



**St Helena
Government**

2022 Business Survey

Report

Statistics Office

July 2023

How to contact us

This report, and the data used to prepare the tables and charts, are available from the St Helena Statistics Office website at <http://www.sainthelena.gov.sh/statistics>.

For any comments, questions, or requests for additional analyses, please contact the Statistics Office by email at statistics@sainthelena.gov.sh, by telephone at +290 22138, in person at the top floor of the Post Office Building, Jamestown, or by mail at The Post Office Building, Jamestown, St Helena, STHL 1ZZ.

In this report, totals may not add to the sums of components, due to rounding.

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2022 St Helena Business Survey

Introduction and background

1. This report provides the main results and methodology of the 2022 Business Survey, conducted by the Statistics Office of the St Helena Government between July and December of 2022.
2. The target population of this survey included all private enterprises on St Helena with employees, including not-for-profit businesses. Sole traders were not included.
3. Previous surveys of this type include the 2018 and 2019 Business Surveys, and the 'Private Sector Enterprise Employment Surveys' of 2004 and 2010. The major difference between the surveys conducted in 2004 and 2010 and those conducted from 2018 onwards was that their target population included sole traders.
4. The target population included businesses that are owned by St Helena Government, either partially or completely, but it did not include the St Helena Government itself, or related statutory bodies.

Acknowledgments

5. Gratitude is extended to the businesses who participated in the survey and who took the time to complete the questionnaire.

Survey objective

6. The primary objective of this survey was to provide a current picture of the business environment in relation to the private sector, and to identify those occupations that are currently hard to recruit and are constraining the private sector (i.e., 'shortage occupations'). The timing of the survey was chosen to correspond to the ending of travel restrictions and mandatory quarantine on St Helena, in relation to the COVID-19 pandemic.

Design

7. The 2022 Business Survey was conducted under the legal framework provided by the 2000 Statistics Ordinance.
8. A register of businesses with employees, maintained by the Statistics Office, was used to identify businesses to be included in the survey. Any new businesses identified during the survey period were added to the register.
9. The 2022 survey questionnaire was based on the one used in 2019, with some changes following feedback from users (see Annex 1). The most significant change was that Schedule B, which collected financial information for computing estimates of Gross Domestic Product (GDP), was not included in the 2022 survey.
10. To publicise the survey and encourage good response, a press release was issued. Enumerators made initial contact with businesses through a visit or telephone call.

Response rate and data quality

11. The total number of responses from businesses with employees was 72, out of a total 139 business identified as active in the register of the Statistics Office. This is a very low response rate (around 52%), despite follow-up calls and attempts to visit those business who did not return the survey questionnaire.

12. The timing of the survey, just before the ending of mandatory quarantine for international arrivals, was likely a major factor in this low response. For instance, of the 24 businesses potentially operating in the Food and Accommodation industries (one of the sectors hardest hit by the drop in arrivals of visitors), a response was obtained from only eight. Additionally, the follow-up period for the survey coincided with the large-scale outbreak of COVID-19 in the community, which also affected the survey response.

13. The relatively low response rate inevitably has an impact on the accuracy and usefulness of this survey, and users should bear this in mind. In particular, the survey should not be considered to be representative of the population of all businesses with employees, especially because of the low response among Food and Accommodation businesses.

Classification of businesses

14. Businesses are categorized by their primary industrial sector using the highest level of the International Standard Industrial Classification (ISIC Revision 4). All responses of a business are allocated to their main industrial classification, rather than to each individual activity unit, unless separate responses were obtained for these units. The need to ensure that confidential information is not disclosed, as required by the 2000 Statistics Ordinance, means that industry groups may be further summarized.

15. Like the 2018 and 2019 surveys, businesses with ten or more employees are classed as 'Larger', and those with less than ten as 'Smaller'. 54 businesses responding to the survey were Smaller, with 18 Larger businesses.

16. The list of occupations which businesses reported as difficult to recruit were classified using the lowest level of the International Standard Classification of Occupations (ISCO 2008), which enables reporting at any of the three higher levels used in the classification.

Data processing

17. For the 2022 survey, only a paper questionnaire was used (an on-line form was not offered, because it was not used extensively by businesses in the 2019 survey). The data was entered into an electronic database using the Excel software.

The Workforce

18. The low response means that it is not possible to estimate the total private sector workforce (excluding sole traders) from this survey. However, the estimated workforce of responding businesses was 936, which is 71% of the workforce of businesses responding to the 2019 survey (Table 1).

Table 1. Survey coverage: Businesses with employees

Sector	ISIC Rev 4 Groups	Responses		Employees	
		2019	2022	2019	2022
Production ¹	A-E	22	11	210	121
Construction	F	22	15	153	102
Wholesale and retail trade, repair of motor vehicles, transportation	G-H	39	20	560	519
Accommodation and food service activities	I	27	8	157	27
Finance, insurance, information, communication, real estate	J-L	9	4	90	72
All other service activities	M-S	23	14	157	95
Total		142	72	1,327	936

¹ Production includes agriculture, forestry, fishing, quarrying, manufacturing, electricity, water, and sanitation; separate reporting for these sectors is not possible because of the low response.

19. Table 1 shows the number of businesses by major industrial activity. Wholesale and Retail trade, Repair of Motor Vehicles, and Transportation was the sector with most responding businesses, and they employed 55% of employees in the sample - by far the most of any sector. Response in businesses in the Accommodation and Food Service industry was particularly poor (8 responses in 2022, compared to 27 in 2019), likely because of the impact of COVID-19 restrictions around the time that the survey was conducted.

20. St Helena's private sector business environment has a large number of small businesses with less than ten employees; only 18 businesses of the 72 that responded employ ten or more. However, those 18 larger businesses employed 731 people, around 78% of those employed in the private sector.

21. The survey asked businesses to report the number of people working in their business at the end of March 2022, by male/female (Chart 1) and whether they are full-time or part-time (Chart 2).

22. The pattern of workers by male/female is very similar to the 2018 and 2019 survey. Overall, there were slightly more male workers (55%) than female workers (45%) in the private sector on St Helena. Male workers dominate the Production sectors (Construction, Agriculture, Forestry, Fishing, Quarrying, Manufacturing and Utilities). There are more female than male workers in the Wholesale and Retail Trade and Transportation sectors, and in the service industries, including Finance, Insurance, Information, Communication and Real Estate. Note that Transport and Motor Vehicle Repair is likely to employ more males than females, although it is included with Retail and Wholesale Trade.

Chart 1. Number of employees by male/female and industry at end March 2022

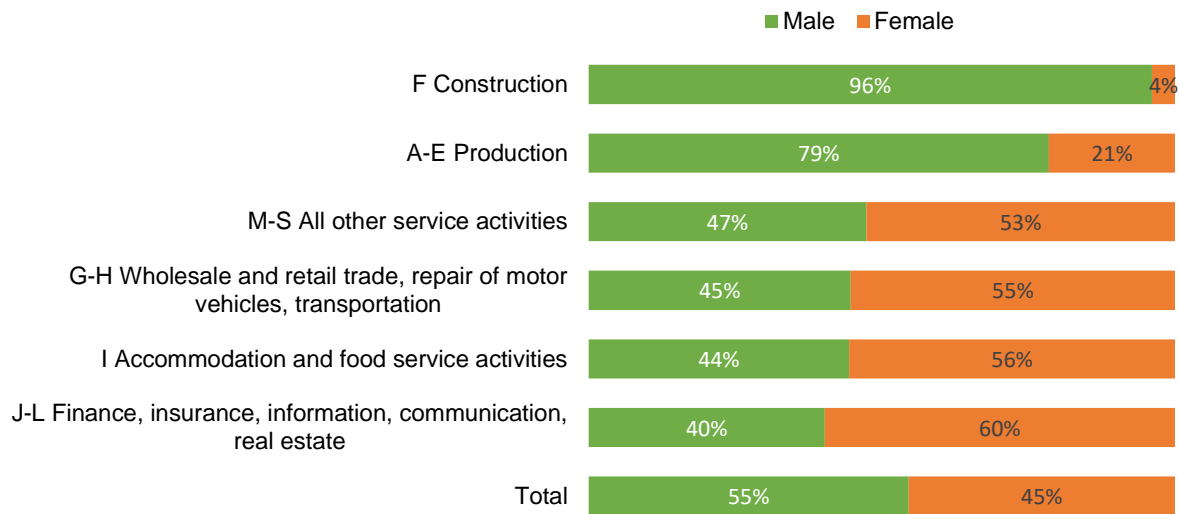
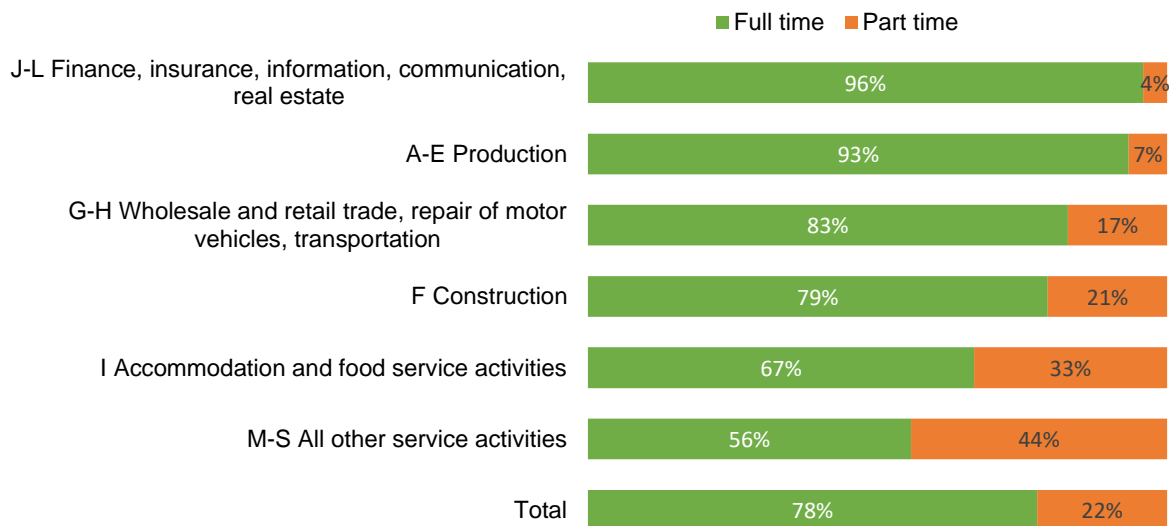


Chart 2. Number of employees by full-time/part-time and industry at end March 2022



23. The pattern of part-time and full-time workers is also consistent with the 2018 and 2019 surveys: Other Services and Accommodation and Food Service industries tend to employ more part-time workers than other sectors, with Finance, Insurance, Information, Communication and Real Estate, and Production, and tending to employ mostly full-time workers.

24. The questionnaire asked businesses to identify any occupations which are difficult to recruit locally, and to identify the impact these labour shortages have on their business (the scale was minor, moderate, or severe in both cases). Table 2 identifies those occupations for which at least two businesses reported at least a moderate difficulty in recruitment and at least a moderate impact in either 2019 or 2022.

Table 2. Shortage occupations

Occupation	Number of businesses	
	2019	2022
1 Managers	2	2
Supply, Distribution and Related Managers	-	2
Hotel Managers	2	-
2 Professionals	4	-
Authors and Related Writers	2	-
Journalists	2	-
3 Technicians and Associate Professionals	7	-
Chefs	5	-
Information and Communications Technology User Support Technicians	2	-
4 Clerical Support Workers	-	-
5 Services and Sales Workers	6	-
Waiters	3	-
Shop Sales Assistants	3	-
6 Skilled Agricultural, Forestry and Fishery Workers	-	-
7 Craft and Related Trade Workers	10	7
Bricklayers and Housebuilders	5	4
Air Conditioning and Refrigeration Mechanics	2	-
Motor Vehicle Mechanics and Repairers	1	3
Welders and Flame cutters	2	-
8 Plant and Machine Operators and Assemblers	-	2
Bus Drivers	-	2
9 Elementary Occupations	2	4
Civil Engineering Labourers	-	4
Cleaners and Helpers in Offices, Hotels and Other Establishments	2	-

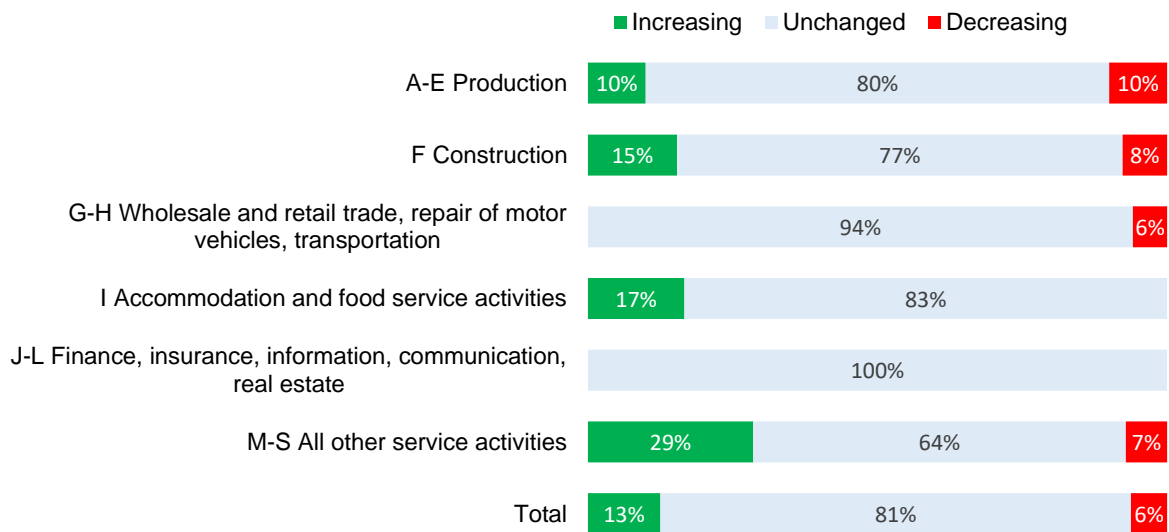
Notes: Includes any occupation for which two or more businesses responded moderate or severe recruitment difficulty and moderate or severe impact, in either 2019 or 2022. Occupations have been coded using the 2008 International Standard Classification of Occupations (ISCO), <https://www.ilo.org/public/english/bureau/stat/isco>.

25. Responding businesses reported recruitment and retention difficulties for several occupations, but only relatively few were reported by two or more in 2022; these were Supply and Distribution Managers, Bricklayers and Housebuilders, Motor Vehicle Mechanics and Repairers, Bus Drivers, and General Labourers.

The Business Environment

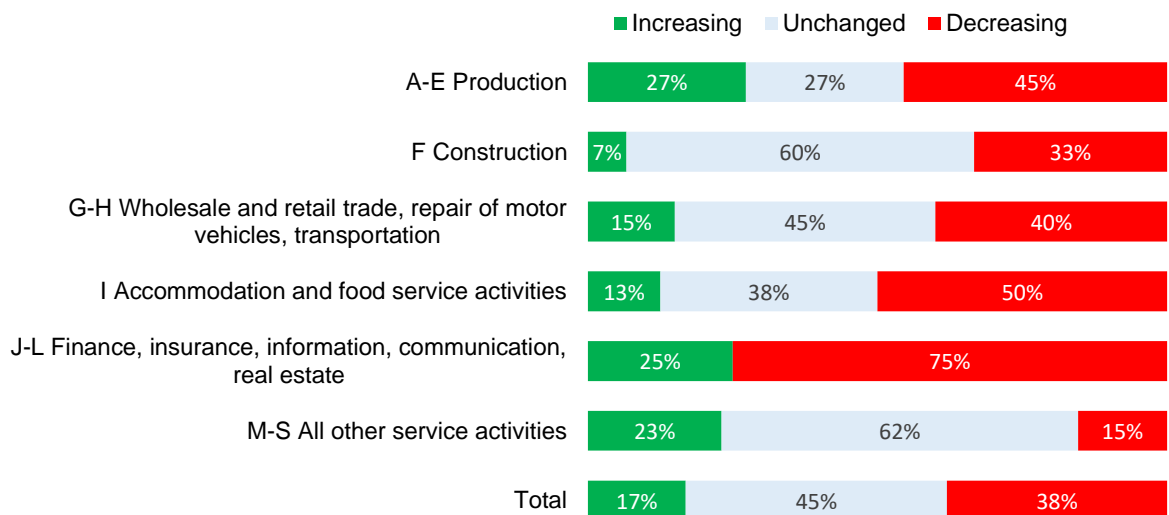
26. As in previous surveys, most responding businesses expected the size of their workforce to be largely unchanged next year (Chart 3). Industries with slightly better expectations for employment were Service Activities and Accommodation and Food Service Activities.

Chart 3. Percent of businesses reporting an expected increase or decrease in the workforce, by sector



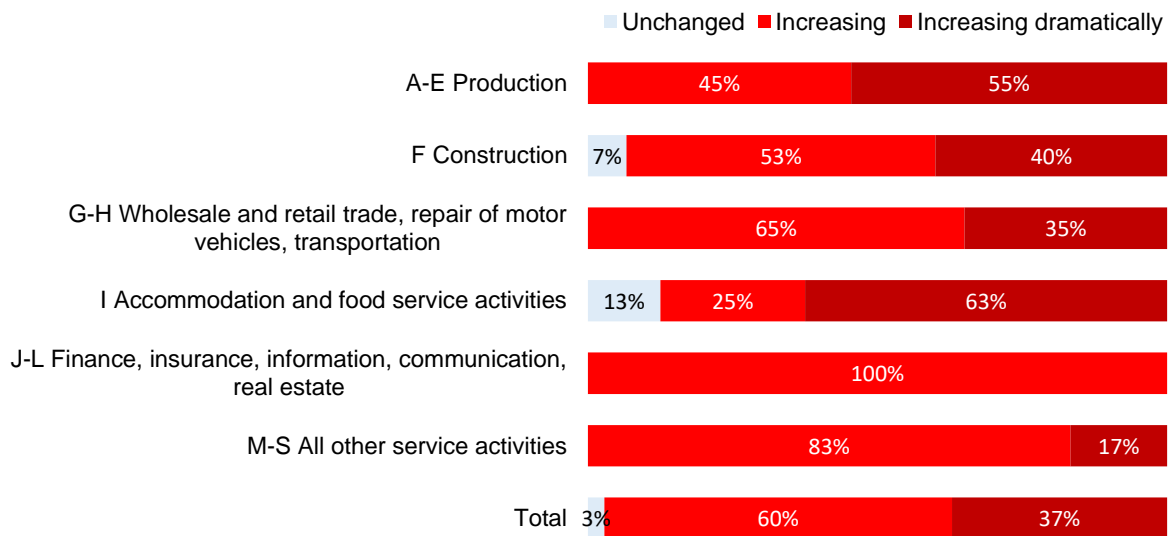
27. Around 38% of all responding businesses reported that demand is decreasing, with 45% indicating unchanged demand and 17% increasing demand. Businesses in most sectors seem affected by this; only in Other Service Activities did more businesses report that they are experiencing an increase in demand rather than a decrease.

Chart 4. Percent of businesses reporting an increase or decrease in demand, by sector



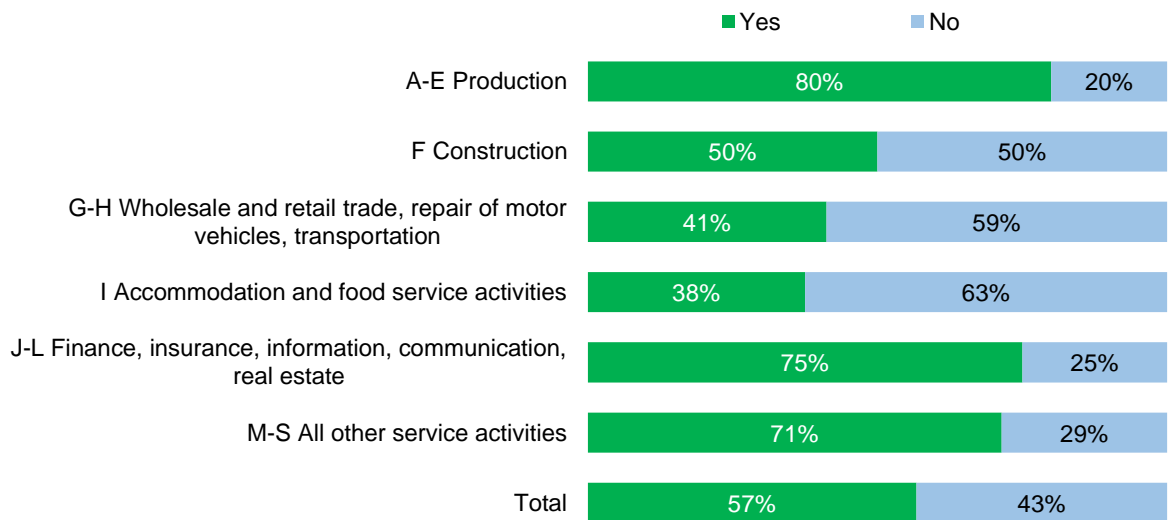
28. 97% of responding businesses reported that costs were increasing, an increase from the 82% that reported increasing costs in 2019. Over a third of businesses reported that costs were increasing dramatically. All sectors have been affected, and it is one of the biggest issues facing businesses on St Helena.

Chart 5. Percent of businesses reporting increases in costs, by sector



29. Businesses were also asked whether they see opportunities for growth (Chart 6). Overall, responses were slightly more optimistic than in 2019, when they were evenly split - perhaps because the survey was conducted as St Helena emerged from the COVID-19 pandemic. Some sectors, such as Production industries and Finance, Insurance, Information, Communication and Real Estate, see more opportunities than others.

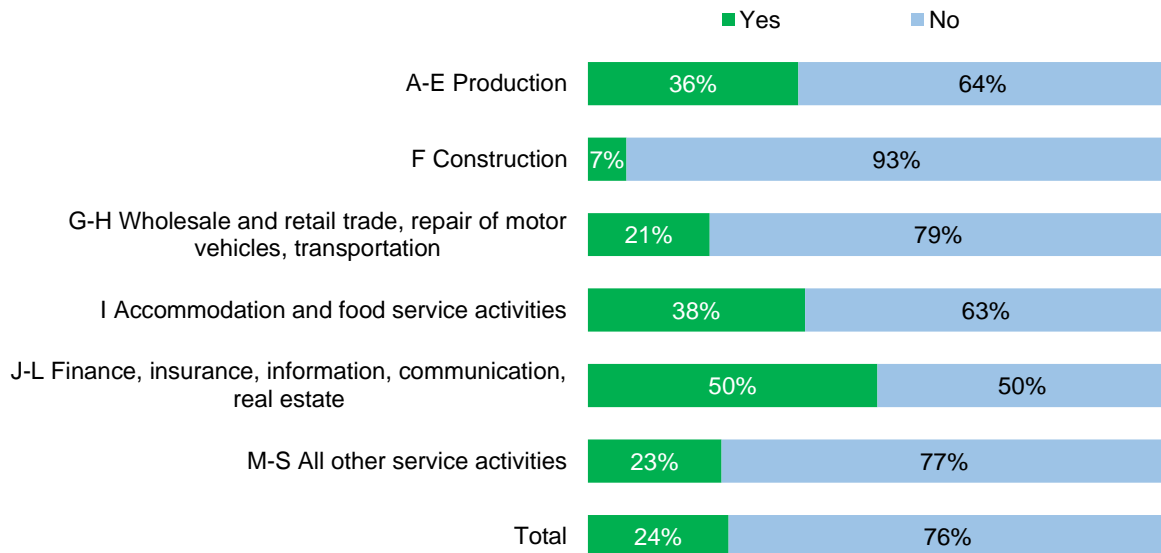
Chart 6. Percent of businesses reporting increased opportunities for growth, by sector



30. Businesses were also asked whether their business was expanding or not (they were not asked, apart from as part of the questions about employment, whether their business was contracting). Most businesses – 76% – said they were not expanding (Chart 7); this is very similar to 2019 (79%).

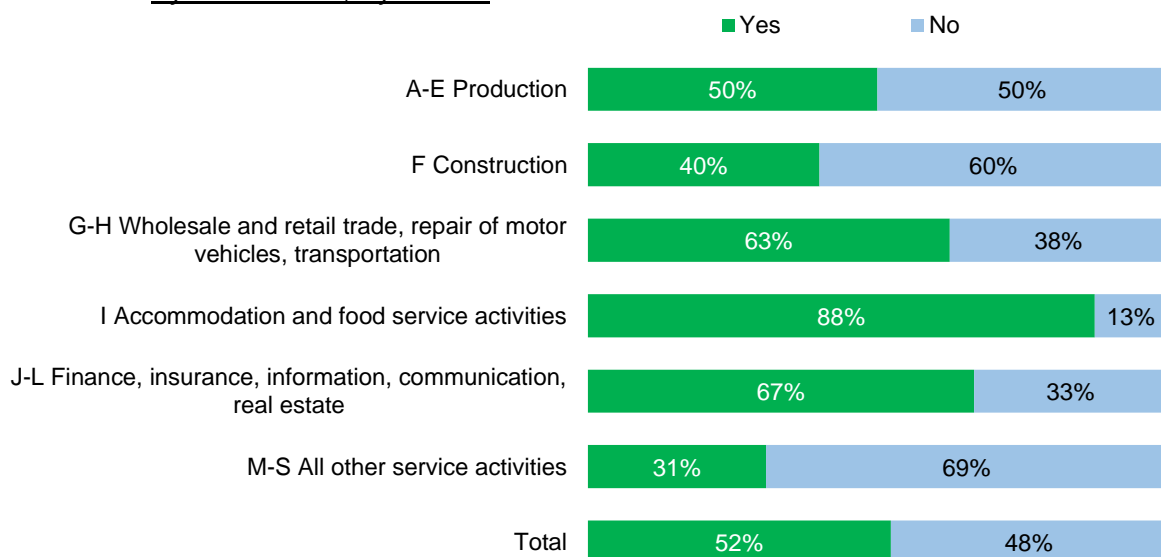
31. Almost no businesses in the Construction industry in particular said they were expanding, but more are expanding in the Accommodation and Food Services industry (38%) compared to 2019, when it was only 8%. 50% of businesses in Financial Services, Information, Communications and Real Estate are expanding, and 36% of businesses in the Production sector.

Chart 7. Percent of businesses reporting that the business is expanding, by sector



32. The 2022 survey included a special question on the impact of the COVID-19 pandemic on the business (Chart 8). 52% of respondents reported that it had an impact, but 48% reported that it did not. All sectors included businesses that reported being affected, but perhaps unsurprisingly the most affected (88% of businesses) was the Accommodation and Food Services industry.

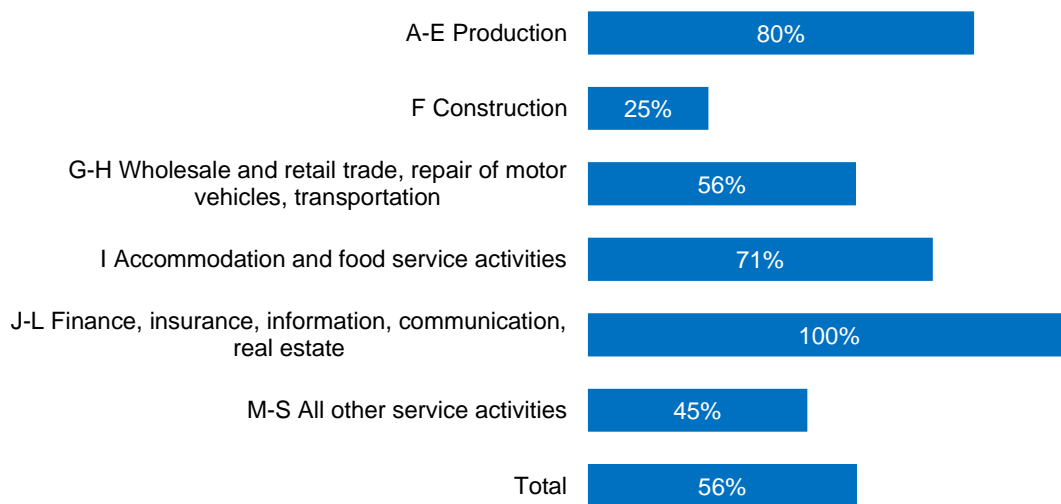
Chart 8. Percent of responding businesses reporting that they had been affected by COVID-19, by sector



33. Those respondents that said they were affected by COVID-19 were asked to explain how. Broadly, there were three main responses: that imported materials or goods had been more expensive or more difficult to obtain; that demand for services had decreased or disappeared completely; and that they had experienced difficulty managing staff shortages during periods of lockdowns, or when there were COVID-19 outbreaks following the end of quarantine.

34. The questionnaire also included a question asking businesses to explain how the new fibre-optic cable connection to the Internet would benefit their business. 34 businesses said it would benefit them, 21 businesses said it would not benefit them, a further six businesses stated that they did not know, and eleven businesses left the question blank. Chart 9 shows the responses by industry group, based on the 61 businesses that completed the question.

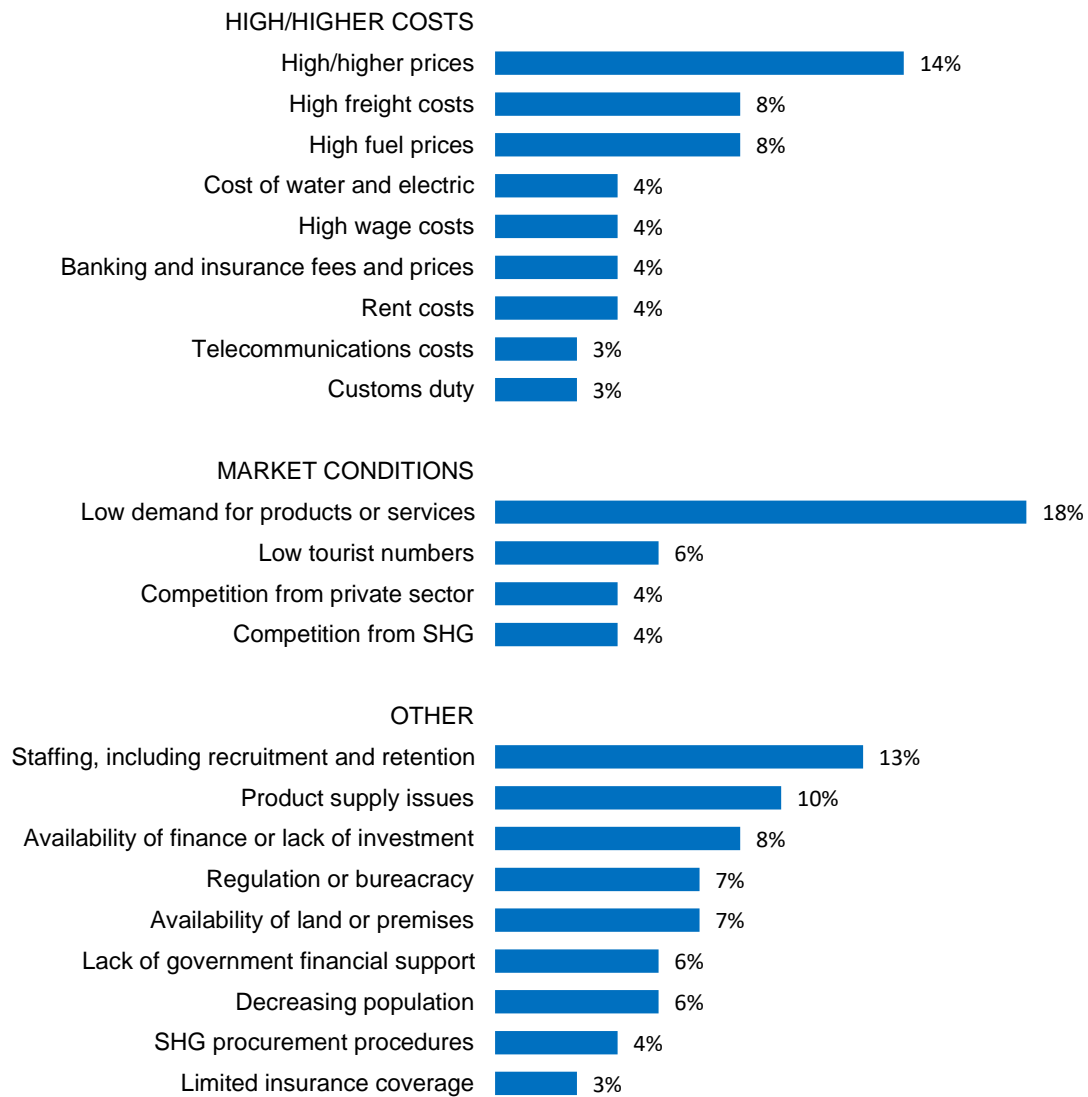
Chart 9. Percent of responding businesses reporting that the new fibre-optic cable will benefit their business, by sector



35. Of the businesses that said the cable will benefit their business, thirteen mentioned that the cable would reduce internet costs, and ten mentioned that it would make the internet faster. Six stated that it would enable better business research, six stated that it would improve their marketing efforts, and five stated that it would enable them to improve their products or services. Additionally, four businesses said that they had insufficient information about the new service to be able to give details about the expected benefits.

36. Reported constraints (Chart 10) are broadly similar to those from the 2019 survey, with high costs, low demand, and staffing difficulties being the most prominent. However, within higher costs, fuel was mentioned by several businesses, following the price increases resulting from global fuel shortages and increasing global demand. Also, difficulties in procuring imported goods, due to disruptions to supply chains, and high freight costs, were also mentioned by several respondents.

Chart 10. Main constraints or barriers to running the business (% of businesses with employees reporting)



Note: Businesses provided more than one response to this question, so the responses will add to more than 100%.

Annex 1. Questionnaire



St Helena
Government

Identification:

Date of delivery:

Confidential

2022 Business Survey

SCHEDULE A

The purpose of this annual survey is to collect important information about the business environment, the labour market, and the economy on St Helena, to help guide policy-making and development. Your help is greatly appreciated.

The survey is being conducted under the authority of the 2000 Statistics Ordinance CAP 159, and it is compulsory; it is a legal obligation to accurately complete this form. The information you provide is confidential, and it will be used for statistical purposes only.

Instructions

All selected businesses operating on St Helena are required to complete this survey, Schedule A (employment and the business environment) includes the following sections:

- A. About the business
- B. The people who work in the business (only required for businesses with employees)
- C. The business environment
- D. Other comments

Most businesses will need to complete only one Schedule A. However, if different parts of the business conduct different activities and they operate separately within your business (for example, compiling separate sets of accounts), please complete a separate Schedule A for each of these entities.

Please complete and return this form as soon as possible, and no later than 5th August 2022. Please contact the Statistics Office, Top Floor, Post Office Building, Jamestown if you would like help completing this form or have questions or comments; telephone 22138, 64264 or 65878 or email statistics@sainthelena.gov.sh.

SECTION A: ABOUT THE BUSINESS

A1. What is the name of the business unit to which this questionnaire refers?

A2. Please describe what this business does:

A3. How many complete years has this business been operating?

A4. Please provide the name, address, telephone number and email address of the person completing this form.

A5. Please estimate the approximate percentage of revenue gained from each industry. If the business operates in one main industry only, write '100' in the appropriate box. If the business operates in more than one industry, please estimate the approximate percentage of revenue for each.

Industry	Percent of revenue
A1. Agriculture	
A2. Forestry	
A3. Fishing	
B. Quarrying	
C. Manufacturing	
D. Electricity supply	
E. Water supply and sewerage	
F. Construction	
G1. Wholesale and retail trade	
G2. Repair of motor vehicles and motorcycles	
H. Transportation and storage	
I1A. Accommodation, excluding for Tourism	
I1B. Tourism Accommodation	
I2. Food services, excluding for tourism	
I2B. Food services for tourists	
J. Information and communication (including media)	
K. Financial and insurance services	
L-N. Real estate and professional, scientific, technical, administrative and support services activities	
O. Public administration	
P. Education	
Q. Human health and social work activities	
R. Arts, entertainment and recreation	
S. Other service activities	
Other not stated - please describe:	

SECTION B. THE PEOPLE WHO WORK IN THE BUSINESS

Only complete this section if the business has employees (part-time or full-time). If you are a sole trader (i.e. you work for yourself and you do not employ anyone else), please skip this section and move to Section C on the next page.

B1. How many people were working for this business at the end of March 2022, including any proprietors or Directors?

Full-time, male

Full-time, female

Part-time, male

Part-time, female

B2. What is the total number of people, both part-time and full-time, that worked in this business at the end of March 2021 (i.e. last year)?

B3. How many people do you expect to be working in this business at the end of March 2023 (i.e. next year)?

B4. Please list up to eight occupations or positions that you find hard to recruit or fill, and for each occupation or position assess the difficulty of recruitment and the impact that a vacancy has on this business.

Position or occupation	Difficulty to recruit (minor, moderate, or severe)	Impact on the business (minor, moderate, or severe)
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		

SECTION C. THE BUSINESS ENVIRONMENT

C1. The demand for this business is (tick ONE box only):

- Increasing
- Unchanged
- Decreasing

Please provide any comments you have about the demand for this business:

C2. The costs of running this business are (tick ONE box only):

- Increasing dramatically
- Increasing
- Unchanged
- Decreasing
- Decreasing dramatically

Please provide any comments you have about the costs of running this business:

C3. Are there new opportunities for this business to grow?

<input type="checkbox"/>	Yes
<input type="checkbox"/>	No

Please provide any comments about new opportunities to grow the business here:

C4. Will this business be expanding into new areas?

<input type="checkbox"/>	Yes
<input type="checkbox"/>	No

Please provide any comments about expanding into new areas here:

C5. Has the pandemic affected your business and if so, how?

C6. How do you expect that the Fibre Optic Cable will benefit your business?

C7. What are the plans for the size of the workforce next year (tick ONE box only)?

Increase: there are plans to recruit more staff

Unchanged: the workforce will stay roughly the same next year

Decrease: there are plans to reduce the size of the workforce next year

Please provide any comments you have about the size of the workforce here:

C8. Please list the main barriers and constraints that make it difficult to develop or grow your business:

SECTION D. OTHER COMMENTS

D1. Please provide any other comments that you would like us to know about this business or the current business environment.

Thank you for completing this form