Economic activity and labour force   
of the Cook Islands

Analysis of the 2011 Population and Housing Census

February 2015

Cook Islands Government

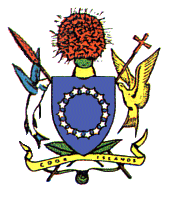
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# Foreword

This monograph provides in-depth analysis of the characteristics of economic activity and the labour force in the Cook Islands, as captured in the 2011 population and housing census. It examines the main activities of the population, in particular, the types of work people do, the education and training of the employed population and the participation of vulnerable groups in the labour force. It is one in a series of census monographs on topics where statistics and information are in high demand, the others being on gender, population and youth. This report provides new information and analysis to complement other monographs and the main report on the census, which was published in December 2012.

This work is an initiative of the Ministry of Internal Affairs and the Cook Islands Statistics Office (CISO), made possible with the support of the United Nations Population Fund (UNFPA). The target audiences are planners, policy and decision makers within the Cook Islands government, but the report should be of interest to anyone involved in social and economic development. The findings and data can be used for developing policy, and the monitoring and evaluation of the national development strategy, Millennium Development Goals (MDGs), Sustainable Development Goals (SDGs), and other relevant national policies and programmes.

We would like to acknowledge the work of Ministry of Internal Affairs and CISO staff, in particular, Patricia Tuara Demmke (Director of Labour and Employment Relations), Emma Webb-Ferguson (Senior Inspector, Employment Relations), and Kevin Hosking (Senior Statistics Officer), and the support provided by Jessica Gardner (UNFPA consultant) in the preparation of this report. The financial and technical support from our development partners for the 2011 census is greatly appreciated: the New Zealand Government through NZAID; the United Nations through UNFPA, and the Secretariat of the Pacific Community (SPC).

Finally, appreciation goes to the people of the Cook Islands who participated in the census, for without them, this publication would not have been possible.

Bredina Drollet Taggy Tangimetua

Secretary, Ministry of Internal Affairs Government Statistician

February 2015

# Introduction

The labour force is a vital part of any society, enabling households to generate income, contributing to national economic growth and empowering the population to use their skills in productive activities. There are many types of work, both paid and unpaid, all providing a valuable contribution.

## About this report

Official statistics are an essential source of information to design appropriate policies and labour-related programmes. In addition to counting the number of people across the country, the population and housing census gathers detailed information on every person residing in the Cook Islands. It enables data on work and the characteristics of workers to be extracted and examined. Census data can be used to answer questions like:

* What types of work are people doing?
* How much do they earn?
* Which sectors of the economy employ the most people?
* How does the work of men and women differ?
* Are people with a disability in the labour force?
* Are people moving from the outer islands to seek work opportunities?
* In which sectors are foreign workers mostly engaged?
* Where might there be skill shortages that need to be met in the future?
* Does subsistence production play a major role in the Cook Islands economy?

This report looks into these and other questions about economic activity and the labour force in the Cook Islands. It aims to provide an informative overview for non-statisticians on the types of information available from the population census. It presents findings under four themes:

1. Overview of the Cook Islands economy
2. Economic activities of individuals
3. Economic activities of households
4. Snapshots of key economic sectors

It is hoped that the information is provided in a way that can be easily understood by people with limited experience in using statistics. Technical explanations are avoided in an effort to make it engaging and interesting. Every attempt has been made to ensure the information is not misleading, and is factually correct.

This report makes an important contribution to providing government officials with evidence for targeting public policies and programs. It is part of the national strategy to improve analysis, dissemination and use of population and development data as a factual basis for planning.

# 

# Summary of key findings

## About the Cook Islands Labour Force

* Labour force participation is relatively high in the Cook Islands, with around 70 per cent of men and 60 per cent of women aged 15 and above in some form of employment, or available for work (Table 1). This is similar the rates seen in New Zealand (74% of men and 62% of women are in the labour force) and Australia (72% of men and 59% of women).
* Unemployment is not generally a concern in the Cook Islands, and the estimates based on the census (8.2% for men and 8.1% for women) could be inflated by the fact that people self-identify as ‘unemployed’, without being asked if they are actively seeking work and available should a job be offered to them.
* Higher rates of unemployment in the southern Pa Enua suggest there may be an issue there, with more than 15 per cent of the labour force – around 200 people – being without work.
* Unemployment is also higher among vulnerable groups, such as people with a disability and youth (Table 8).
* There are significant differences in the labour force participation between urban and rural areas (Figure 1).
* Around 600 people - 8 per cent of the labour force – hold two jobs. Most of these (80%) are people based in Rarotonga, and the proportion of men and women with two jobs is the same.
* About 16 per cent of the labour force are foreigners residing in the Cook Islands. Most of these are from New Zealand, Fiji, Philippines, other Pacific islands[[1]](#footnote-1) or Australia (Table 2).
* Foreign workers are mainly in the restaurant and accommodation sector where 369 foreigners are employed, representing just over one quarter (27%) of the jobs in that sector.
* The main reason men do not participate in the labour force is being retired (47%) or a student (29%).
* Most women outside the labour force are doing home duties (52%) or are retired (28%).

## Types of work

* Most employed men and women are working as full-time employees, either in the private or public sector (Figure 4).
* Women are more likely to be part-time employees (16%) than men (11%), as are young people aged 15-19 (35%).
* Few people work unpaid in a family businesses or farms (2%).
* A small proportion of people are self-employed (5%) or employers (4%), with this being more common among men than women.
* Around 31 per cent of women in the southern and 26 per cent in the northern group primarily work on home duties rather than participating in the labour force, compared to 13 per cent of women in Rarotonga (Figure 5).
* 69 per cent of men and 59 per cent of women are in paid employment; about the same as the last census in 2006 when it was 69 per cent for men and 58 per cent for women.
* Opportunities for paid work seem to be much lower in the southern Pa Enua where only 53.6 per cent of men and 40.6 per cent of women are in paid employment.

## Sectors of employment

* The private sector, with around 4,500 employees, is the main employer in the Cook Islands, providing almost two thirds (65%) of the jobs.
* The private sector is most dominant in Rarotonga (71% of jobs) and is strong in the southern group (55%). It is only in the northern group where the private sector plays a minor role, with over three quarters (78%) of jobs being in the public sector (Figure 7).
* The services sector employs the greatest number of people (5,835 jobs) and represents 84 per cent of all employment in the Cook Islands (Figure 8).
* The most common occupation overall is a manager with 545 people in these types of jobs, representing 6.7 per cent of men in employment and 9.1 per cent of women. (Table 3)
* The most common occupation for men is as a general labourer (8.1%) and for women it is a salesperson (9.1%).
* Women hold about one third (30%) of the top decision-making positions in the Cook Islands.

## Income

* The main source of income for both men and women are from wages, salaries paid by their employer, with 72 per cent of men and 62 per cent of women receiving income from this source (Figure 10).
* Around 13 per cent of men and 15 per cent of women reported that they receive no income. More than half (51%) of those are aged 15-19 and most of them (72%) are still students, with the others being unemployed (15%) or doing home duties (13%).
* The most common level of income for men and women is $10,000 - $14,999 (New Zealand dollars (NZD)). Although there are slightly more men earning a wage than women (2,515 and 2,245, respectively), the distribution of income level is similar, with the majority earning less than $25,000 per year (Figure 11).
* Average hourly wages are much higher in Rarotonga than the outer islands (Table 7).

## Economic activities of households

* Production of crops or fishing are an important source of livelihood for most households in the Cook Islands. Almost two thirds (72%) of the 4,370 households across the country are involved in some kind of agricultural activity, mainly for subsistence purposes (63%).
* Subsistence production is more common in the remote northern group (85% of households).
* Fishing for subsistence purposes is less common across the Cook Islands with 38 per cent of households engaged in this economic activity (Figure 15).
* Around 9 per cent of households produce crops and 5 per cent of households fish for commercial purposes (either solely for that purpose or in combination with subsistence production).

# About the Cook Islands

The Cook Islands comprises 15 islands and atolls spread across two million square kilometres of the Pacific Ocean.[[2]](#footnote-2) The islands are geographically divided into the Northern and Southern Group islands, with each group portraying marked differences in their social, cultural and economic activities. The Northern Group remain relatively isolated from the Southern Group islands. Rarotonga is in the Southern Group, but as the country’s only urban area, statistics for Rarotonga are shown separately. Throughout this report the ‘Southern Group’ refers to the outer islands and excludes Rarotonga.

## Population

The country has a resident population of almost 15,000 people with the majority (70%) on the largest island of Rarotonga, the centre for economic activity. The remaining 4,000 residents are based in the outer islands, or ‘Pa Enua’ as they are called in the local language: Cook Islands Maori. The most populous islands are Atiutaki (1,771 residents), Mangaia (562) and Atiu (488), all in the Southern Group. The Northern Group is more isolated and has fewer residents with Pukapuka being the most populated (451 residents), followed by Manihiki (238) and Penryhn (213).

The Cook Islands is in free association with New Zealand. Its people are New Zealand citizens, entitling them to a New Zealand passport and the possibility to move freely to live and work in New Zealand and Australia. It is estimated that about four times more Cook Islanders live in New Zealand than in the Cook Islands.

## Economy

As an upper middle-income country, the Cook Islands is at the top of the development scale among the 15 UNFPA programme countries in the Pacific sub-region. [[3]](#footnote-3) Provisional estimates show the gross domestic product (GDP) grew by 4.4 per cent in 2012, and contracted by 4.8 per cent in 2013 (GDP and constant prices). [[4]](#footnote-4)

The economy is largely dependent on tourism and there have been record numbers of tourist arrivals every year since 2001, with around 120,000 visitors in 2013/14, mainly from New Zealand and Australia. For growth to continue, the Cook Islands is dependent on sustaining and growing visitor numbers, and maximising spending whilst in the country. In the short term, the government regards the prospects for growth as positive. [[5]](#footnote-5)

Large capital works have been a recent driver of economic growth. Other, less important drivers are the development of marine resources and agriculture. The black pearl industry has been important for export earnings, representing an economic lifeline for some remote communities in Manihiki, the centre of pearl production. Unfortunately, environmental factors, such as cyclones, pearl oyster disease and the mass mortality of shellfish due to hypoxia, have had a negative impact and the industry needs revitalising.[[6]](#footnote-6)

Almost all economic activity is generated on the main island of Rarotonga, with Aitutaki being the only outer island with a sizeable economy. Outside of tourism for Aitutaki, and pearls for Manihiki, Rakahanga and Penhryn, commercial production in the Pa Enua is focused on agriculture and fishing. Fruit, vegetables and fish are grown or caught for local consumption and, where viable, export to Rarotonga. Increasing tourism and introducing new crops, such as maire, pineapple and vanilla, hold promise for growing economic production and providing jobs to retain locals on the islands.[[7]](#footnote-7)

## Development challenges

Despite recent growth, the economic base is narrow and vulnerable to shifts in tourist preferences to competing markets, or any economic slowdown that may occur in New Zealand or Australia. Reliance on imports, large distances between the islands, and costs of transport make the economy fragile and susceptible to external price shocks, natural disasters, such as drought, and environmental damage.

The residency rights of Cook Islanders in New Zealand and Australia have resulted in considerable outward migration. Population decline is recognized as a major concern by government, the private sector and the general public. Since the opening of the international airport in 1974, Rarotonga is the only island to experience population growth and the populations of Mangaia, Atiu, Mauke, Manihiki, Rakahanga, and Penryhn have reached the lowest levels since the early 1900s. This depopulation is leading to a collapse of local communities and an imminent loss of culture. It is mainly young adults, aged 15-40 years, who have left to pursue education and economic opportunities overseas.[[8]](#footnote-8) Over recent years there has been an influx of foreign labour into the Cook Islands, particularly from New Zealand, Fiji and the Philippines, to address labour shortages.

The remoteness and smallness of the Pa Enua provide particular challenges for economic and social development. Issues include poor infrastructure, such as ports, energy, and water management, and poor access to labour. However, there are examples of successful local businesses and initiatives that have benefitted communities, and activities that supply goods and services to Rarotonga, capitalizing on the growing tourism industry.

# Economic activities of individuals

There are many types of work, both paid and unpaid. Included in the national definition of employment is self-employment, employers, full and part-time employees, and unpaid work in a family business or farm. Although important for many communities, subsistence production is not a major economic activity, and national definitions exclude this when collecting data on the labour force.

**Box 1 – What can the census tell us about work and economic activities?**

For everyone aged 15 years and over, the census gathers information on:

* The type of activity they usually do - employer, employee (government or private sector), unpaid work in family business/farm, full-time student, unemployed, home duties, or retired
* Their main occupation (e.g. teacher)
* Their employer and the industry or sector they work in (e.g. accommodation)
* How many hours they work per week
* Details of their second job, if they have one
* The types of unpaid work (e.g. housework, fishing) they have done in the last four weeks
* Sources of income (e.g. wages, pensions) and their total annual income

## Structure of the labour force

The population census gathers information from everyone aged 15 and above about whether they work and, if so, what type of work they do (see Box 1). With this information, the population is classified into three mutually exclusive categories: employed, unemployed or outside the labour force. The potential labour force is all those aged 15 and above, and the actual labour force is all those people who are either employed or unemployed.

As Table 1 shows, labour force participation is relatively high in the Cook Islands, with around 70 per cent of men and 60 per cent of women aged 15 and above in some form of employment, or available for work. This is similar the rates seen in New Zealand (74% of men and 62% of women are in the labour force) and Australia (72% of men and 59% of women). Globally, in 2012, 77 per cent of men and 51 per cent of women participate in the labour force.[[9]](#footnote-9)

Unemployment is not generally a concern in the Cook Islands, and the estimates based on the census (8.2% for men and 8.1% for women) could be inflated by the fact that people self-identify as ‘unemployed’, without being asked if they are actively seeking work and available should a job be offered to them.[[10]](#footnote-10) However, high rates of unemployment in the southern Pa Enua suggest there may be an issue there, with more than 15 per cent of the labour force – around 200 people – being without work. In the northern group, overall unemployment rates are the same as national levels, but much higher among women, at nearly 12 per cent, than men (5.8%).

Table 1 – Economic activity status of population aged 15 and above (main activity), by location and sex, Cook Islands, 2011

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Cook Islands** | | | | **Rarotonga** | | | | |
|  | Males | | Females | Total | Males | | Females | | Total |
| **Employed** | 3,708 | | 3,230 | 6,938 | 2,830 | | 2,581 | | 5,411 |
| Paid employment | 3,632 | | 3,183 | 6,815 | 2,775 | | 2,545 | | 5,320 |
| **Unemployed** | 331 | | 285 | 616 | 196 | | 167 | | 363 |
| **Labour force** | 4,039 | | 3,515 | 7,554 | 3,026 | | 2,748 | | 5,774 |
| **Outside the labour force** | 1,231 | | 1,857 | 3,088 | 781 | | 1,148 | | 1,929 |
| Resident population (aged 15+) | 5,270 | | 5,372 | 10,642 | 3,807 | | 3,896 | | 7,703 |
|  |  | |  |  |  | |  | |  |
| Employment to population rate (%) | 70.4 | | 60.1 | 65.2 | 74.3 | | 66.2 | | 70.2 |
| Paid employment to population ratio (%) | 68.9 | | 59.3 | 64.0 | 72.9 | | 65.3 | | 69.1 |
| Labour force participation rate (%) | 76.6 | | 65.4 | 71.0 | 79.5 | | 70.5 | | 75.0 |
| Vulnerable employment rate (%) | 12.0 | | 7.5 | 9.9 | 12.4 | | 7.2 | | 9.9 |
| Unemployment rate (%) | 8.2 | | 8.1 | 8.2 | 6.5 | | 6.1 | | 6.3 |
| Economic inactivity rate (%) | 23.4 | | 34.6 | 29.0 | 20.5 | | 29.5 | | 25.0 |
|  | | **Southern Group\*** | | | | **Northern Group** | | | | |
|  | | Males | Females | Total | | Males | | Females | Total |
| **Employed** | | 603 | 478 | 1,081 | | 275 | | 171 | 446 |
| Paid employment | | 589 | 469 | 1,058 | | 268 | | 169 | 437 |
| **Unemployed** | | 118 | 95 | 213 | | 17 | | 23 | 40 |
| **Labour force** | | 721 | 573 | 1,294 | | 292 | | 194 | 486 |
| **Outside the labour force** | | 377 | 583 | 960 | | 73 | | 126 | 199 |
| Resident population (aged 15+) | | 1,098 | 1,156 | 2,254 | | 365 | | 320 | 685 |
|  | |  |  |  | |  | |  |  |
| Employment to population ratio (%) | | 54.9 | 41.3 | 48.0 | | 75.3 | | 53.4 | 65.1 |
| Paid employment to population ratio (%) | | 53.6 | 40.6 | 46.9 | | 73.4 | | 52.8 | 63.8 |
| Labour force participation rate (%) | | 65.7 | 49.6 | 57.4 | | 80.0 | | 60.6 | 70.9 |
| Vulnerable employment rate (%) | | 12.3 | 9.4 | 11.0 | | 8.0 | | 6.4 | 7.4 |
| Unemployment rate (%) | | 16.4 | 16.6 | 16.5 | | 5.8 | | 11.9 | 8.2 |
| Economic inactivity rate (%) | | 34.3 | 50.4 | 42.6 | | 20.0 | | 39.4 | 29.1 |

Note: Definitions of concepts, terms and ratio/rates are provided on page 40. \* Excludes Rarotonga.

Source: 2011 Cook Islands Population and Housing Census

There are differences in the labour force between urban and rural areas (Figure 1). In Rarotonga, the vast majority of men and women work (79.5% and 70.5% respectively) and almost all of them are in paid employment. Labour force participation is lowest in the southern Pa Enua, and there is a more significant gap between men and women (65.7% of men compared to 49.6% of women). In the northern group, 80 per cent of men are in the labour force, on par with the rates seen in Rarotonga. Women’s participation is also high (60.6%), but is it here that the gender gap is the biggest at almost 20 per centage points.

Figure – Labour force participation rate, by location and sex, Cook Islands, 2011

Source: 2011 Cook Islands Population and Housing Census

In all areas of the country, except the southern Pa Enua, the majority of adult men and women (age 15 and above) are employed (). The proportion of the population that is unemployed is highest for men in the southern Pa Enua (11%). However, the unemployment rate for women (16.6%), as shown above in , is slightly higher than for men (16.4%).[[11]](#footnote-11) In all locations, women are much more likely to be outside the labour force than men, most likely due to their tendency for being the primary carer for children and other responsibilities at home. Also included among those “outside the labour force” are full-time students and the retired population.

Figure – Per cent of population in employment, unemployment or outside the labour force,   
by sex and location, Cook Islands, 2011

Note: Definitions are provided on page 40. ‘Outside the labour force’ are all people (aged 15 and above) who are neither employed nor unemployed. The reasons for being outside the labour force were limited to being a full-time student, home duties or retired.

Source: 2011 Cook Islands Population and Housing Census

### Secondary activity

Around 600 people - 8 per cent of the labour force – hold two jobs. Most of these (80%) are people based in Rarotonga, and the proportion of men and women with two jobs is the same. People with multiple jobs are not necessarily in lower skilled occupations in their main job, in fact they are more likely to be in higher skilled positions than the total employed population.[[12]](#footnote-12) However, the second job they hold is usually a low-skilled one, with the most common occupations in second jobs being bar/waiting staff or sales for women, and security or sales work for men.

On average, both men and women work 37 hours per week in their main job. Those who hold two jobs are only slightly below this average for their main job (36 hours for men and 35 for women). Men with two jobs work an additional 17 hours in their second job, and women with two jobs are working another 15 hours per week; an average of 53 and 50 hours per week respectively.

People aged in their 40s are the highest participators in multiple employment (). The gender gap is fairly narrow, with a similar number of men and women at all age groups. The exception is for those aged 50-54, with 38 men in this age group holding two jobs, compared to 16 women.

Figure – Number of employed population engaged in a secondary activity, by age and sex

Source: 2011 Cook Islands Population and Housing Census

### Foreign workers

The accessibility of the broader New Zealand and Australian job markets lures many Cook Islanders overseas, leading to labour shortages that are often filled by foreign workers. The most accurate method to estimate the foreign population using census data is based on ethnicity, with ‘foreigners’ being all those who are not Cook Islands Maori or part Cook Islands Maori. Nationality or place of birth is not used to estimate the foreign-born population as all Cook Islanders have New Zealand nationality (there is no option for Cook Islands nationality on the census form) and many Cook Islanders are born in New Zealand. Under this definition, only 22 ‘foreigners’ were born in the Cook Islands.

There were around 1,500 foreigners aged 15 or above living in the Cook Islands at the time of the 2011 census (). The vast majority (92%) live in Rarotonga, with 7 per cent in the southern group and 1 per cent in the northern.

About 16 per cent of the labour force are foreigners residing in the Cook Islands. Most of these are from New Zealand (395 people; or 6% of the employed), Fiji (303; 4%), the Philippines (158; 2%), other Pacific islands[[13]](#footnote-13) (90; 1%) or Australia (59; 1%). The majority (81.3%) of foreign adults living in the country are participating in the labour force, but there are a number who are unemployed (32), or outside the labour force either because they are studying (29), doing home duties (109), or retired (149).

Table – Activity status of foreign residents\*, Cook Islands, 2011

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Foreign residents** | | |
|  | Males | Females | Total |
| **Employed** | 648 | 571 | 1,219 |
| Paid employment | 638 | 559 | 1,197 |
| **Unemployed** | 18 | 14 | 32 |
| **Labour force** | 666 | 585 | 1,251 |
| **Outside the labour force** | 136 | 151 | 287 |
| Total population (aged 15+) | 802 | 736 | 1,538 |
|  |  |  |  |
| Employment to population rate (%) | 80.8 | 77.6 | 79.3 |
| Paid work to population rate (%) | 79.6 | 76.0 | 77.8 |
| Labour force participation rate (%) | 83.0 | 79.5 | 81.3 |
| Vulnerable employment rate (%) | 14.4 | 9.8 | 12.2 |
| Unemployment rate (%) | 2.7 | 2.4 | 2.6 |
| Economic inactivity rate (%) | 17.0 | 20.5 | 18.7 |

Note: Foreign residents are those people residing in the Cook Islands who are neither Cook Islands Maori nor part Cook Islands Maori. As explained above, this is considered the most accurate way to estimate the foreign population. Definitions are provided on page 40.

Source: 2011 Cook Islands Population and Housing Census

Census data shows that foreign workers are mainly in the restaurant and accommodation sector where 369 foreigners are employed, representing just over one quarter (27%) of the jobs. The second biggest sector for foreign workers is wholesale and retail trade, with 196 employed (16% of that sector), followed by the 170 foreign workers in the community and personal services sector (35% of those jobs). The sectoral snapshots in the last chapter include more information on the number, countries of origin and skill level of jobs held by foreign workers in each sector.

During recent years the Ministry of Internal Affairs has maintained a database of foreign worker contracts that it reviews on request for the Ministry of Immigration. Just over 530 contracts have been processed in the two-year period between July 2012 and July 2014. The majority of these workers are from the Philippines (37%) or Fiji (35%), and around 10 per cent are from New Zealand, 7 per cent from Indonesia, 2 per cent from China and 1 per cent from Australia. The remaining 8 per cent of foreign workers originate from 22 countries in the Pacific, Southeast Asia, Europe and South America.

## Types of employment

Everyone who is employed has a particular *employment status*. This indicates whether they are paid or unpaid, and suggests the type of employment arrangements they may be subject to. There are five broad categories of employment in the Cook Islands: (a) self-employed (employer without employees); (b) employer; (c) full-time employee; (d) part-time employee; and (e) unpaid family work.

Most employed men and women are working as full-time employees, either in the private or public sector (). Women are more likely to be part-time employees (16%) than men (11%), as are young people aged 15-19 (35%).[[14]](#footnote-14) Few people work unpaid in a family businesses or farms (2%). A small proportion of people are self-employed (5%) or employers (4%), with this being more common among men than women. Foreign workers are also much more likely to be employers (11%) or self-employed (11%).

Figure – Employed by type of employment and sex, Cook Islands, 2011

Source: 2011 Cook Islands Population and Housing Census

Certain types of employment tend to be more vulnerable than others. They might be unpaid, or have an irregular income, or lacking in formal work arrangements and protection, and are hence exposed to more risks. According to the international definition, people who are self-employed (also known as ‘own account workers’) and unpaid family workers (also known as ‘contributing family workers’) are considered to be in vulnerable employment.[[15]](#footnote-15) In the Cook Islands, around 10 per cent of the employed population are in these forms of work: 12.0 per cent of men and 7.5 per cent of women.

The type of work people do differs significantly between Rarotonga and the outer islands (). Around 31 per cent of women in the southern and 26 per cent in the northern group primarily work on home duties rather than participating in the labour force, compared to 13 per cent of women in Rarotonga.

Figure – Distribution of population by main activity status, sex and location,   
Cook Islands, 2011

**Outside the labour force**

**Labour force** (employed + unemployed)

**Labour force** (employed + unemployed)

**Labour force** (employed + unemployed)

**Outside the labour force**

**Outside the labour force**

Note: Definitions are provided on page 40. ‘Pa Enua’ is the term for ‘outer islands’ in Cook Islands Maori.

Source: 2011 Cook Islands Population and Housing Census

### Paid work

On average, 69 per cent of adult men (age 15 and above) and 59 per cent of women are in paid employment; about the same as the last census in 2006 when it was 69 per cent for men and 58 per cent for women (Figure 6). However, the job market in the Cook Islands differs vastly between Rarotonga, Aitutaki, Atiu and the other outer islands. The majority of job opportunities exist in Rarotonga, the main island. Outside of there, the proportion in paid jobs is highest in the Northern Group, with 73.4 per cent of men and 52.8 per cent of women are in paid jobs. However, the size of the adult population in the northern group is small (650 people), and this equates to 437 people in paid work (268 men and 169 women).

Opportunities for paid work seem to be much lower in the southern Pa Enua where only 53.6 per cent of men and 40.6 per cent of women are in paid employment. The southern group has a higher proportion of people who are unemployed, involved in home duties, or retired.

Figure – Proportion of population (age 15+) in paid work, by location and sex, Cook Islands, 2011

Paid work: people who are employers, self-employed, or a paid employee (part-time or full-time).

Source: 2011 Cook Islands Population and Housing Census

### Public versus private sector

The private sector, with around 4,500 employees, is the main employer in the Cook Islands, providing almost two thirds (65%) of the jobs. Around one third (31%) of jobs are in the public sector (including state-owned enterprises), with a small proportion (4%) being other civil society organizations, such as religious organizations.

The private sector is most dominant in Rarotonga, where it employs 71 per cent of the employed population, and is strong in the southern group where it employs 55 per cent. It is only in the northern group where the private sector plays a minor role, with over three quarters (78%) of jobs being in the public sector (Figure 7).

**Most jobs are in the private sector**

Figure – Share of employment by private and public sector and location, Cook Islands, 2011

Note: Public sector includes state owned enterprises. Private sector includes partnerships, and self-employed/sole proprietor. ‘Other’ refers to ad-hoc organisations, religious organizations, and ‘other’ types of employers not elsewhere classified. Southern Group excludes Rarotonga.

Source: 2011 Cook Islands Population and Housing Census

## Occupations

The type of job people do tends to vary between men and women and between geographical locations. Across the Cook Islands workforce there are about 340 different occupations, including radio announcers, engineers, air traffic controllers, and musicians. The ten most common occupations for main activity are shown in Table 3 for the national level, and separately for Rarotonga in Table 4. Information was also collected about any secondary activity or job that people do, and this is discussed separately on page 8 above. The sector snap shots in the last chapter of this report combine both main and secondary activities.

Overall, the most common occupation is a manager with 545 people in these types of jobs, representing 6.7 per cent of men in employment and 9.1 per cent of women. Managers in the wholesale and retail trade sector are an additional, separate classification and are also among the top ten occupations (2.9% of employed men and 2.1% of women). When combined, these management roles represent over 10 per cent of jobs nationally. In Rarotonga, management is the top occupation for both men and women and these positions comprise almost 12 per cent of jobs.

Overall, the most common occupation for men is as a general labourer (8.1%) and for women it is a salesperson (9.1%). In terms of occupational segregation, men are more likely to be employed in construction and security jobs, and women are more often working as bar and waiting staff, accountants, bankers and financial controllers, and as receptionists and information clerks. Information on the types of occupations most common to each sector of the labour market are shown in the sector snap shots at the end of this report.

Table – Top ten occupations for main activity, by sex, Cook Islands, 2011

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Men** | | | **Women** | | |
| Occupation | Number | % of employed men | Occupation | Number | % of employed women |
| General labourers | 303 | 8.1 | Salesperson | 296 | 9.1 |
| Manager | 250 | 6.7 | Manager | 295 | 9.1 |
| Agriculture or grounds keeping labourers | 155 | 4.1 | Housekeepers and related workers | 174 | 5.3 |
| Salesperson | 129 | 3.5 | Bar and waiting staff | 140 | 4.3 |
| Chefs and cooks | 112 | 3.0 | Accountants, bankers and financial controllers | 122 | 3.7 |
| Wholesale and retail trade managers / directors | 108 | 2.9 | Receptionists and information clerks | 111 | 3.4 |
| Construction carpenters and builders | 98 | 2.6 | Chefs and cooks | 99 | 3.0 |
| Security guards | 61 | 1.6 | Primary teachers | 99 | 3.0 |
| Police officers | 60 | 1.6 | Wholesale and retail trade managers / directors | 67 | 2.1 |
| Caretakers and cleaners | 56 | 1.5 | Cashiers and ticket clerks | 66 | 2.0 |

Table – Top ten occupations for main activity, by sex, Rarotonga, 2011

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Men** | | | **Women** | | |
| Occupation | Number | % of employed men | Occupation | Number | % of employed women |
| Manager | 209 | 7.3 | Manager | 262 | 10.1 |
| General labourers | 177 | 6.2 | Salesperson | 240 | 9.3 |
| Salesperson | 108 | 3.8 | Housekeepers and related workers | 136 | 5.2 |
| Wholesale and retail trade managers / directors | 99 | 3.5 | Accountants, bankers and financial controllers | 113 | 4.4 |
| Chefs and cooks | 99 | 3.5 | Bar and waiting staff | 105 | 4.1 |
| Agriculture or grounds keeping labourers | 88 | 3.1 | Receptionists and information clerks | 91 | 3.5 |
| Construction carpenters and builders | 82 | 2.9 | Chefs and cooks | 86 | 3.3 |
| Security guards | 58 | 2.0 | Primary teachers | 63 | 2.4 |
| Police officers | 48 | 1.7 | Wholesale and retail trade managers / directors | 62 | 2.4 |
| Accountants, bankers and financial controllers | 46 | 1.6 | Cashiers and ticket clerks | 59 | 2.3 |

## Industries or sectors of employment

The economy is divided into three broad sectors: (a) agriculture, including farming, fishing, pearl farming and logging; (b) industry, including manufacturing, construction and mining; and (c) services, including tourism, retail sales, public administration, transportation, education and health.

Examining only main activity, the services sector employs the greatest number of people (5,835 jobs) and represents 84 per cent of all employment in the Cook Islands. By comparison, the agriculture sector is only 4 per cent (303 jobs) and industry, including mining, manufacturing and construction, provides 12 per cent or 800 jobs.[[16]](#footnote-16)

**Services is the largest sector of employment**

Figure – Number in employment by sector, Cook Islands, 2011

Source: 2011 Cook Islands Population and Housing Census

Within these three sectors are a number of sub-sectors, with the number employed in each shown in Figure 9. A snap shot of each sector, outlining the total number of jobs, proportion of foreign workers, occupations and skill levels of those employed, is provided in the chapter below.

*Important to know*

This classification of employment sectors is based on the International Standard Industry Classification (ISIC), maintained by the International Labour Organization (ILO).

Using a standard classification facilitates international comparison.

**Restaurants and accommodation biggest sector of employment**

Figure – Sectors of employment, by number and sex of those employed as main activity,   
Cook Islands, 2011

Source: 2011 Cook Islands Population and Housing Census

Table - Sectors of employment, by number and sex of those employed as main activity,  
Cook Islands, 2011

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Industry sector | Men | Women | Total | % Women | Foreign | % Foreign |
| Restaurants and Accommodation | 543 | 826 | 1,369 | 60 | 369 | 27 |
| Public Administration | 706 | 556 | 1,262 | 44 | 72 | 6 |
| Wholesale and retail trade | 602 | 603 | 1,205 | 50 | 196 | 16 |
| Finance and Business Services | 331 | 381 | 712 | 54 | 129 | 18 |
| Community and Personal Services | 257 | 227 | 484 | 47 | 170 | 35 |
| Education and Health | 109 | 317 | 426 | 74 | 96 | 23 |
| Construction | 381 | 32 | 413 | 8 | 57 | 14 |
| Transport and Communication | 268 | 109 | 377 | 29 | 37 | 10 |
| Mining and Manufacturing | 210 | 107 | 317 | 34 | 48 | 15 |
| Agriculture | 146 | 22 | 168 | 13 | 14 | 8 |
| Fishing and Pearl | 97 | 38 | 135 | 28 | 26 | 19 |
| Electricity and Water Supply | 58 | 12 | 70 | 17 | 5 | 7 |
| Total employed | 3,708 | 3,230 | 6,938 | 46 | 1,219 | 18 |

Note: public administration excludes education and health in this table. Only main activity is taken into consideration in this table, whereas the sectoral snapshots at the end of this report combine both main and secondary jobs.

Source: 2011 Cook Islands Population and Housing Census

As Table 5 shows, women comprise a significant proportion of those employed (46%) and hold the majority share of jobs in education and health (74%), restaurants and accommodation (60%) and finance and business services (54%). Women hold about one third (30%) of the top decision-making positions in the Cook Islands. These include members of parliament, senior government officials, company directors, chief executives and senior executives. According to the census, there are a total of 190 people in these positions (131 men and 58 women).

## Income

The census gathered information from each individual aged 15 and above about their sources of income and the total income they received over the past 12 months from all sources. The main source of income for both men and women are from wages, salaries paid by their employer, with 72 per cent of men and 62 per cent of women receiving income from this source (). Around 16 per cent of men and 17 per cent of women receive the old age pension (which is not means tested). A proportion of men (13%) and women (15%) reported that they receive no income. More than half (51%) of those reporting no income are aged 15-19 and most of them (72%) are still students, with the others being unemployed (15%) or doing home duties (13%).

**Wages are a source of income for most men and women**

Figure – Sources of income for population aged 15 and above, by sex, Cook Islands, 2011

Note: People can have multiple sources of income.

Source: 2011 Cook Islands Population and Housing Census

The sources of income vary slightly between the outer islands and Rarotonga (). Residents of the southern Pa Enua are less likely to have wages as a source of income than elsewhere in the country, with only 57 per cent of men and 43 per cent of women getting some income from an employer. They are more likely to be collecting the old age pension (22% of men in the southern group and 25% of women) or have no income (17% of men and 20% of women).

The ‘other’ source of income was indicated by a large proportion of women, particularly in the outer islands (18% of women in the southern group and 19% in the northern). It is possible this relates to remittances – money being sent home by workers who have migrated to work elsewhere within the country or overseas. There was no specific question on remittances.

Table – Main source(s) of income for population aged 15 and above (% of population), by sex and location, Cook Islands, 2011

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Rarotonga** | | | **Southern Pa Enua** | | | **Northern Pa Enua** | | |
| Source of income | Men (%) | Women (%) | Total (%) | Men (%) | Women (%) | Total (%) | Men (%) | Women (%) | Total (%) |
| Wages, salaries, commission etc. paid by employer | 76 | 68 | 72 | 57 | 43 | 50 | 76 | 58 | 68 |
| Old age pension | 14 | 15 | 15 | 22 | 25 | 24 | 12 | 15 | 13 |
| No income | 11 | 14 | 12 | 17 | 20 | 18 | 14 | 17 | 15 |
| Self-employment | 16 | 10 | 13 | 10 | 6 | 8 | 5 | 8 | 7 |
| Other source | 3 | 8 | 6 | 6 | 18 | 12 | 1 | 19 | 9 |
| Interest, dividends, rent, other investment | 4 | 4 | 4 | 1 | 1 | 1 | 0 | 1 | 0 |
| Superannuation - GSF | 4 | 3 | 3 | 6 | 6 | 6 | 4 | 5 | 4 |
| Superannuation - NSF | 3 | 2 | 2 | 2 | 1 | 1 | 0 | 1 | 1 |
| Other pensions\* | 1 | 1 | 1 | 3 | 4 | 9 | 3 | 3 | 30 |

Note: columns do not add up to 100 per cent as people can have multiple source of income.  
\* Other pensions include destitute, infirm/invalid, and war veteran's pensions.

Source: 2011 Cook Islands Population and Housing Census

shows how the income levels of wage earners are distributed. The most common level of income for men and women is $10,000 - $14,999 (New Zealand dollars (NZD)). Although there are slightly more men earning a wage than women (2,515 and 2,245, respectively), the distribution of income level is similar, with the majority earning less than $25,000 per year.

**Small gender gap in average wages**

Figure – Distribution of average annual income of wage earners, by sex, Cook Islands, 2011

Note: currency is New Zealand dollars.

Source: 2011 Cook Islands Population and Housing Census

It is possible to estimate average hourly wages based on the population with only one job and with wages as their sole source of income (almost 5,000 people). As annual earnings are reported in ranges (e.g. $10,000 - $14,999), estimating the average hourly wage involves taking the mid-point of each range (e.g. $12,500) and then using the hours worked per week to determine the average wage.

Average earnings are much higher in Rarotonga than the outer islands (). Young people (aged 15-24) earn less than the average adult population at around six dollars per hour and people with a disability earn close to the average hourly wage.

Table – Estimates of average hourly wages (in New Zealand dollars) for those employed in one job, Cook Islands, 2011

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Male  (NZ$) | Female  (NZ$) | Total  (NZ$) | Number of wage earners |
| **Cook Islands** | **9.99** | **9.71** | **9.86** | **4,744** |
| Rarotonga | 11.27 | 10.48 | 10.88 | 3,662 |
| Southern Group | 6.58 | 7.13 | 6.81 | 752 |
| Northern Group | 5.82 | 4.77 | 5.46 | 330 |
|  |  |  |  |  |
| Agriculture | 8.62 | 6.13 | 8.27 | 51 |
| Fishing and pearl farming | 6.97 | 8.20 | 7.28 | 68 |
| Mining and manufacturing | 9.56 | 8.06 | 9.17 | 203 |
| Electricity and water supply | 15.14 | 9.92 | 14.30 | 56 |
| Construction | 9.08 | 10.36 | 9.15 | 268 |
| Wholesale and retail trade | 9.04 | 8.31 | 8.68 | 830 |
| Transport and communication | 11.29 | 12.45 | 11.60 | 268 |
| Restaurants and accommodation | 8.18 | 7.85 | 7.98 | 1024 |
| Finance and business services | 12.57 | 14.15 | 13.47 | 458 |
| Community and personal services | 9.09 | 7.87 | 8.46 | 300 |
| Public administration  (including education and health) | 11.23 | 11.57 | 11.38 | 1,553 |
|  |  |  |  |  |
| Youth (age 15-24) | 5.99 | 5.96 | 5.98 | 996 |
| People with a disability | 10.29 | 10.49 | 10.38 | 454 |

Note: the number of wage earners includes those who only have one job (i.e. they answered no to census question P32 on secondary activity).

Source: 2011 Cook Islands Population and Housing Census

## Unemployment

The unemployment rate is 8.2 per cent for men and 8.1 per cent for women. These estimates may be higher than is really the case because people self-identify as ‘unemployed’, without being asked if they are actively seeking work and are available should a job be offered to them (see Box 2). Unemployment rates are much higher in the southern Pa Enua, where close to 18 per cent of the labour force is unemployed (Table 8). Unemployment is also high among vulnerable groups, such as people with a disability and youth.

Overall, there are just over 700 people who classified themselves as unemployed. The majority of these (58%) have no school or other qualifications and only 14 of them are undertaking further studies or training.

**Box 2 – What is unemployment?**

People are usually considered to be unemployed if they: (a) did not work or have a job to go to; (b) spent time looking for work; and (c) were available to work if a job was offered to them.

In the 2011 census, ‘unemployment’ was one of the categories that respondents could select when asked about their activity status. There were some follow up questions about being involved in paid work and availability if work was offered, but the question on availability was not asked of everyone who identified as unemployed. For the next census, these questions could be revised so it is possible to classify unemployment according to the three conditions above.

Refer to the International Labour Organization website for more information on international definitions of unemployment - <http://laborsta.ilo.org/applv8/data/c3e.html>.

**Unemployment is highest in Southern Pa Enua**

Table – Unemployment rate\*, Cook Islands, 2011

|  |  |  |  |
| --- | --- | --- | --- |
|  | Male (%) | Female (%) | Total  (%) |
| **Cook Islands** | **8.2** | **8.1** | **8.2** |
| Rarotonga | 6.5 | 6.1 | 6.3 |
| Southern Group | 16.4 | 16.6 | 16.5 |
| Northern Group | 5.8 | 11.9 | 8.2 |
|  |  |  |  |
| People with a disability | 14.7 | 19.2 | 16.5 |
| Youth (age 15-24) | 17.2 | 16.5 | 16.9 |

\* The unemployment rate is the proportion of the labour force that is unemployed. It is calculated by dividing the total number of unemployed people by the total in the labour force (employed + unemployed) and then multiplied by 100.

Source: 2011 Cook Islands Population and Housing Census

The unemployment rate is much higher among young people, particularly those aged 15-19. More than one in four (28%) of the 520 teenagers who are in the labour force are out of a job. The report on youth, being published as part of this series, provides more information about the situation of young people in the Cook Islands.

**Young people are most vulnerable to unemployment**

Figure – Unemployment rate (%) by age, Cook Islands, 2011

Source: 2011 Cook Islands Population and Housing Census

## Outside the labour force

People who are neither employed nor unemployed, and are not available for work, are counted as outside the labour force. This may be so for a range of reasons, such as being retired, a student, full-time homemaker, being unable to work, or simply choosing not to work. For the last census, the reasons for not working were limited to being a full-time student, home duties and retired. Almost 3,100 adults are outside the labour force, more so women than men: 23 per cent of men and over one third (35%) of women.

Most women outside the labour force are doing home duties (52%) compared to 24 per cent of men. The main reason men do not participate in the labour force is being retired (47%) or a student (29%). For women, 28 per cent of those outside the labour force are retired and 20 per cent are students. As shown in Figure 13, the reasons for being outside the labour force are similar in the outer islands to those living in Rarotonga.

**Women are more likely to be outside the labour force**

Figure – Reason for not being in the labour force (age 15 and above), by sex, Cook Islands, 2011

Source: 2011 Cook Islands Population and Housing Census

**Box 3 – Valuing unpaid household and care work**

There are many types of work, both paid and unpaid. Work to produce goods (e.g. vegetables, fish) for own consumption, or for sale, is generally counted towards economic production. However, unpaid household and family care work is not considered employment, or counted as an economic contribution towards the gross domestic product (GDP). As this essential work is excluded from labour statistics, its contribution to the economy is often undervalued.

This traditional way of measuring the economy has been long criticized for its bias against women who tend, more so than men, to be outside of the labour force due to child care and other family responsibilities in the home. To address this, countries have been encouraged to find ways to estimate the contribution of unpaid household work (and volunteer work), such as through the production of time use statistics. More information is available from Developing Gender Statistics (United Nations Economic Commission for Europe, 2010) at [www.unece.org/?id=17450](http://www.unece.org/?id=17450).

# Economic activities of households

Production of crops or fishing are an important source of livelihood for most households in the Cook Islands. Almost two thirds (72%) of the 4,370 households across the country are involved in some kind of agricultural activity, mainly for subsistence purposes (63%). Fishing activities are also done by just over one third of households (38%) with the proportion being much higher in the southern and northern groups (60% and 85% respectively). Economic activities of households are either for subsistence purposes (i.e. own consumption), commercial, or a combination of both.

**Box 4 – What does the census tell us about the economic activities of households?**

In addition to gathering information on individual economic activity, the census gathered data on the extent that households are engaged in producing their own food and/or generating income from such activities. This included:

* Engagement in agricultural activity for subsistence, commercial, both or none
* Types of crops grown by households (e.g. vegetables, fruit and tree crops)
* Engagement in fishing activity for subsistence, commercial, both or none
* Whether fishing is conducted within the reef/lagoon, outside the reef or both
* Whether the household is engaged in pearl farming or not

## Subsistence production

Most households produce some form or crop for own-use (Figure 14). Subsistence production is more common in the remote northern group (85% of households), where the options and cost of importing produce encourages households to grow what they can themselves. Even on the main island, the majority of households (59%) are involved in subsistence production. Fruit and tree crops were the most common form of crop grown by households in Rarotonga, the southern group and the northern group (42%, 46% and 45% respectively). Flowers were also grown by around 35 per cent of household in each location. The main geographical difference is the proportion that grow vegetable, spice or herb crops, with this being more common in the northern group (44% of households) than in the southern group (36%) or Rarotonga (28%). No information was collected on the keeping of livestock for subsistence.

**Most households grow some of their own food**

Figure – Proportion of households involved in agriculture for subsistence, by location, Cook Islands, 2011

Source: 2011 Cook Islands Population and Housing Census

Fishing for subsistence purposes is less common across the Cook Islands with 38 per cent of households engaged in this economic activity (Figure 15). However, only 27 per cent of Rarotongan households that rely on fishing, with it being an important source of livelihood for most residents of the outer islands.

**Subsistence fishing most common in Northern group**

Figure – Proportion of households involved in fishing for subsistence, by location, Cook Islands, 2011

Source: 2011 Cook Islands Population and Housing Census

## Commercial production

Around 9 per cent of households produce crops and 5 per cent of households fish for commercial purposes (either solely for that purpose or in combination with subsistence production). Commercial production is most common for households in the southern group, particularly Atiu, where 25 per cent of households conduct agricultural activities for commercial purposes. Of the 101 households in Pukapuka, more than one third (38%) are involved in commercial fishing.

Figure – Commercial production of agricultural crops / fishing by location, Cook Islands, 2011

Source: 2011 Cook Islands Population and Housing Census

Overall, few households in the Cook Islands are involved in pearl farming (1%). However, this is an important economic activity in the northern group, particularly for Manihiki, where 49 per cent of households are engaged in pearl farming, and Rakahanga (14%).

# Overview of each economic sector

Following are brief overviews of the size and characteristics of the labour force by the main economic sectors. The snapshots include the number of employees, proportion of foreign workers per sector and their main countries of origin, estimates of the average hourly wage for men and women, the most common occupations in the sector, and the relative skill level of jobs occupied by Cook Islanders versus foreign workers.

There are a number of things that readers should note in their interpretation of the sectoral overviews:

**Foreign workers**

The most accurate method to estimate the foreign population is based on ethnicity, with ‘foreigners’ being all those who are not Cook Islands Maori or part Cook Islands Maori. Nationality or place of birth is not used to estimate the foreign-born population as all Cook Islanders have New Zealand nationality (there is no option for Cook Islands nationality) and many Cook Islanders are born in New Zealand.

**Determining the skill levels of occupations**

Each major occupation group is mapped to a level of skill between 1 (low skill) to 4 (high skill), based on the International Standard Classification of Occupations (ISCO). For example, occupation group 1 is “Managers” and these jobs are all counted as skill level 4. Skill level is based solely on the occupation code allocated when processing the census data, and not on any assessment of the work carried out, nor on the level of education of the job occupant.

**Total jobs not people**

Each sectoral overview includes the total number of jobs, by combining both the main and secondary activity of individuals in the analysis (except for public administration, which only includes individuals working in that sector as their main activity). Therefore, those 600 or so people with two jobs are counted twice – once in the sector of their main activity, and again in the sector of their secondary activity. In total, there are about 7,120 jobs across all sectors.

**Unclassified records**

About 540 persons with jobs did not state which industry they worked in, or the record was not allocated an industry code during processing, and are therefore excluded from this analysis.

**Estimating average hourly wages**

The hourly wage estimates are based on taking the mid-point of the annual income range reported (e.g. people that indicated they earned 20,000 - 24,999 are considered to have earned 22,500), dividing this by 52 to get weekly income, then dividing by the number of hours per week that the respondent reported they worked. Only respondents with one job and one source of income, being “wages, salaries, commissions, bonuses, etc. paid by employer” are used as a basis for estimating hourly wages. This equates to about 4,800 people, or about 70 per cent of those in paid employment.

# Definitions

**Economic inactivity rate (%)** – number outside of the labour force / total population x 100

**Employed** – the standard international definition of employment relates to people who worked for pay or profit for at least one hour during the week before the census. The 2011 Cook Islands census used self-classification to determine if someone is employed, unemployed, or outside the labour force.

**Employment to population ratio (%)** – the proportion of the population that are employed (employed / total population x 100).

**Foreign worker** – any resident with Cook Islands Maori or part Cook Islands Maori ethnicity. Ethnicity, is considered the best available method to estimate the foreign population as all Cook Islanders have a New Zealand passport or nationality (there is no option for ‘Cook Islands’ nationality on the census form) and place of birth is not used to estimate the foreign-born population as many Cook Islanders are born in New Zealand.

**Labour force** – everyone who is either employed or unemployed.

**Labour force participation rate (%)** – number in the labour force (employed + unemployed)/ total population x 100

**Outside the labour force** – those who are not employed or unemployed. The reasons for being outside the labour force were limited to full-time students, home duties or retired.

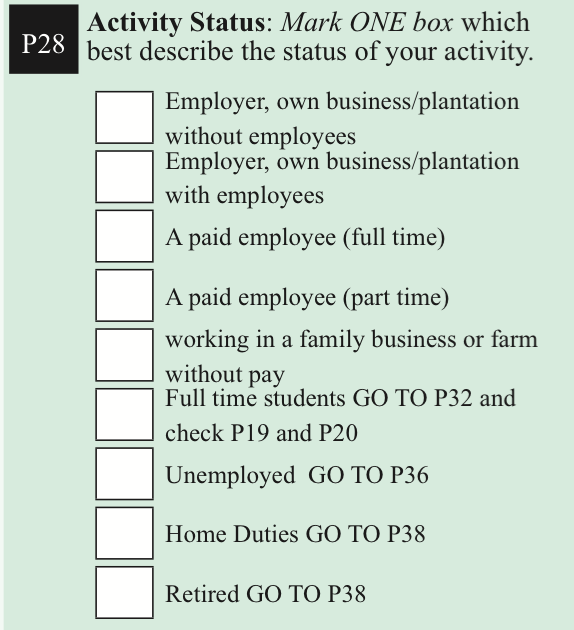
**Pa Enua** – the term for ‘outer islands’ in Cook Islands Maori.

**Paid employment or work** – those who are employers, employers without employees (self-employed), or a paid employee (part-time or full-time)

**Paid work to population ratio (%)** – the proportion of the population that are in paid employment (based on above definition of paid employment) (paid employed / total population x 100)

**Unemployed** – by international definition, these should be people who are not employed, do not have a regular job to go to, are looking for work and are available to work should a job be offered to them. The 2011 Cook Islands census used self-classification to determine if someone is employed, unemployed, or outside the labour force (see Figure 17).

Figure - Question used in the 2011 Cook Islands Population and Housing census to determine activity status



**Unemployment rate (%)** – number of unemployed / total number in the labour force x 100

**Vulnerable employment rate (%)** – number of people in vulnerable jobs (i.e. self-employed or unpaid family workers) / total number employed x 100

**Youth** – people aged between 15 and 24 years old, inclusive.

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# About this report

The 2011 Cook Islands population and housing census is a valuable source of information on the labour force and economic activity. This report highlights the type of evidence available from the census. It aims to inform economic and social development by strengthening the evidence base on employment and economic production across the country.

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Ministry of Finance and Economic Management building

Avarua, Rarotonga

Hours: 8:00am – 4:00pm, weekdays (excluding public holidays)

1. Includes French Polynesia, Kiribati, Niue, Samoa, Solomon Islands, Tuvalu, Tonga, and Vanuatu. [↑](#footnote-ref-1)
2. Ministry of Finance and Economic Management. 2012. *Cook Islands 2011 Census of Population and Dwellings: Main Report*. Available at <http://tinyurl.com/ot2abk6>. [↑](#footnote-ref-2)
3. UNFPA. 2014. Population and Development Profiles: Pacific Islands Countries. [↑](#footnote-ref-3)
4. Cook Islands Government. 2015. *Quarterly National Accounts: June Quarter 2014*. Available online at [www.mfem.gov.ck/economic-statistics/national-accounts](http://www.mfem.gov.ck/economic-statistics/national-accounts). [↑](#footnote-ref-4)
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6. Secretariat of the Pacific Community (SPC). SPC working with the Cook Islands: 2013 Annual Report. [↑](#footnote-ref-6)
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8. UNFPA. 2014. Population and Development Profiles: Pacific Islands Countries. [↑](#footnote-ref-8)
9. World Bank. 2014. World Development Indicators: Table 2.2 Labour force structure. Available online at <http://wdi.worldbank.org/table/2.2>. [↑](#footnote-ref-9)
10. The international definition of unemployment is determined through the International Labour Organization. See 19th International Conference of Labour Statisticians, 2013, Resolution concerning statistics of work, employment and labour underutilization, for the latest definition. [↑](#footnote-ref-10)
11. The unemployment rate is the per centage of the labour force (i.e. employed + unemployed) that is unemployed. [↑](#footnote-ref-11)
12. Skill levels of jobs are determined based solely on the occupation in which people work and does not involve any assessment of qualifications, experience, income or any other characteristics. Using recommendations from the International Labour Organization (ILO), each occupation is mapped to a level of skill between 1 (low skill) to 4 (high skill), based on the International Standard Classification of Occupations (ISCO). For example, one occupation group is “Managers” and these jobs are all counted as skill level 4 (high skilled). Skill level is based solely on the occupation code allocated when processing the census data, and not on any assessment of the work carried out, nor on the level of education of the job occupant. [↑](#footnote-ref-12)
13. Includes French Polynesia, Kiribati, Niue, Samoa, Solomon Islands, Tuvalu, Tonga, and Vanuatu. [↑](#footnote-ref-13)
14. A report on Young People in the Cook Islands has been produced as part of this series on the 2011 population and housing report. It provides more specific information on young people in the labour force. [↑](#footnote-ref-14)
15. United Nations Millennium Development Goal (MDG) indicator metadata. <http://mdgs.un.org/unsd/mdg/Metadata.aspx?IndicatorId=0&SeriesId=772> [↑](#footnote-ref-15)
16. Secondary jobs have not been allocated an industry code that allows for comparable grouping with primary jobs and are therefore excluded from this analysis. [↑](#footnote-ref-16)