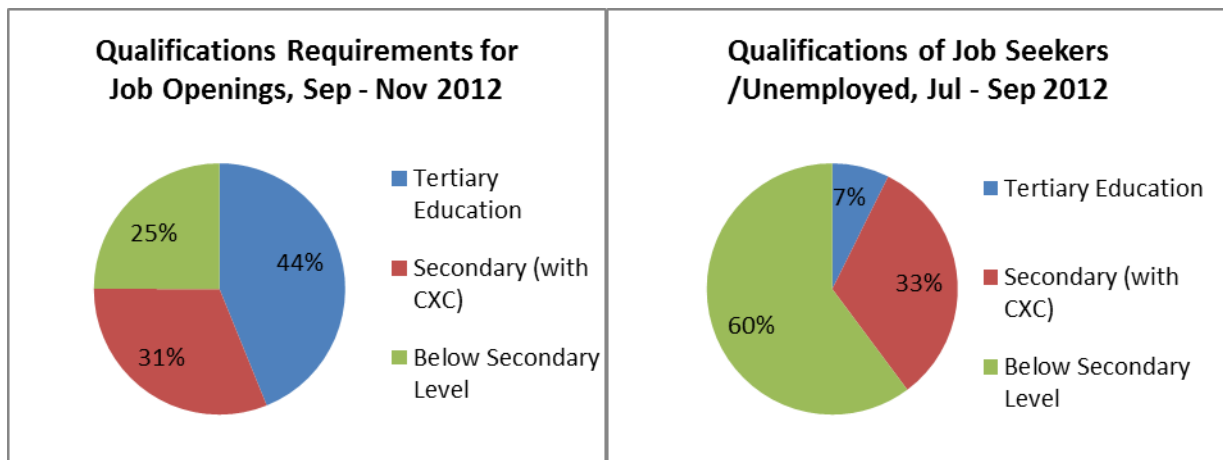
- 1 Post Graduate Degree
- 2 Under-graduate Degree
- 3 Tertiary/Associate Degree
- 4 CXC or O Levels
- 5 Other
- 6 None

These categories were collapsed into three components for comparison with the data on jobseekers/unemployed available from the Central Statistical Office, namely 1,2,3 as Tertiary, 4 as

Secondary (with CXC or O Levels) and 5/6 as all others. On this basis a comparison was made between the qualifications of new employees hired and the qualifications of jobseekers/the unemployed. The graphs demonstrate the gap in educational qualifications between persons newly employed and persons who are unemployed, example amongst those newly employed 27% have Tertiary level education while only 7% of the unemployed have tertiary level education conversely 60% of Job seekers have below Secondary/O Level qualifications while 33% of newly employed persons have below secondary level education.



A similar analysis of the educational requirements of current job openings compared with the educational requirements of Jobseekers/the unemployed shows an even greater disparity between the requirements of employers and the persons available to hire as reflected in the educational qualifications of job seekers.



The Table which follows show new employees hired in the period January to August 2012 by major occupational classification.

Number of New Persons Employed By Occupation Group and Level of Qualification Jan - Aug 2012

Major Industrial Sector	Qualifications						Total
	Post Graduate Degree	Under graduate Degree	Tertiary Associate Degree	CXC	Other	None	
Managers	120	42	123	34	15	46	381
Professionals	204	61	128	355	12	2	762
Technicians and associate professionals	22	87	150	39	12	165	476
Clerical support workers	14	12	351	323	34	167	902
Service and sales workers		16	429	1284	300	512	2540
Craft and related trades workers		28	3	118	159	111	419
Plant and machine operators, and assemblers		6	3	56	14	54	133
Elementary occupations		6	10	488	102	549	1155
Total	360	259	1196	2698	648	1608	6768

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

*In the case of 750 persons employers did not report a qualifications, hence the difference between 7,518 and the total of 6768 reported in this table

In order to examine the specific occupations in highest demand, three groups have been created based on the educational qualifications and experience levels required in the occupational hierarchy. The occupations are then ranked in order of the number of persons newly employed and the number of job openings available in order to show which occupations are in relatively highest demand (See below).

Ranking of Numbers of Persons Newly Employed by Occupation (January to August 2012)

Name of Occupation	No Employed
Requiring at least a University Degree with some years' experience	
Services managers not elsewhere classified	126
Managing directors and chief executives	103
Restaurant managers	49
Human resource managers	19
Sales and marketing managers	12
Hotel managers	10
Information and communications technology service managers	10
Retail and wholesale trade managers	9
Requiring at least a University Degree	
Teaching professionals not elsewhere classified	344
University and higher education teachers	96
Early childhood educators	71
Policy administration professionals	61
Engineering professionals not elsewhere classified	26
Graphic and multimedia designers	25
Training and staff development professionals	22
Social work and counselling professionals	22
Accountants	21
Requiring Secondary School of lower education or specific skills requiring experience	
Waiters	643
Shop sales assistants	611
Security guards	532
Building construction laborers	415
Cleaners and helpers in offices, hotels and other establishments	376
Contact center salespersons	345
Carpenters and joiners	267
Accounting and bookkeeping clerks	258
Bricklayers and related workers	245
Fashion and other models	201
Construction supervisors	177
Building frame and related trades workers not elsewhere classified	162
Contact center information clerks	150
Messengers, package deliverers and luggage porters	148
Cooks	145
Production clerks	138
General office clerks	111
Secretaries (general)	98
Hand packers	87
Conference and event planners	79
Cashiers and ticket clerks	68
Kitchen helpers	65
Information and communications technology operations technicians	65
Bartenders	54
Manufacturing labourers not elsewhere classified	51

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

Ranking of Job Openings by Occupation (September - November 2012)

Name of Occupation	No of Openings
Requiring at least a University Degree with some years experience	
Sales and marketing managers	92
Information and communications technology service managers	79
Managing directors and chief executives	14
Restaurant managers	8
Education managers	7
Hotel and restaurant managers	5
Human resource managers	5
Services managers not elsewhere classified	5
Hotel managers	3
Requiring at least a University Degree	
Policy administration professionals	32
Religious professionals	17
Specialist medical practitioners	13
Accountants	7
Lawyers	7
Pharmacists	7
Database and network professionals not elsewhere classified	4
Dieticians and nutritionists	4
University and higher education teachers	4
Requiring Secondary School of lower education or specific skills requiring experience	
Security guards	172
Cleaners and helpers in offices, hotels and other establishments	154
Carpenters and joiners	93
Valuers and loss assessors	79
Shop sales assistants	70
Car, taxi and van drivers	51
Waiters	33
Accounting and bookkeeping clerks	33
General office clerks	30
Messengers, package deliverers and luggage porters	22
Cashiers and ticket clerks	22
Underwater divers	22
Building frame and related trades workers not elsewhere classified	20

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

VII: REQUIREMENTS OF RE-ORGANISING AND EXPANDING BUSINESSES FOR THE NEWLY EMPLOYED, JOB OPENINGS AND SEPARATIONS BY REASON

The following table shows a breakdown of total numbers of persons newly employed, job openings and separations by reason. Upon review of the data on the newly employed, the predominant reason for persons being hired are firstly business reorganization, 30% and secondly business expansion, 25%.

Table: Newly Employed, Job Openings, Separations by Reason

Average Total Employment in the 3rd Quarter 2012	77896	
Total Employment at August 31st 2012	67504	
Total Employment not included in Labour Needs Assessment (public sector, agriculture etc)	10392	
Total Number Newly Employed Jan - Aug 2012	7518	% of Total Employed
- Due to Replacement - Not specified	870	12%
- Due to Replacement - time-limited contracts	134	2%
- Due to Replacement - Persons Quitting	1165	15%
- Due to Replacement - Retirements	247	3%
- Due to Replacement - Deaths	18	0%
- Due to Replacement - Persons fired	618	8%
- Due to Expansion of business	1900	25%
- Due to Re-organisation of business	2271	30%
- Other	295	4%
Average Total Monthly Openings (Oct - Dec 2012)	1538	% of Total Job Openings
- Filled Vacancies	71	5%
- Un-filled Vacancies*	1467	95%
- Due to Replacement - Not specified	182	12%
- Due to Replacement - time-limited contracts	156	10%
- Due to Replacement - Persons Quitting	366	24%
- Due to Replacement - Retirements	59	4%
- Due to Replacement - Deaths	-	
- Due to Replacement - Persons fired	103	7%
- Due to Expansion of business	239	16%
- Due to Re-organisation of business	405	26%
Total Number of Separations Jan - Aug 2012	6813	% of Total Separations
Not specified	390	6%
time-limited contracts	749	12%
Persons Quitting	2876	45%
Retirements	228	4%
Deaths	20	0%
Persons fired	1057	17%
Expansion of business	6	0%
Re-organisation of business	283	4%
Unsuccessful after probation period	337	5%
Other	437	7%

Source: St Lucia Labour Market Needs Assessment Survey 2012;
Central Statistics Office

* More than one response possible

Since over 50% of hiring is occurring because businesses are either expanding or re-organizing this indicates that there is some buoyance or but perhaps more likely instability in the private sector in spite of or more so due to the economic difficulties which Saint Lucia faces at this time.

During the eight month period under consideration Jan – Aug 2012, 7518 persons were newly employed, 6813 were separated from employment and consequently a total number of 705 jobs were added to the job market during the period, overall this represents a job turnover rate of only 2%. This relatively slow level of job creation and correspondingly high level of job destruction in an environment of high unemployment indicates the inherent fragility of the labour market at this time. It is precisely for this reason therefore that the job turnover rate for Saint Lucia overall is 2%.

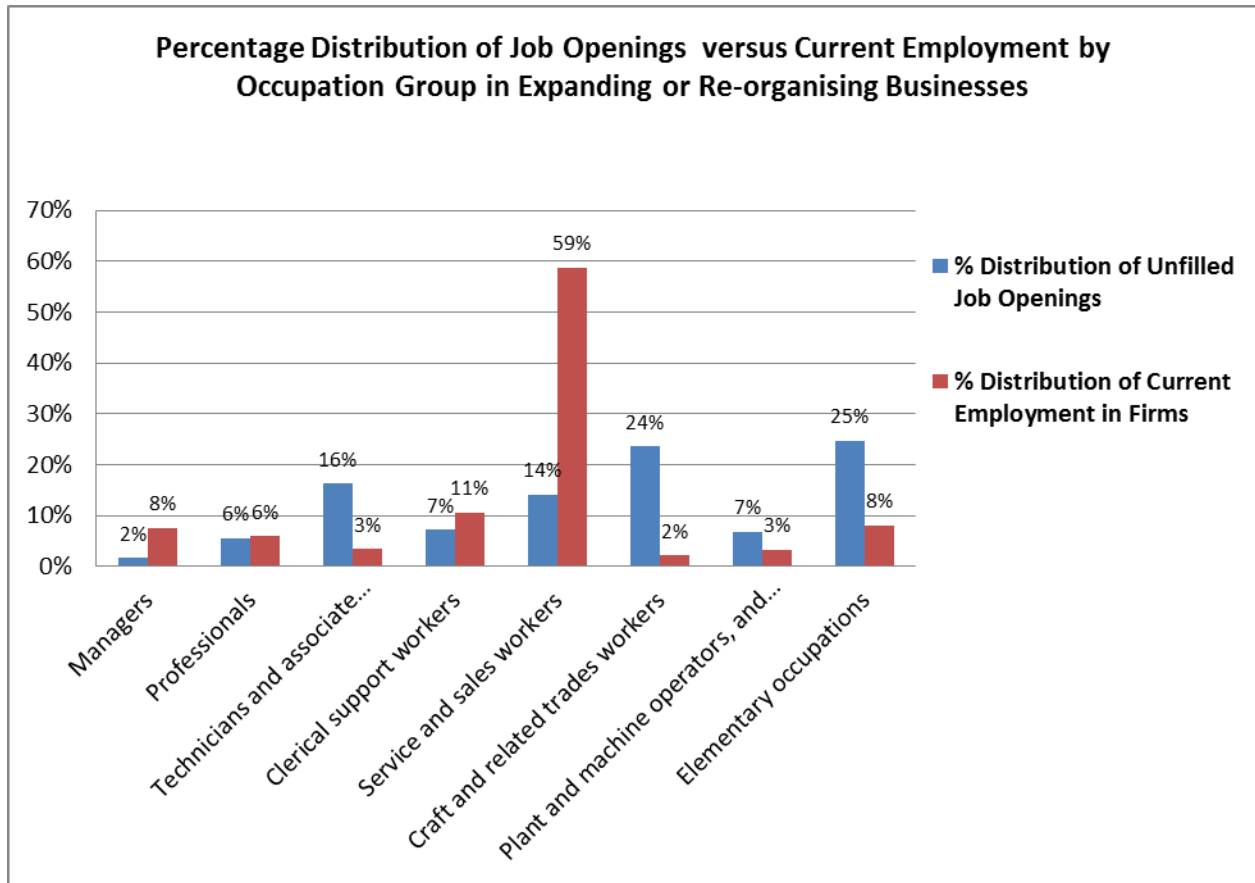
The following chart demonstrates the situation with respect to job openings during the period Sep – Nov 2012 with respect to the reason for the job openings and this tends to confirm the fact that a substantial number of persons are required to fill jobs in expanding or re-organizing businesses.



When one examines the occupation distribution of unfilled job openings specifically in businesses which are expanding or re-organizing versus the current distribution of employees by occupation group within firms, the difference between the nature of jobs required in the expanding and re-organizing appears to be quite different from the current distribution of jobs within businesses presently. There appears to be a greater need for higher levels of management skill and this is shown by the disparity of 2% of the currently employed when compared to 8% required from the unfilled job openings. The disparity appears to be most acute in the occupation group technicians and associate professionals and craft and related trades workers by a factor of 5 and 10 respectively. In the currently employed population the percentage of technicians and associate professionals currently employed is 3%, however, the requirements of re-organizing and expanding businesses show quite clearly that the demand is 5 times

as great or 16% to be precise. Similarly, in the currently employed population the percentage of craft and related trades workers currently employed is 2%, however, the requirements of re-organizing and expanding businesses show quite clearly that the demand is 10 times as great or 24% to be precise.

Conversely, service and sales workers are far less required for businesses which are expanding or re-organizing currently and they represent approximately 25% of the requirements of expanding or re-organizing businesses compared to businesses which are not experiencing these changes.



VIII: EVALUATION OF NEW EMPLOYEES BY LEVEL OF COMPETENCE

The results shown below is as much a statement of the relative availability of training normally associated with new employees as they are about the competencies of these employees. In addition, the level of basic education of the applicants does have some impact on the ability of establishments to use their services immediately or to train the applicants as appropriate. Consequently, of the firms who employed new persons in the past twelve months 612 employed secondary school graduates, 413 employed graduates of Sir Arthur Lewis Community College and 131 graduates of NSDC. In tandem with the level of training received from the institutions in question 64% of Secondary school graduates, 80% of SALCC graduates and 39% of NSDC were rated as either good or excellent. This apparently demonstrates that even programs like NSDC (and perhaps CARE) compliments/supplements secondary and tertiary training. In the case of tertiary training there is definitely a larger uptake in the private sector of graduates from SALCC relative to their representation in the labour force.

Classification of the Level of Competencies of New Employees by Quality

Name of Institution		Count	Column N %
Rating - newly employed secondary school graduates	Disappointing	10	2%
	Somewhat Disappointing	50	8%
	Neither	161	26%
	Good	188	30%
	Excellent	213	34%
	Total	621	100%
Rating - newly employed NSDC trainees	Disappointing	7	5%
	Somewhat Disappointing	12	9%
	Neither	61	47%
	Good	33	25%
	Excellent	19	14%
	Total	131	100%
Rating - Sir Arthur Community College	Disappointing	2	1%
	Somewhat Disappointing	7	2%
	Neither	74	18%
	Good	163	40%
	Excellent	166	40%
	Total	413	100%

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

Employers were asked to evaluate new employees by the type of deficiencies observed; in this case employers were allowed to select more than one type of deficiency observed in new employees. From the survey results the deficiency which most employers identified clearly above all others was firstly, poor work ethic at 32% followed by 26% for employees' lack of punctuality. From the sum of 229% of all

responses proffered by employers, they indicated that employees suffered from at least two of the deficiencies identified given that the two most sighted deficiencies were work ethic and punctuality.

Deficiencies of New Employees Hired Within the Last 12 Months Identified by Employers

		Responses		Percent of Cases
		N	Percent	
Deficiencies of New Employees*	Poor Work Ethic	377	31.9%	73.1%
	Not Punctual	306	25.9%	59.3%
	Poor Writing Skills	89	7.5%	17.2%
	Poor Customer Relations Skill	219	18.6%	42.5%
	Poor Decision Making Ability	190	16.1%	36.8%
Total		1181	100.0%	228.9%

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

*Dichotomy group tabulated at value 1.

In evaluating additional skill deficiencies poor communication skills was identified by 47 employers as being a significant problem which they experienced with new employees hired within the last 12 months.

Name of Institution		Count	Column N %
Deficiencies New Employees	Poor communications skill	47	25.2%
	Poor technical skill	20	10.6%
	Lack interpersonal skill	7	3.7%
	Inadequacy of job skill	14	7.5%
	none /no deficiencies	100	53.0%
Total		188	100.0%

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

Businesses were asked to indicate whether they were expanding or contracting and for all businesses responding to this questionnaire the percent by which they indicated expansion or contraction, the mean value of their views was computed. With respect to the last two years the mean percent of decrease indicated by businesses in their levels of employment was approximately 1% more than the mean % increase indicated in their levels of employment. Given the increasing levels of the labour force in line with increasing levels of the employed, this appears to be consistent with rising levels of unemployment within the population in the last two years.

In the next two years and the ensuing five year periods businesses are painting an increasingly brighter picture in terms of the number of persons they would be hiring. In the next two years businesses indicate that they would be more likely to be expanding their businesses by a factor of 25% compared to businesses indicating a likelihood of contraction of 13%, similarly for the ensuing five year period the rate of expected employment expansion to contraction is 45% to 9% respectively.

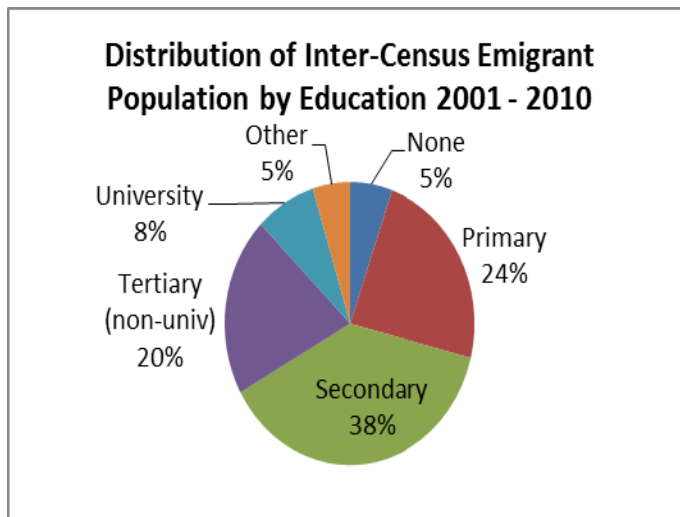
Mean Percentage Increase/Decrease in Employment over the next 2 or 5 Years

Increase/Decrease	Mean Percent
% Increase last 2yrs	15
% decrease last 2yrs	16
% Increase next 2yrs	25
% decrease next 2yrs	13
% Increase next 5yrs	45
% decrease next 5yrs	9

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

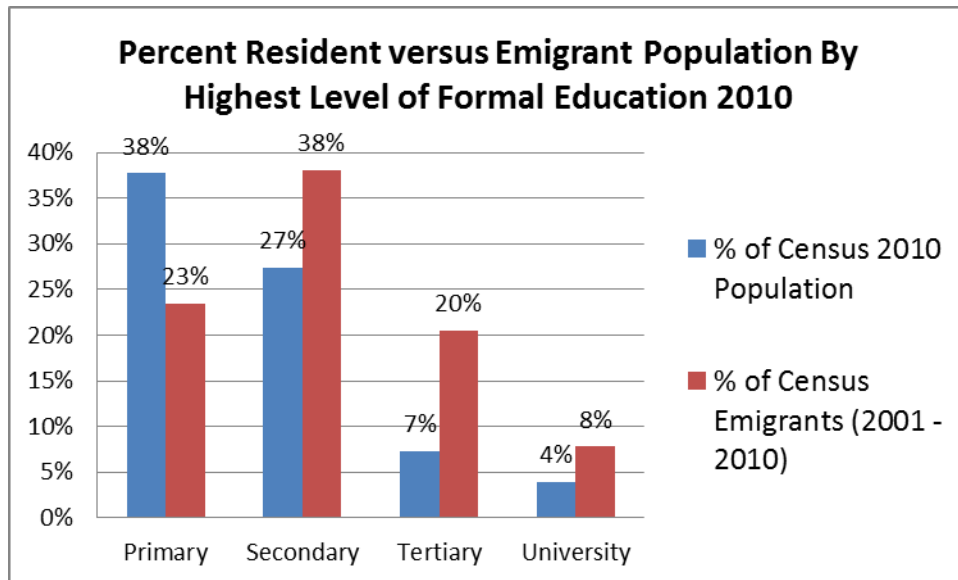
In light of this expected expansion there is an urgent need for ensuring that the types and numbers of employees required by businesses especially as reflected previously in the analysis of job openings generally but in particular the analysis of job openings in expanding businesses are available. It is imperative that the Saint Lucia job market also remains attractive to the new entrants from secondary schools but in particular from tertiary institutions especially in the technical vocational occupations.

Migration trends from the Census 2010 data show that there has been a significant drain of the



better educated persons 15 – 35 from the population consistently and this may be a significant source for hampering the growth of the private sector, 60% of all migrants over the past 10 years are persons with secondary school or higher level of education. In the secondary school category 27% of the census 2010 population had secondary school education as their highest level of training, amongst migrants 38% had completed secondary school as the highest level of education attained. The situation is even more skewed amongst university

graduates. 4% of the census population were university graduates, however, 8% of the migrants are university graduates. While this drain does reduce the pressure on the job market it also inhibits the expansion of business since persons migrating being predominantly better educated persons between the ages of 15 – 35 are precisely the persons required to address the needs of expanding and reorganizing businesses in St Lucia.



The occupation of workers required by expanding businesses in the next 2 and 5 years is shown in the next table. While there is a great deal of uncertainty about the future for hiring by firms as expressed in the 52% and 68% indicating that they do not know what their future decisions about hiring would be in the next two and five years respectively. While it also appears that the level of uncertainty increases from the two to the five year period time horizon. It is clear that expected hiring will be skewed towards the higher levels of the occupation hierarchy and be focused in the broad categories of service and sales workers and technicians and associate professionals. The breakdown by occupation of employees required does not appear to be well supported by the current skill levels existing amongst the unemployed as indicated in the analysis presented in a previous section.

Employers were also asked to evaluate the importance of various skills to their establishment and were presented with a large number of skills to rank in order of importance. While all the skills presented were deemed to be very important, some skill requirements stood out. Namely, strong work ethic was evaluated as the most important, followed by customer service, interpersonal skills and adaptability were also considered to be very important by potential employers. Employers were then asked to assign a percentage grade to their employees generally on the level of skill they possessed; the mean, median and mode values were then computed on the basis of the scores which employers assigned. The mean is affected by outliers much more so than the median and the mode, therefore a combination of the median and the mode values provides perhaps the most reasonable evaluation of the scores ascribed by employers to various skills. The evaluation of skills of current employees by employers seem to mirror the importance which employers placed on these skills mentioned previously, again customer service had the highest median 85 and mode score 99. Strong work ethic, received median and mode scores of 80 and 99 respectively, communication, quantitative, interpersonal skills were all evaluated with the highest scores amongst current employees. Obviously employers who are running successful businesses would want these qualities in prospective employees to enhance these skills in their workforce.

Number of Firms Hiring by Occupation Group over the next 2 or 5 Years

Occupation Group		Number of Firms	% of Firms
Broad Occupation Groups - Hired Next 2 Years	Managers/Professionals - Hired Next 2yrs	107	4.6%
	Not Hiring	301	13.0%
	Dont Know	1212	52.4%
	Technicians-Hired Next 2yrs	288	12.5%
	Clerical support staff-Hired Next 2yrs	211	9.1%
	Service and sales workers-Hired Next 2yrs	437	18.9%
	Skilled agriculture workers-Hired Next 2yrs	12	.5%
	Craft and related trades workers-Hired Next 2yrs	113	4.9%
	Plant and machine operators-Hired Next 2yrs	48	2.1%
	Elementary occupations-Hired Next 2yrs	60	2.6%
	Apprentices-Hired Next 2yrs	14	.6%
	Total	2312	100.0%
Broad Occupation Groups - Hired Next Five Years	Managers/Professionals-Hired Next 5yrs	115	4.9%
	Not Hiring	196	8.4%
	Dont Know	1592	67.9%
	Technicians and associated professionals-Hired Next 5yrs	164	7.0%
	Clerical support staff-Hired Next 5yrs	201	8.6%
	Service and sales workers-Hired Next 5yrs	381	16.2%
	Skilled agricultural, forestry, fisheries workers-Hired Next 5yrs	13	.5%
	Craft and related trades workers-Hired Next 5yrs	57	2.4%
	Plant and machine operators-Hired Next 5yrs	51	2.2%
	Elementary occupations-Hired Next 5yrs	30	1.3%
	Apprentices-Hired Next 5yrs	32	1.4%
Total	2343	100.0%	

Degree of Importance of Various Skills To Firms in Saint Lucia

	Literacy skills	Numeracy and quantitative Skills	Communication Skills	Computer literacy	Interpersonal skills
Not Important	2%	0%	0%	7%	0%
Somewhat Important	2%	4%	1%	16%	4%
Important	19%	21%	14%	25%	18%
Very Important	77%	75%	85%	52%	78%
	Problem-solving skills	Decision Making skills	Adaptability	Strong work ethic	Emotional Intelligence
Not Important	0%	1%	1%	0%	1%
Somewhat Important	3%	5%	5%	0%	3%
Important	29%	27%	16%	7%	28%
Very Important	68%	67%	78%	92%	68%
	Ability to plan	Customer Service	Project management skills	Profound technical knowledge	General business skills
Not Important	1%	0%	6%	1%	1%
Somewhat Important	6%	1%	15%	6%	14%
Important	23%	6%	35%	18%	26%
Very Important	69%	92%	43%	75%	59%

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

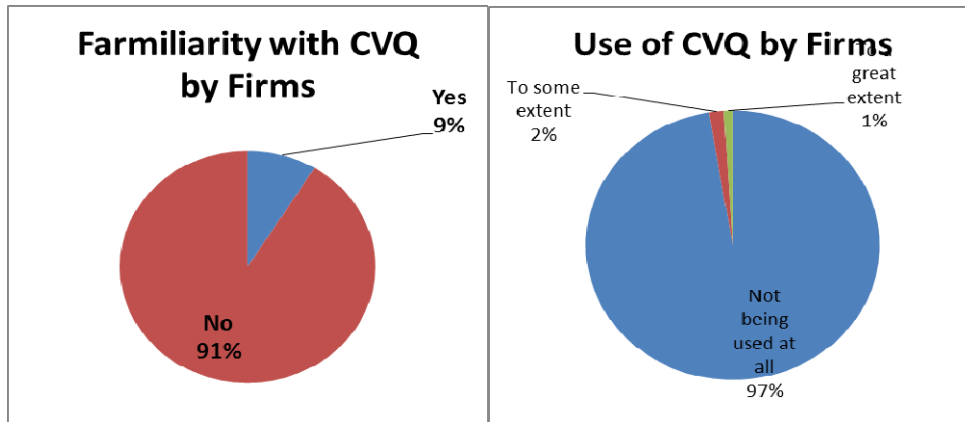
Mean Scores On Important Skills Possessed By Employees

	Mean	Mode	Median
Numeracy and quantitative Skills	79	99	80
Communication Skills	78	99	80
Computer literacy	63	99	70
Interpersonal skills	73	99	75
Problem-solving skills	71	80	75
Decision Making skills	70	70	75
Adaptability	74	90	75
Strong work ethic	74	99	80
Emotional Intelligence	72	60	75
Ability to plan	72	90	75
Customer Service	81	99	85
Project management skills	62	60	60
Profound technical knowledge	76	80	80
General business skills	70	50	75

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

The CVQ was evaluated through the labour needs assessment survey. The level of awareness of the CVQ is shown in the following pie chart at 9%. The level of use was however at a much lower level of 2% for firms using this qualification to some extent and at 1% to those using this qualification to a great

extent. The level of use of the CVQ by industry group and firm size is also presented below. The level of use of this certification appears to be more concentrated in some specific industry segments, example health and education and financial services, there appears also to be some use of the certification in firms engaged in accommodation, wholesale and retail trade and manufacturing. It appears also from the results presented that medium to large firms operating in more formal types of businesses are making greater use of the qualifications. However, what is very clear is that overall there is very limited use being made of the CVQ and it is very obvious that it is not in widespread use.



Percentage of Companies Using the CVQ by Industry Group and Extent of Use

Industry Group	q8i Familiar with CVQ		q8ii Is CVQ used as criteria for employment		
	Yes	No	Not being used at all	To some extent	To a great extent
Agriculture, forestry and fishing	0%	0%	0.0%	0.0%	0.0%
Mining and quarrying	0%	100%	100.0%	0.0%	0.0%
Manufacturing	2%	98%	97.8%	2.2%	0.0%
Electricity, gas, steam and air conditioning supply	0%	100%	100.0%	0.0%	0.0%
Water supply; sewerage, waste management	67%	33%	100.0%	0.0%	0.0%
Construction	0%	100%	100.0%	0.0%	0.0%
Wholesale and retail trade	12%	88%	96.2%	2.9%	1.0%
Transportation and storage	13%	88%	100.0%	0.0%	0.0%
Accommodation and food service activities	15%	85%	93.2%	4.1%	2.7%
Information and communication	67%	33%	100.0%	0.0%	0.0%
Financial and insurance activities	31%	69%	92.3%	0.0%	7.7%
Real estate activities	0%	100%	100.0%	0.0%	0.0%
Professional, scientific and technical activities	13%	88%	100.0%	0.0%	0.0%
Administrative and support service activities	13%	88%	93.8%	6.3%	0.0%
Public administration and defence; Education	0%	100%	100.0%	0.0%	0.0%
Human health and social work activities	30%	70%	90.0%	0.0%	10.0%
Arts, entertainment and recreation	29%	71%	78.6%	14.3%	7.1%
Other service activities	15%	85%	100.0%	0.0%	0.0%
Activities of households as employers	10%	90%	97.6%	2.4%	0.0%
Activities of extraterritorial organizations	0%	100%	100.0%	0.0%	0.0%
Total	9%	91%	97.3%	1.7%	1.0%

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office

Use of CVQ by Company Size Group and Extent of Use

Company Size Group	q8i Familiar with CVQ		q8ii Is CVQ used as criteria for employment		
	Yes	No	Not being used at all	To some extent	To a great extent
1-4 employees	5%	95%	99%	1%	0%
5-9 employees	6%	94%	99%	0%	1%
10-19 employees	10%	90%	97%	1%	2%
20-49 employees	15%	85%	97%	3%	0%
50-99 employees	8%	92%	94%	2%	5%
100-249 employees	23%	77%	89%	4%	7%
250-499 employees	44%	56%	83%	17%	0%
500-999 employees	0%	100%	100%	0%	0%
More than 999 employees	0%	100%	100%	0%	0%
Total	9%	91%	97%	2%	1%

Source: St Lucia Labour Market Needs Assessment Survey 2012; Central Statistics Office