

Economic Report:
**The Minimum Wage in
American Samoa, 2007**

U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division

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Table of Contents

I. Introduction

- Purpose
- Chapter Content
- Appendix Content

II. Information on American Samoa Geography, History, Culture, Government, and Economics

- Basic Information
- Social and Political Structure
- Land Tenure System
- Population
- State of the Economy
- Labor Force and Employment
- Island Poverty Levels
- Consumer Price Index
- Wage Legislation in Congress

III. The Tuna Processing Industry

- Overview
- Tuna Processing
- The Effects of Loin-Processing Operations
- Structure and Location of the Industry
- Geographical Shifts
- Tuna Production in U.S. Mainland
- Tuna Production in Puerto Rico
- Tuna Production in South America
- Tuna Production in Thailand
- Tuna Canning in American Samoa
 - StarKist
 - Chicken of the Sea
- Recent Issues Affecting Tuna Industry
 - Pouched Tuna
 - Methyl Mercury
 - Legislation
 - Dolphin Safe

IV. American Samoa Wage Structure

- Minimum Wage Rates under the Fair Labor Standards Act
 - Background
 - Current Minimum Wage Rates

Survey Results

American Samoa Employment and Wages

Estimated Effect of Increases in the Minimum Wage

Sub-Minimum Wage Employees

Bottling, Brewing, and Dairy Products Industry

Construction Industry

Finance and Insurance Industry

Fish Canning and Processing Industry

Garment Manufacturing Industry

Government Employees Industry

Hotel Industry

Miscellaneous Activities Industry

Petroleum Marketing Industry

Printing Industry

Private Hospitals and Educational Institutions Industry

Publishing Industry

Retailing, Wholesaling, and Warehousing Industry

Shipping and Transportation Industry: Classification A

Shipping and Transportation Industry: Classification B

Shipping and Transportation Industry: Classification C

Ship Maintenance Industry

Tour and Travel Services Industry

V. The American Samoa Minimum Wage - FLSA Requirements

A: Achieve Minimum Standard of Living, by Reaching the Mainland Federal Minimum Wage, as Rapidly as is Economically Feasible

B: Do Not Raise Minimum Wages to a Level that Substantially Curtails Employment in the Industry
Measuring Ability to Pay
Impact of Higher Productivity

C: Set Minimums that Do Not Give a Competitive Advantage Over Counterpart U.S. Industries
Minimum Wages and Tuna Competition
Total U.S. Supply
Bank of Hawaii Economic Report

VI. Economic Factors for Consideration that May Favor Minimum Wage Increases

Economic Advantages of the American Samoa Location

Tariff Rates

Tariff Savings

Tax Treatment

Limited Use of Frozen Loins in American Samoa
Increases in Productivity
Measuring Productivity Improvements

VII. Economic Factors for Consideration that May Weigh Against Minimum Wage Increases

Slow U.S. Market Growth
Foreign Competition
Imports of Canned Tuna
Dolphin-Safe Standard
Andean Trade Preference and Drug Enforcement Act
Quota on Canned Tuna Relatively Ineffective
European Tariffs
Use of Frozen Loin Technology
Economic Uncertainty
Wage Increases Not Limited to Minimum Wage Workers
High Failure Rate of Small Businesses
Economic Disadvantages of the American Samoa Location
Higher Costs
Higher Wages than Competitors

List of Figures and Tables

- Figure 1: Percent Employment by Wage Range, American Samoa Surveyed Establishments
- Figure 2: Percent Employment by Wage Range, Bottling, Brewing, and Dairy Products Industry
- Figure 3: Percent Employment by Wage Range, Construction Industry
- Figure 4: Percent Employment by Wage Range, Finance and Insurance Industry
- Figure 5: Percent Employment by Wage Range, Fish Canning and Processing Industry
- Figure 6: Percent Employment by Wage Range, Government Employees Industry
- Figure 7: Percent Employment by Wage Range, Hotel Industry
- Figure 8: Percent Employment by Wage Range, Miscellaneous Activities Industry
- Figure 9: Percent Employment by Wage Range, Petroleum Marketing Industry
- Figure 10: Percent Employment by Wage Range, Printing Industry
- Figure 11: Percent Employment by Wage Range, Private Hospitals and Educational Institutions Industry
- Figure 12: Percent Employment by Wage Range, Publishing Industry
- Figure 13: Percent Employment by Wage Range, Retailing, Wholesaling, and Warehousing Industry
- Figure 14: Percent Employment by Wage Range, Shipping and Transportation Industry:
Classification A
- Figure 15: Percent Employment by Wage Range, Shipping and Transportation Industry:
Classification B
- Figure 16: Percent Employment by Wage Range, Shipping and Transportation Industry:
Classification C
- Figure 17: Percent Employment by Wage Range, Tour and Travel Services Industry
- Figure 18: United States Mainland and American Samoa Minimum Wage Rates, 1977 - 2006
American Samoa Minimum Wage Rates as Ratios of U.S. Mainland
Minimum Wage Rates, 1977 – 2006

Figure 19: Selected American Samoa Industry Minimum Wage Rates as a Percentage of U.S. Mainland Minimum Wage, 1986 - 2006

Figure 20: Tuna Cannery Productivity for Selected Years, 1995 - 2005

Figure 21: Tuna Price Per Pound
Tuna Price Indices
Ratio of Exvessel Index to Retail Index

Figure 22: Total U.S. Canned Tuna Supply Components, 1994 - 2005
Canned Tuna Imports as a Percent of Total U.S. Supply, 1994 - 2005

Figure 23: Labor Productivity, U.S. Retail Tuna Price and Cannery Wage Indexes 1995-2005

Table II A: American Samoa Population, 1995-2005

Table II B: American Samoa Labor Force, Employment, and Unemployment, 2000-2005

Table II C: American Samoa Consumer Price Index

Table IV A: Minimum Wage Rates by Year 2002 - 2006

Table IV B: Number of Establishments, Covered Workers, and Wages by Industry
Classification, November 2006 Survey Results

Table V: Employment and Minimum Wage in Tuna Processing for Selected Locations and Years

Table VI A: Production Worker Wages as a Percent of Labor and Materials Costs, Seafood
Canning (NAICS Code 31171M)

Table VI B: Index of Output per Worker

Table VII A: Market Value of Imported Canned Tuna Versus U.S. Produced Tuna, Value per
Pound of Canned Tuna

Table VII B: Amount of Imports to U.S., Quota and Over Quota, Canned Tuna

Appendices

- A. Covered Employees in Private Sector
- B. Minimum Wage Impact Tables
- C. Tables for Chapter V Figures
- D. Detailed Minimum Wage Impact Tables
- E. Recommendations of Industry Committees Numbers 18 - 26, for Wage Minimums, 1987 - 2005

I. Introduction

Purpose

This Economic Report was prepared for the use of American Samoa Industry Committee No. 27, to provide objective economic data useful to the Committee in its task of determining minimum wages in American Samoa. A new Committee is appointed by the Secretary to recommend these minimums every two years, and the recommendations are binding.

Industry Committees were used in the U.S. mainland after enactment of the 1938 Fair Labor Standards Act (FLSA) to phase low-wage industries into the minimum statutory wage. To protect the economies of Puerto Rico and the U.S. Virgin Islands from the effects of the statutory wages, in 1940, an amendment to the FLSA was passed to create special committees to review the wage rates in the particular economy. After World War II, only Puerto Rico, the U.S. Virgin Islands, and American Samoa still used the committee system to set separate industry wage minimums. Today, such a system of wage setting is restricted to American Samoa.

These special committees were charged with determining, and issuing through wage orders, the minimum wage levels applicable to their location that would not degrade the local economy. On the other hand, Congress wanted industries in these areas to move toward the mainland minimum wage to avoid putting U.S. employers at a competitive disadvantage and to discourage migration of business from the United States.

To assist the Industry Committee in balancing these goals and in determining different wage minimums for different industries based on their unique characteristics, the Wage and Hour Division (WHD) of the U.S. Department of Labor prepares this Economic Report and sends it to Committee members prior to the biennial public hearing held by each successive industry committee. The report includes pertinent data for use by the Committee in deciding the extent to which each industry's minimum wage could be raised.

Federal regulations state that a wide spectrum of data and analyses in the report may be pertinent to determining wage minimums, including wages, hours, productivity, market conditions, comparative production costs of foreign competitors, profits and losses, and other data, including those bearing on proper industry classification (See 29 CFR 511.11).

Chapter Content

Chapter II of this report contains background material on American Samoa's geography, history, culture, government, and economics.

Chapter III describes the development, production methods and recent economic developments of the tuna processing industry, by far the largest private sector employer in American Samoa.

Chapter IV of this report analyzes the current wage and employment structure for American Samoa employers covered by the FLSA, and for each industry, by wage intervals. This analysis is based on the results of a biennial employment and wage survey conducted for WHD in November 2006. It also provides estimates of the impact of increases in wage minimums on workers' earnings.

Chapter V describes the three policy goals and requirements of the Fair Labor Standards Act, with respect to American Samoa. These include: 1) meeting minimum living standards by gradually reaching the Federal minimum wage, now at \$5.15 per hour, 2) avoiding use of low wages to gain competitive advantage over other U.S. producers, and 3) not substantially curtailing employment in American Samoa industries.¹ This chapter provides data to facilitate evaluations of the extent to which those goals and requirements have been met in recent years. A number of bar charts and graphs are included in the chapter text.

Chapter VI discusses factors to be considered that may favor minimum wage increases, such as low labor costs for the tuna industry as a percent of total costs. Other factors include tax and tariff exemptions, which would be lost by relocation to another country, and steady increases in productivity, output, and employment in the American Samoa tuna industry.

Chapter VII provides factors to be considered that may weigh against minimum wage increases, with an emphasis on the tuna processing industry. Such factors include competition with Thailand and other exporters, which have the advantage of low labor costs, and weaker safety and environmental laws. Other factors include weak U.S. market growth, low retail canned tuna prices, relatively ineffective tariffs, and general economic uncertainty. Freer trade via agreements such as the General Agreement on Tariff and Trade (GATT) and the North American Free Trade Agreement (NAFTA) may also lessen such competitors' tariff barriers to the U.S.

Appendix Content

Appendix A contains data on the number of covered employees in the American Samoa private sector based on survey data.

Appendix B contains minimum wage impact tables for American Samoa by industry classification. These impact tables illustrate alternative minimum wage levels in increments of five percent. It also presents current average hourly wages and average hourly wages for different alternate minimums.

Appendix C contains data on which the figures and graphs in Chapter V are based.

Appendix D provides a more detailed impact of alternate increased minimums by industry than that provided in Appendix B. It provides wage data from lowest to highest paid employees, by incremental hourly wage intervals, and the increase in their hourly income under the current minimum and three alternate minimums.

¹ See Fair Labor Standards Act, Sections 2, 5, 6, and 8 (29 U.S.C. Sections 202, 205, 206 and 208). Section 8(c) specifies the criteria for establishment of industry classifications, including competitive conditions, wages for comparable work established by collective bargaining agreements, or voluntary employer wage standards.

Appendix E provides the minimum wage rates by industry recommended by recent Industry Committees.

II. Information on American Samoa Geography, History, Culture, Government, and Economics

Basic Information

American Samoa is an unincorporated and technically unorganized territory of the United States. It is "unincorporated" because unlike Hawaii and Alaska during their years as U.S. territories, not all provisions of the U.S. Constitution apply to the territory. American Samoa is an "unorganized" territory because Congress has not provided the territory with an organic act, which would organize the government, much like a constitution would. Instead, Congress gave plenary authority over the territory to the President of the United States who has delegated this authority to the Department of the Interior. The Secretary of the Interior in turn allowed American Samoans to draft their own constitution under which their government functions.

American Samoans are not United States citizens. They are classified as United States nationals and have freedom of entry into the continental United States. Many American Samoans have served with distinction in the U.S. armed forces.

The territory consists of seven tropical islands and is the only U.S. soil located south of the equator.² Comprising the eastern islands of the Samoan group, American Samoa is located at 14 degrees south latitude and about 170 degrees west longitude. Samoa, an independent nation, occupies the western part of the Samoan Island chain.³ American Samoa and Samoa share the same heritage, traditions, and culture, and are separated by only 40 miles at their closest points. American Samoa is about 2,300 miles south southwest of Hawaii and over 4,100 miles southwest of San Francisco. It is 1,600 miles east northeast of New Zealand.

The seven American Samoan islands are dispersed over 150 miles of water. The capital of American Samoa is Pago Pago, located on Tutuila, the main island of the group. Tutuila has a land area of approximately 56 square miles and is home to over 90 percent of the territory's total population of 65,000. The harbor at Pago Pago is one of the deepest and best protected in the South Pacific. The total land area of all seven islands is 76 square miles. The remaining islands are Aunu'u, a small island off the southeastern tip of Tutuila; the Manu'a Islands, consisting of Ofu, Olosega, and Ta'u and located about 60 miles east of Tutuila; Rose Atoll, an uninhabited wildlife refuge located east of the Manu'a group; and Swains Island, a small privately-owned coral atoll located several hundred miles north of Tutuila.

The location of these islands in the path of the Southeast trade winds results in frequent rains and a pleasant, warm tropical climate. The year-round temperature ranges from 73 to 93 degrees Fahrenheit, depending on the warmth of the surrounding ocean. The humidity averages about 80 percent during most of the year. Average annual rainfall is approximately 135 inches at the international airport, with the heaviest rains occurring between December and March.

² Much of the material in this section came from the American Samoa Department of Commerce, available at <http://www.asg-gov.com/islandinfo.htm>.

³ Formerly Western Samoa.

The mountainous terrain of American Samoa, along with the heavy annual rainfall, has an impact on agriculture and the food supply. The main determinant of land use is topography and only about one-third of the land in American Samoa is level or nearly level. The soil of the mountain slopes is very thin as a result of leaching and will support only tough jungle vegetation.

The soil in the valleys and on the plains is fertile and ideal for growing tropical fruits and vegetables. Commercial agricultural development has been hampered, however, by several factors. The largest area of level land lies in the Tafuna Plain, the location of the airport and the principal area for the development of housing and industry. Agriculture has been relegated to a third-tier priority. Another large area of level land is on the island of Ta'u, which is too remote from the markets in Pago Pago to be economically feasible for commercial agriculture.

Results from the 2003 Agriculture Census of American Samoa concluded that there were near 7,100 farms in American Samoa which corresponded to 40% of the territorial area being farmed. Due to the definitions of a 'farm', being any place agriculture products are grown for sale or consumption, nearly 75% of American Samoa households fit into this definition. The most common field crop is the taro root. Other staples include bananas, breadfruit, and coconuts. Fish are abundant locally and some pig farms exist on the island, but most meat and other foods are imported.

Social and Political Structure

American Samoans are among the last remaining true Polynesians, along with the Samoans, Hawaiians, Maoris, Tongans, and Tahitians. Despite the strong influence of Western industrial culture, the American Samoans, more than the other Pacific Islanders, seem to hold more tenaciously to their ancient traditions. However, in recent years there appears to be some blending of Western with traditional ways. American Samoa still keeps the *aiga*, or extended family, as the basis of its social structure. This is a unique system where the *matai*, or chief, holds control over all of the family's land and property. He is responsible for the well-being of the family, as well as for its representation in the village and district councils. For the *aiga* to exist and function, every member must contribute to the welfare of the group. Each individual has duties to perform, from the trustee functions of the chief down to the most elementary tasks carried out by the children. The family group also owns land and it is estimated that more than 90 percent of the total acreage in American Samoa is communal family land.

In 1899, the United States began the acquisition process of American Samoa through a series of treaties and deeds of cession. The U.S. Navy first administered the territory and appointed the governor. In 1951, administrative responsibility was transferred by an Executive Order to the U.S. Department of the Interior. The Constitution of American Samoa, approved by the Department of the Interior in April of 1960, established three branches of government: executive, legislative, and judicial. Heading the executive branch are the governor and lieutenant governor, who serve four-year terms. The local population of American Samoa began electing its own governor and lieutenant governor in 1977. (Prior to 1977, individuals holding these offices were appointed by the Department of the Interior.) Since 1981, American Samoa has had an elected, non-voting Member of Congress representing the territory in the U.S. House of Representatives.

Land Tenure System

The land tenure system of American Samoa merits attention because of its implications for economic development. Land is considered one of the most important tangible assets of the American Samoan people and has traditionally been the primary basis for family organization and family identity. Land is still passed on from generation to generation. The *matais* have control over the land and assign holdings to family members on a lifetime basis. The existing law on land tenure prohibits the transfer of land ownership, except freehold land, to any person whose blood is less than one-half Samoan. Freehold land is mostly located in the Pago Pago Bay area, the Tafuna Plain, and the Village of Leone.

American Samoa's total area of 76 square miles is equivalent to 48,767 acres. About two-thirds of the land is steeply sloping and virtually inaccessible. Approximately 20 percent of the land is developed.

Population

The population growth rate has been on a steady upward trend over the past decade. Between 1980 and 1990 the American Samoa population grew at an annual rate of 3.7 percent.⁴ Since 1990 the rate of growth has diminished somewhat; between 1990 and 2000 it increased approximately 2.0 percent per year. Comparatively, the U.S. Mainland population has been less variable with population growth around 1% between 1990 and 2000.⁵ The American Samoa Department of Commerce provides the following mid-year population estimates:

Table II A.
American Samoa Population, 1995-2005

Year	Population
2005	65,500
2004	64,100
2003	62,600
2002	60,800
2001	59,400
2000	57,700
1999	56,800
1998	55,800
1997	55,000
1996	54,100
1995	53,300

The *American Samoa Statistical Yearbook* for 2005 (latest year available), published by the Government of American Samoa, reported that the population is very young. The median age for the territory remained at around 21 years, compared to about 33 years for the United States. It also

⁴ American Samoa Department of Commerce, *American Samoa Statistical Yearbook*.

⁵ <http://www.census.gov/popest/archives/1990s/popclockest.txt>

reported that unlike most large developed countries where females outnumber males, American Samoa had a gender ratio of about 104 males for every 100 females.

State of the Economy

The primary economy of American Samoa consists of government activities (about one-third of total employment) and the two tuna canneries (one-third of total employment). The remaining one-third of employed workers is in the secondary economy, which consists mainly of retail and service enterprises. Many firms in the secondary economy provide goods and services to the canneries.

The tuna canning industry in American Samoa provided direct employment for over 4,600 workers in 2006.⁶ During calendar year 2005, the tuna canneries combined exported approximately \$445 million of tuna to the United States.⁷ As the principle manufacturing activity in the territory, tuna processing directly or indirectly supports much of the remaining economy.

Labor Force and Employment

According to the U.S. Department of Commerce,⁸ the American Samoa labor force participation rate in 2000 was 52 percent. By comparison, the overall U.S. rate was approximately 67 percent in 2000.⁹ Cultural differences, along with other economic conditions, likely explain much of the disparity between these estimates.

Table II B, below, provides estimates of the American Samoa labor force 2000-2005. On average, 17,319 people were employed each year from 2001- 2005 in the territory. In 2000, the unemployment rate was 5.2% (909 people) but total employment has not been collected since the 2000 Census.

Table II B.

American Samoa Labor Force Estimates and Employment 2000-2005¹⁰

Year	Labor Force	Employment
2005	17,344	**
2004	17502	**
2003	17,407	**
2002	17,230	**
2001	17,113	**
2000*	17,627	16,718

*Information from U.S. Census Bureau 2000 Census of Population.

** The labor force numbers are only estimates and actual employment was not provided.

⁶ U.S. Department of Labor, Wage and Hour Survey Results for American Samoa, 2006.

⁷ U.S. Department of Commerce, FT895/03, *U.S. Trade with Puerto Rico and U.S. Possessions*, 2005.

⁸ U.S. Department of Commerce, *Population and Housing Profile: 2000*, 2000 Census of Population and Housing, American Samoa, www.census.gov/prod/cen2000/island/ASprofile.pdf.

⁹ U.S. Department of Labor, Bureau of Labor Statistics. <http://data.bls.gov/cgi-bin/surveymost>

¹⁰ American Samoa Department of Commerce, *American Samoa Statistical Yearbook 2005*
http://www.asdoc.info/Statistic/CPIP/section10_2005.pdf.

Island Poverty Levels

During the 2000 comprehensive census reported in the American Samoa Statistical Yearbook 2005, the total number employed on the island was 16,718 people. Total population of the island was 57,291 persons out of which 33,945 individuals were 16 years or older, which correlates to fifty-nine percent of the population, eligible by age, to be employed in the work force.

According to the 2005 Statistical Yearbook, 34,745 individuals, or 61% of the island population, indicated that they were below the poverty level set in 1999.¹¹ Of those below the poverty level, adults, ages 18 to 64, accounted for 49% of the individuals, minor children under the age of 18 years accounted for 48%, and adults over the age of 64 accounted for the remaining percent.

Of the 9,460 families included in the census, 92 percent reported at least one worker who provided income for the household; most families (3,090) reported at least two workers providing income for the household and 2,970 families reported only worker for the household. The mean family income for all families was \$25,971 per year. Families with two workers reported a mean income of \$27,839 per year and families with one worker reported a mean family income of \$16,815 per year.

Consumer Price Index

A consumer price index (CPI) for American Samoa was developed for the first time in 1974, employing methodology similar to that used by the U.S. Bureau of Labor Statistics. The CPI is a measure of the change in retail prices over time, for a fixed, market basket of goods and services likely to be purchased by a typical consumer. The CPI does not, however, address quality changes, nor does it include quantity changes resulting from price increases or decreases. As with any inflation index based on a fixed basket of goods, to the extent that American Samoa consumers can substitute lower-priced items for those items used to generate the CPI, the index will overestimate inflation.

The consumer price index is a common measure of inflation and is frequently used as a barometer for wages and salary adjustments in employment contracts.¹² Employees experience erosion of real earnings when increases in their compensation fail to keep pace with inflation. Likewise, real earnings increase when employees' compensation outpaces inflation gains.

In late 1997, the base period for American Samoa's consumer price index was adjusted. Consumer price index third quarter data, for all items, is presented in Table II C. As this table shows, between 1997 and 2005, the American Samoa CPI increased 27 percent.

¹¹ American Samoa Department of Commerce, *American Samoa Statistical Yearbook 2005*.

¹² South Pacific Commission, *The American Samoa Consumer Price Index*, available at the following Internet address <http://www.amsamoa.com/cpirebase97.pdf>.

Table II C.
American Samoa Consumer Price Index¹³

Year	All Items CPI
1997	100.0
1998	101.6
1999	102.1
2000	104.5
2001	105.5
2002	108.2
2003	113.8
2004	122.8
2005	127.4

The American Samoa Department of Commerce detailed the average retail prices of selected commodities for the years 2004 and 2005. The commodities salt, boneless chuck, butter, cooking oil, kerosene, electricity and gasoline increased more than 15% from 2004 to 2005. Commodities for which there was no increase or some decrease in retail price include fresh eggs, turkey tail, canned mackerel, canned tuna, Pepsi-cola, hamburger sandwich and select beer brands.¹⁴

Wage Legislation in Congress

The House of Representatives passed the Fair Minimum Wage Act of 2007 in early January of 2007. This bill would raise the U.S. mainland minimum wage from \$5.15 to \$7.25 in three steps over 2 years. The legislation includes raising the minimum wage for the Northern Mariana Islands but not for American Samoa, both are U. S. Territories. A version of the Fair Minimum Wage Act of 2007 was passed by the Senate on February 1st and did not include increasing the minimum wage in American Samoa.¹⁵ Another bill, H.R. 1591, Title VII, Sec. 7104 (U.S. Troop Readiness, Veterans' Health, and Iraq Accountability Act, 2007), included associated legislation that requires the minimum wage increase to apply to American Samoa. Under the conference-reported version of this bill, the American Samoa minimum wage rate would have increased \$0.50 per hour within 60 days of enactment, with an additional increase of \$0.50 per hour every year until it matches the mainland U.S. minimum wage.¹⁶ H.R. 1591 was vetoed by the President on May 1, 2007.¹⁷

¹³ American Samoa Department of Commerce, Statistical Division, *Consumer Price Index Newsletter*.

¹⁴ American Samoa Department of Commerce, *American Samoa Statistical Yearbook 2005*.

¹⁵ <http://www.govtrack.us/congress/bill.xpd?bill=h110-2>

¹⁶ <http://www.thomas.gov/cgi-bin/query/F?c110:6:./temp/~c110zdLZBG:e197432:>

¹⁷ <http://thomas.loc.gov/cgi-bin/bdquery/z?d110:HR01591:@@@R>

III. The Tuna Processing Industry

Overview

Canned tuna processing is by far the largest private-sector employment in American Samoa. Many of the other private-sector jobs provide goods or services to the tuna processors. Moreover, the economic growth of many other private-sector employers in the consumer retail and service sectors is tied either directly or indirectly to tuna industry expenditures. Specifically, they are dependent upon the level of disposable income of tuna industry workers, which in turn depends primarily on wages and salaries. This is true, even though the majority of these workers are not American Samoa citizens, and a portion of their income is spent off island.¹⁸ For this reason, much of the analysis and data in this report will focus on this industry.

Three major brands dominate the U.S. tuna market, StarKist, Chicken of the Sea, and Bumble Bee. StarKist and Chicken of the Sea have major processing plants on American Samoa. Bumble Bee operates a small plant in Puerto Rico and another in southern California. In addition to the three major labels, private labels fill the rest of the US market as imported products.

In 2001, the United States was the leader in the canned tuna market, with consumption estimated at about 46 million cases, or 28 percent of the global consumption of approximately 165 million cases.¹⁹ StarKist Seafood is the U.S. retail category leader with a 44 percent market share, larger than Bumble Bee (24 percent) and Chicken of the Sea (17 percent) combined.²⁰ Other brands and private labels comprise the remaining 17 percent market share. These are mainly imported; as of 2005 approximately 47 percent of U.S. canned imports were from Thailand, 22 percent from the Philippines, 14 percent from Ecuador, and 9 percent from Indonesia. Total imports of canned, fresh and frozen tuna in 2005 amounted to a total of 452.1 million pounds.²¹

Within the canned tuna category there are two primary subsets: lightmeat tuna, consisting primarily of the species skipjack and yellowfin; and whitemeat tuna, consisting of albacore. According to statements by Christopher D. Lischewski, President and CEO of Bumble Bee in 2000, StarKist has a commanding position in the total tuna market. He further noted that Starkist has the lead in lightmeat tuna, which represents 71 percent of canned tuna consumption.²² It leads the market with a 47 percent market share, followed by Bumble Bee and Chicken of the Sea, both with 17 percent shares. Bumble Bee is the market leader in albacore tuna, with a 40 percent market share, followed by Star-Kist (34 percent) and Chicken of the Sea (16 percent).

About one-quarter of canned tuna consumption is for foodservice establishments, rather than direct retail sales to consumers. Private labels, dominated by importers, have a much higher

¹⁸ Many of these workers are from Samoa and Tonga.

¹⁹ <http://foodmarketexchange.com>.

²⁰ U.S. International Trade Commission, *Fact Sheet: Update on the Likely Impact of U.S. Tariff Modification for Tuna Imported From ATPA Beneficiaries*, 2002.

²¹ U.S. Department of Commerce, NOAA, *Fisheries of the United States, 2005*.

²² Mr. Lischewski spoke in May, 2000 at the *Tuna 2000 Bangkok: Papers of the 6th World Tuna Trade Conference*.

share of this market, estimated at about 50 percent by Mr. Lischewski. In retail markets, consumers are conscious of reputation and quality; thus brand recognition is very important.²³ For institutional trade, price becomes relatively more important as a selection factor.

Tuna Processing

Most tuna canneries are located adjacent to a dock so the fish can be easily unloaded from the fishing vessels. The thawing, butchering, and cold storage facilities are located nearest to the unloading area. When the fish are unloaded they are thawed in running water in thawing tanks or in the air with sprays of water. When the tuna are thawed they are ready for the butchering process. The tuna are eviscerated by hand and loaded onto trays according to size. The trays are stacked on wheeled shelf racks and taken to the pre-cooker, or first cooker. Careful sorting of the fish by size helps to ensure minimum losses during the pre-cooking. During pre-cooking and cooling up to 30 percent weight loss occurs, much of it by overcooking. Placing fish of only one size in a given cooker and varying the cooking time in proportion to the size of the fish minimizes the loss. The first cooking lasts from 45 minutes to three hours, depending upon the size and type of tuna.²⁴

After pre-cooking and cooling, the tuna are put on conveyor belts that carry the fish to the cleaning, or fillet tables. In most canneries the cleaning, packing, and seaming equipment are located in working space directly behind the thawing and butchering areas. The cleaners remove the skin from the fish and separate the loins from the skeleton. The white or light meat for human consumption is separated from the red meat that is used for pet food. Other by-products are fishmeal, which is made from the skin, bones, and viscera, and fertilizer, which is made from the juices and used water.

The next step in the production process is the packing operation. A highly automated canning process is utilized to hermetically seal the tuna meat in tin cans. The tuna meat is packed in water or in oil, with or without salt. After the tuna is sealed, the cans are put through a second cooking called retort cooking for two to four hours. This process sterilizes the tuna meat. After the retort cooking, the cans are cooled, labeled, and packed into cardboard cases. The cases of canned tuna are either stored or moved into the distribution system.

The Effects of Loins-Processing Operations

American Samoa is in an ideal location for whole fish. The dolphin-safe policy of U.S. canners drastically reduced their use of tuna from the eastern Tropical Pacific and shifted it to the western Pacific. This also coincided with a more plentiful supply of tuna in the region due to weather and environmental factors. Direct delivery from foreign fish vessels (with no prohibition on buying from foreign vessels, unlike for the U.S. mainland) minimizes delivery costs.

Tuna loins are the light, meaty, edible part of the fish. Thawing, cooking, butchering, and cleaning frozen or fresh whole tuna produce them. The operations required for producing loins and canned

²³ Del Monte Annual Report 2004.

²⁴ U.S. Department of Labor, *Various Industries in American Samoa*, Wage and Hour Division, various years.

tuna are essentially the same up to the point where the tuna loin is rendered. In a plant solely producing loins, the loin is packaged in plastic and frozen. It is then either shipped to a cannery as a raw material input or sold for other commercial purposes. In a tuna cannery, the loin is packed directly into the can. The production of the loins, which includes the butchering and cleaning steps, accounts for up to 80 percent of the cost of labor in a full-scale tuna cannery. In its raw material procurement, if a tuna cannery contracted for frozen tuna loins instead of frozen whole fish, substantial labor cost savings would be realized.

The principal disadvantage to processing frozen tuna loins is related to quality--the consistency of the tuna meat after it has been frozen and thawed. The use of loins requires two stages of freezing and thawing. First, the raw fish are frozen on board the fishing vessel. The fish are later thawed and the loins removed at the first processing site, e.g., Thailand. Then, the loins are frozen and shipped to the cannery, e.g. Puerto Rico, California, and American Samoa. Processors have sometimes noted less firm consistency, as ice crystals form in the meat cells during freezing and damage the cell structure. In addition, since the loins are frozen and generally transported relatively long distances, additional measures must be taken to ensure adequate handling to prevent spoilage and breakage of the solid fish meat.

Some use of tuna loins by U.S. processors began as early as the 1960s, but their utilization on a large commercial scale has only occurred in recent years. The canneries in Puerto Rico increasingly used loins in their processing operations as part of a raw material mix with raw whole tuna. This was necessitated in part because of a reduction in raw tuna supplies from the eastern Pacific Ocean resulting from the dolphin-safe policy. In 1990, Bumble Bee opened a cannery in California that exclusively processes loins.

Use of loins by U.S. plants in American Samoa is discouraged to some extent by the U.S. tariff treatment of products of insular possessions. Such products are subject to U.S. duties if their inputs are imported, dutiable and exceed 70 percent of the total value of the finished product. Imported frozen tuna loins, if used exclusively as an input (compared to frozen whole tuna) could exceed the 70-percent threshold and thus shipments of canned tuna from American Samoa would be subject to duties. However, the use of a mix of domestic and imported frozen whole tuna by the two American Samoa canneries mitigates this disincentive.

Today, all U.S. tuna canneries utilize precooked loins in their processing operation. Both Chicken of the Sea and StarKist rely on tuna loins (generally less than 30 percent of the product mix) when whole fish supplies are in short supply.²⁵ However, virtually all the tuna utilized by Bumble Bee canneries in California and Puerto Rico are in the form of precooked loins. These loins are imported and the tuna converted into cans or pouches in the U.S. In addition to the labor saving realized through their importation, tuna loins enter the U.S. at tariff rates substantially below those imposed on tuna in airtight containers.

Structure and Location of the Industry

²⁵ http://www.house.gov/apps/list/press/as00_faleomavaega/2senatorssupporteniscool.html.

In 1903 the canning of tuna fish began in the United States when the canning of albacore was undertaken in Southern California. Canning operations were begun in Hawaii in 1917 and in 1937 tuna canning had spread to the Atlantic Coast and to the Pacific Northwest. Southern California continued to be the traditional home base of the processor because the tuna fleet located there to maintain access to a major tuna fishery--the eastern Tropical Pacific Ocean.

Because of its proximity to the fishing areas of the South Atlantic and the availability of a large pool of low-cost labor, Puerto Rico became a desirable location for canning facilities in the 1960s. With the increasing importance of the western Pacific fishery and the presence of low statutory wage rates, the same advantageous conditions applied to American Samoa.

South America has become an opportune location for canneries and processing facilities. With low wage rates and legislation which may lead to the relaxation of tariffs on the South American imports of tuna, countries such as Ecuador have the potential to claim a greater stake of the U.S. import market.

Geographical Shifts

The increased canning capacity in the offshore territories coincided with the steadily increasing share of the market by imports from low-wage Asian countries in Southeast Asia. The fact that tuna do not run with dolphins in the western Pacific Ocean also contributed to the shrinkage of the industry located in the continental United States, Hawaii, and Puerto Rico. This was due to Federal restrictions as prescribed by the Marine Mammal Protection Act (MMPA) in 1972 which restricted catching dolphins and tuna together. In 1977, the closing of a cannery in Maryland marked the end of tuna canning on the Atlantic Coast, and in 1979 the last commercial tuna cannery in the Pacific Northwest was closed in Astoria, Oregon. The one cannery located in Hawaii ceased operations in 1985.

In 1984, in response to high costs and competition from low-priced tuna imports, StarKist closed its last mainland canning facility on Terminal Island.²⁶ The last remaining mainland plant is operating in Santa Fe Springs, California. Between 1990 and 2001, four plants located in Puerto Rico closed, leaving only one plant (in Mayaguez) operating on the island.

Tuna Production in U.S. Mainland

At the present time, there is only one seafood cannery operating on the U.S. mainland which process tuna. (Bumble Bee operates a loin-processing plant located near Los Angeles.) This plant processes frozen tuna loins, produced elsewhere from raw whole tuna. In May 2003, Omaha-based ConAgra, a U.S. firm, sold Bumble Bee Seafood, Inc. to Centre Partners and the Bumble Bee senior management team. The Chicken of the Sea cannery in San Pedro, California, (CalPac) the last whole fish cannery on the mainland, closed in 2001.²⁷

²⁶ Achim Korber, *Why Everybody Loves Flipper: The Political-Economy of the U.S. Dolphin-Safe Laws*, European Journal of Political Economy, 1998.

²⁷ Crow's Nest, August, 2001.

Tuna Production in Puerto Rico

Between 1990 and 2001 all of the tuna canneries operating in Puerto Rico closed, except for one plant operated by Bumble Bee. Among the factors affecting these plant closings are the following:

1. Shift from eastern to western Pacific Ocean. Public concern and legislative activity over the killing of dolphins that swim over schools of yellowfin tuna caused fishermen to move from the eastern to the western Pacific, where tuna generally do not run with dolphin. Since Puerto Rican canneries received much of their raw fish from the eastern Tropical Pacific, this fishery shift put them at an increasing disadvantage in accessing to inputs for production.
2. Environmental laws. Compliance with laws and regulations governing waste disposal at the tuna canneries has become increasingly difficult and expensive. In addition to the Federal Environmental Protection Agency (EPA), Puerto Rico's Environmental Quality Board (EQB) enforces environmental standards in the tuna canning industry.
3. Lower wage costs in American Samoa and other countries. On April 1, 1991, the Federal minimum wage increased from \$3.80 to \$4.25 an hour. While some lower-wage industries in Puerto Rico were granted a gradual phase-in to this higher minimum, the tuna canning industry was not. Meanwhile, Thailand and other countries with low-wage labor were exporting lower-priced canned tuna to the U.S. (By 1997 cannery workers in Puerto Rico had to be paid at least the Federal minimum wage of \$5.15 per hour.)

Tuna Production in South America

In 2003, the South American countries of Columbia and Ecuador had the capacity to process 2,250 tons of tuna per day. This corresponds to approximately 48.6 million cases of tuna, which is more than the 48 million cases of tuna consumed on average by the U.S. per year.²⁸ Since the tuna workers in these countries are employed at a wage rate much lower than U.S. counterparts, they produce units at a lower cost than U.S. processors. However, under current U.S. legislation, Andean countries are subjected to the tariffs on canned tuna imports to the U.S. which make them not as cost effective as U.S. tuna processors. Ecuador only accounts for 21 percent of all tuna imports into the U.S., third to Thailand and Philippines. Ecuador adheres to the Andean Trade Preference Act, which is constructed to give certain South American countries gradual exemption from import tariffs on a number of commodities, including canned tuna. Presently, canned tuna from Ecuador has tariffs whereas tuna packed in a foil pouch has none.

Tuna Production in Thailand

²⁸ Pacific Magazine, May, 2003.

Thailand is the world's leading exporter of canned tuna and currently the single largest source of imported canned tuna in the U.S. market (47% of U.S. imports in 2005). This includes imports by U.S. tuna processors who put their own label on the imported cans. Thailand is also a major exporter of tuna loins, aggressively developing markets in the U.S., Japan, and Europe.

Production of canned tuna in Thailand is carried out using methods and technology similar to those used by U.S. companies. In general, Thai producers utilize substantially higher labor content in their tuna production. This is mainly a result of widely different wage rates between the two countries. Specifically, more labor is used in handling frozen tuna, in moving the cleaned loins to the can filling machines, in filling the retort baskets and in the labeling and packing operations. In some canneries, each can is individually cleaned after removal from the retort.

Unlike U.S. processors, Thai processors prefer smaller species of tuna, such as skipjack and tongol, traditionally supplied by vessels in local Thai waters, the western Pacific, and Indian Ocean. Productivity in cleaning many smaller fish is lower than for fewer large ones.

The volatility of prices is also greater in Thailand than in the U.S. because there is less long-term contracting with vessels, and more dependence on the spot market. Thai producers also have an added cost and risk caused by the inland location of many processing plants, unlike American Samoa.

Tuna Canning in American Samoa

Two establishments in American Samoa, StarKist Samoa (a subsidiary of StarKist Seafood, owned by Del Monte) and Chicken of the Sea (owned completely by Thai Union Frozen Products of Bangkok) are engaged in the processing and canning of tuna fish. These two canneries employed approximately 4,700 workers covered by the Fair Labor Standards Act during the years 1991-93, dropping slightly to 4,400 by 1996. Over 5,000 workers were covered in 2000 and 2002 but this number fell slightly to just over 4,700 employees in 2004. In the fall of 2006, the average straight-time hourly wage for the 4,651 covered employees in this industry was \$3.60.²⁹

StarKist

The StarKist Samoa cannery is the largest tuna cannery in the world. It produces more than 60 percent of American Samoa's canned tuna. StarKist is the leading brand of canned tuna sold in the U.S., followed by Bumble Bee and Chicken of the Sea. StarKist's market share in the U.S. increased from below 30 percent in the late 1980's to 45 percent in 2000. It expects to expand that market share with new tuna varieties and by improving the taste, texture and packaging of its premium, solid white albacore.

StarKist and its affiliates have tuna processing plants in Ecuador, American Samoa, Seychelles, France, Portugal, and Ghana.³⁰ Industry reports have noted that StarKist also entered the

²⁹ U.S. Department of Labor survey data.

³⁰ Testimony of K. Ward Rodgers, Heinz representative, before U.S. Senate Committee on Finance, August, 2001.

European market with acquisitions of distributors in the United Kingdom, France and Italy.³¹ Sales from StarKist canneries in Ghana, Seychelles, and Ecuador to the European Union, which enter duty-free, are reported to have expanded sharply in recent years.

In 2002 H.J. Heinz Company exchanged several of its retail brands (including StarKist) for majority interest in the new Del Monte Company.³² Like StarKist, Del Monte first began operations in California in the early 1900s. Based in San Francisco, Del Monte has operating facilities in American Samoa, Ecuador, and Venezuela, and recently achieved more than \$3 billion in sales.³³

In their 2004 annual report, Del Monte highlighted how the StarKist brand has contributed to the company success as well as to potential problems. Since 2000, the StarKist brand has begun to shift some of its products toward value-added products such as the *Lunch-To-Go* packs and *Tuna Creations*. These products provide the consumer with more than tuna in a can, for example, the *Lunch-To-Go* offers ingredients to make tuna salad accompanied with crackers. In 2004 StarKist had the highest market share of pouched tuna. Other major events that have impacted Del Monte included lawsuits filed against the company regarding the levels of methyl mercury present in StarKist tuna products and liability of Del Monte. One of the lawsuits filed in California was against the major three tuna processors alleging they were in violation of Proposition 65, a law requiring businesses to provide warnings of carcinogens present in consumer products. The lawsuit alleges the companies failed to warn consumers that albacore and light tuna contain mercury.³⁴

Chicken of the Sea

The other cannery in American Samoa, producing almost 40 percent of the tuna pack is Chicken of the Sea. After the previous owner, Van Kamp, declared bankruptcy, it came under new ownership, Tri-Union Seafood LLC, based in San Diego. In 2000, two of the owners of Tri-union sold their shares to Thai Union International.³⁵ This company is owned by Thai Union Frozen Foods of Bangkok. Thai Union is the largest tuna canner and exporter in Thailand,³⁶ and the second largest in the world.

Thai Union was created in Thailand in 1977 to produce canned tuna for export. It is now the largest canner in Asia, exporting to Japan, U.S., Europe, Hong Kong, Malaysia, Singapore and the Middle East. According to the Crow's Nest on-line news service,

"Thailand's aggressive marketing efforts, low labor costs and weak currency against the U.S. dollar makes it the largest canned tuna exporting country in the world."

³¹ The source of statements about recent trends is Globefish, a news report on the fish and seafood industry. It is a unit of the Food and Agriculture Organization of the United Nations. It is an integral part of INFOFISH.

³² Crow's Nest, June, 2002.

³³ <http://www.delmonte.com/Company/News/press56.asp>.

³⁴ <http://www.montereyherald.com/mld/montereyherald/news/8979083.htm>.

³⁵ <http://www.chickenofthesea.com/company.aspx>.

³⁶ U.S. International Trade Commission, *Fact Sheet: Update on the Likely Impact of U.S. Tariff Modification for Tuna Imported From ATPA Beneficiaries*, 2002.

Its Chicken of the Sea brand has close to a 20 percent share in the U.S. market. (Of the approximately one-third of the U.S. market share not held by StarKist or Chicken of the Sea, most is held by Bumble Bee, which does not have a cannery on American Samoa. In 2004 Bumble Bee and Connors Bros. Income Fund combined to make Bumble Bee LLC, Inc. the largest branded seafood company in North America.)

Recent Issues Affecting Tuna Industry

A number of key issues have arisen in the past few years that have a direct impact on the tuna industry. One of these issues was the presentation of tuna to the consumer inside a flexible, foil pouch, a value-added product developed by the companies as a way to market their products. Second, the publication of a report warning of levels of methyl mercury present in certain fish consumed by Americans, including tuna. Also, U.S. legislation designed to promote trade between the U.S. and South America has provisions which could affect American Samoa and its competitiveness in the U.S. tuna market.

Pouched Tuna

In recent years, new technology in packaging tuna has led to tuna being packaged in a flexible, foil pouch. This alternative to traditional packaging has become a success and is gaining momentum among consumers. This new packaging consists of large chunks or flakes of premium albacore tuna with essentially no liquid (oil or water). In addition to not having to drain the tuna meat, the pouches are available in a variety of preseasoned flavors and require no can opener. The pouches are considered to be a higher quality product and deemed convenient but the retail price is almost double that of canned tuna. Approximately 3 percent of retail tuna consumption is pouched tuna.³⁷ Ecuador is the main exporter of the tuna in foil pouches and the country enjoys duty-free status on the pouches while Thailand is levied a 6 to 12.5 percent duty on pouches.³⁸

Methyl Mercury

In 2003 a report was released citing concerns with the levels of methyl mercury found in certain consumable fish in the U.S. Among the fish listed was albacore tuna. In March of 2004, the Food and Drug Administration (FDA) reported that albacore tuna had a higher level of methyl mercury than light meat tuna. The FDA recommended limiting the amount of these fish consumed per week, especially for children and pregnant women. In November of 2004, the Centers for Disease Control and Prevention (CDC) released a report in their Morbidity and Mortality Weekly Report indicating that levels of methyl mercury from fish were well below any level of concern. Starkist in their 2005 prehearing statement listed this factor as causing a negative trend in the public's perception of the safety of consuming tuna and other seafood.

³⁷ Forum Fisheries Agency, *Tuna Market News*, August 6, 2002, Issue No. 30, found at Internet address <http://www.ffa.int/docs/TMN.update.2002.07.pdf>.

³⁸ www.globefish.org/index.php?id=2089.

Legislation

In 2002, the U.S. Congress passed the Andean Trade Preference Act (ATPA) granting the Andean countries duty-free status on imports of pouched tuna.³⁹ Currently, canned tuna imported from Andean countries are levied tariffs upon importation into the U.S. ranging from 6% up to quota, after which a heftier 12.5% tariff is assessed.⁴⁰ The Andean Preference Act was established in 1991 to reward countries that agreed to actively curtail illegal narcotics into the U.S. by allowing selected imports reduced duty or duty-free entry into the United States. Canned tuna was one such designated import. ATPA is now part of the Andean Trade Preference and Drug Enforcement Act (ATPDEA) which was passed into public law in 2002.⁴¹

Another piece of legislation which will have an impact on imports of canned tuna in the near future is the North American Free Trade Agreement (NAFTA). NAFTA allows reduced tariffs for Mexico and other South American countries into the United States. These tariff rates are scheduled to be zero by January 1, 2008.

More detail on these two pieces of legislation is included in Chapter VI.

Dolphin Safe

Historically, dolphins in the Eastern Tropic Pacific (ETP) have been observed to swim above schools of tuna. As a result, crews on large purse-seiners would target and encircle the dolphins in an effort to capture the tuna below them. This practice often resulted in high dolphin mortality rates despite having specialty nets designed to retain the tuna while releasing the dolphins back to sea.⁴² Dolphin-safe labeling practices that had begun in the early 1990's were partially responsible for canneries moving from the ETP to Western Tropical Pacific waters.

In December 2002, the Assistant Administrator for Fisheries in the National Oceanic and Atmospheric Administration (NOAA) of the U.S. Department of Commerce found that the intentional encirclement of dolphins by purse-seine vessels did not have a significant adverse impact on dolphin numbers in the ETP. This finding changed the dolphin-safe labeling standard applicable to purse-seine vessels operating in the ETP with carrying capacity in excess of 400 short tons. Previously dolphin-safe meant that no intentional encircling of, or setting nets on, dolphins occurred while tuna were harvested. The new standard allows tuna caught by large purse-seiners to be labeled dolphin-safe if no dolphins were seriously injured or killed during the set where dolphins were intentionally encircled or chased.

In response to a complaint by Earth Island Institute challenging NOAA's final finding, the United States District Court for the Northern District of California on January 31, 2003 issued an order that

³⁹ USITC, Memorandum on Proposed Tariff Legislation of the 108th Congress, 2004.

⁴⁰ Josupeit, Helga, International Fish Trade Regulatory Framework, INFOFISH Tuna Conference presentation, 2004.

⁴¹ <http://www.whitehouse.gov/news/releases/2002/10/20021031-9.html>

⁴² <http://www.defenders.org/defendersmag/issues/summer02/tunadolpin.html>.

stayed the implementation of the final finding's implementation.⁴³ That stay, which all parties had agreed to and was effective for 90 days, meant that subsection (h) (2) of the Dolphin Protection Consumer Information Act again governed the dolphin-safe labeling standard. Consequently, tuna harvested in the ETP by purse-seine vessels with capacity of 400 short tons or greater could not be labeled dolphin-safe if dolphins were intentionally encircled or netted. On April 10, 2003, the District Court issued a preliminary injunction that ordered the National Marine Fisheries Service not to implement NOAA's final finding or the new dolphin-safe labeling standard.⁴⁴

On August 9, 2004 the U.S. District Court for the Northern District of California rejected the Department of Commerce's efforts to change the "dolphin-safe" tuna labeling program. The judge ruled that the evidence that dolphins were not affected by being caught with the tuna and released had little scientific merit.⁴⁵

Current regulations for U.S. tuna production include a requirement of a monthly report of the tuna received at their production facility. U.S. purse seiners greater than 400 short tons must have a certified inspector on each fishing excursion in the Eastern Tropics to verify meeting the tuna dolphin-safe regulations.⁴⁶

⁴³ Federal Register, Volume 68, Number 19.

⁴⁴ Federal Register, Volume 69, Number 176

⁴⁵ San Francisco Chronicle, U.S. Judge Affirms Tuna Rules, August 11, 2004.

⁴⁶ Tuna Tracking and Verification Program, <http://dolphinsafe.gov/dsp.htm>.

IV. American Samoa Wage Structure

Minimum Wage Rates under the Fair Labor Standards Act

The Fair Labor Standards Amendments of 1956 extended coverage of the Fair Labor Standards Act (FLSA) to American Samoa and provided that the Act's industry committee procedure be used for establishing minimum wage rates. Under the committee procedure--which prior to the amendments applied only to Puerto Rico and the U.S. Virgin Islands--an industry committee is convened at least once in each two-year period for the purpose of reviewing minimum wage rates that are less than the statutory minimum rate for the mainland. Specifics of the committee procedure are given in sections 5 and 8 of the FLSA and in Part 511 of Title 29 of the Code of Federal Regulations. Committee minimum wage recommendations are published in the Federal Register as a Wage Order without further review by the Secretary of Labor. Only Congress has the authority to alter minimum wage recommendations.

Background

The FLSA has been amended numerous times. Some of the amendments have extended coverage to additional workers by elimination or narrowing of exemptions and by extending coverage on an enterprise basis. The 1977 FLSA amendments provided for annual increases in the minimum wage for Puerto Rico and the U.S. Virgin Islands until they reached the minimum wage paid in the fifty states. This action eliminated use of the industry committee procedure for all U.S. territories except American Samoa.

Current Minimum Wage Rates

The minimum wage rates recommended by an industry committee cannot be higher than the FLSA minimum wage rate applicable on the U.S. mainland. Once the rates in American Samoa reach the mainland level, they will no longer be set by industry committee procedure. Subsequently, American Samoa minimum wage rates will be subject to the same minimum wage increases as apply on the mainland. The current mainland minimum wage rate of \$5.15 per hour became effective on September 1, 1997. In January 2007, legislation was presented in the U.S. Congress to raise the mainland minimum wage up to \$7.25. Although other U.S. territories were included in the bill, American Samoa was not included in this legislation. However, American Samoa was included in subsequent legislation, as discussed in Chapter II.

The industry committee has the authority to recommend rates up to the rates specified in section (6)(a)(1) of the FLSA. The committee can recommend "no increase" but it cannot lower an existing rate. The current minimum rates and the rates for 2002 through 2006 for the 18 industry classifications in American Samoa are presented in Table IV A.

As Table IV A indicates, only the Government Employee, Hotel, Miscellaneous Activities, Ship Maintenance, and Tour and Travel Services industries received wage increases in 2005 and 2006. The workers in Fish Canning and Processing last received an increase in their minimum

wage in 2001. All other industries received rate increases effective in 2002. Appendix E details wage increases recommended by the Industry Committees.

Table IV A.

Minimum Wage Rates by Year, 2002-2006

Industry Classification	Minimum Wage Rates (\$/hr)				
	2002	2003	2004	2005	2006
Bottling, Brewing, and Dairy Products	3.19	3.19	3.19	3.19	3.19
Construction	3.60	3.60	3.60	3.60	3.60
Finance and Insurance	3.99	3.99	3.99	3.99	3.99
Fish Canning and Processing	3.26	3.26	3.26	3.26	3.26
Garment Manufacturing	2.68	2.68	2.68	2.68	2.68
Government Employees	2.77	2.77	2.77	2.84	2.91
Hotel	2.86	2.86	2.86	2.93	3.00
Miscellaneous Activities	2.57	2.57	2.57	2.63	2.70
Petroleum Marketing	3.85	3.85	3.85	3.85	3.85
Printing	3.50	3.50	3.50	3.50	3.50
Private Hospitals and Educational Institutions	3.33	3.33	3.33	3.33	3.33
Publishing	3.63	3.63	3.63	3.63	3.63
Retailing, Wholesaling, and Warehousing	3.10	3.10	3.10	3.10	3.10
Ship Maintenance	3.34	3.34	3.34	3.42	3.51
Shipping and Transportation: Classification A	4.09	4.09	4.09	4.09	4.09
Shipping and Transportation: Classification B	3.92	3.92	3.92	3.92	3.92
Shipping and Transportation: Classification C	3.88	3.88	3.88	3.88	3.88
Tour and Travel Services	3.31	3.31	3.31	3.39	3.48

Sources: U.S. Department of Labor, *Report of American Samoa Industry Committee Number 26, Wage and Hour Division*.
U.S. Department of Labor, *Economic Report: The Minimum Wage in American Samoa, 2005, Wage and Hour Division*.

Survey Results

In November 2006 the Wage and Hour Division, part of the U.S. Department of Labor's Employment Standards Administration, conducted a voluntary employment survey of establishments in American Samoa covered by the Fair Labor Standards Act. While the survey did not cover the universe of FLSA covered establishments, an attempt was made to obtain a large representative sample of firms in the territory.

During the survey, a representative from each establishment was contacted and asked to furnish employment and wage information for covered employees. Employment data of covered employees were collected for February, May, August, and October of 2005 and 2006. Wage data were collected for the payroll period that included the day of October 12, 2006. A listing of the private sector establishments surveyed, together with the number of covered employees for selected months in 2005 and 2006, are presented in Appendix A.

The survey revealed that in October 2006 there were 10,195 covered employees working in 153 establishments or government agencies contacted by Wage and Hour representatives. A total of 6,412 workers were employed at 148 establishments in private sector industry classifications and 3,783 employees were working in 5 establishments in the Government Employees industry. A distribution of employment and number of establishments by industry classification are presented in Table IV B. In addition, Table IV B provides the average wages earned by covered employees in each industry as of October 2006.

The U.S. Census Bureau estimated the American Samoa civilian labor force at 17,627 for 2000 and civilian employment at 16,718.⁴⁷ Thus, covered employees who worked at the establishments and agencies surveyed for this report represent 57 percent of year 2000 civilian labor force and 60 percent of year 2000 employment.

⁴⁷ U.S. Department of Commerce, *Population and Housing Profile: 2000*, 2000 Census of Population and Housing, American Samoa. www.census.gov/prod/cen2000/island/ASprofile.pdf.

Table IV B.
**Number of Establishments, Covered Workers, and Wages by Industry Classification,
 November 2006 Survey Results**

Industry Classification	Number of Surveyed Establishments or Agencies	Covered Employees		Average Hourly Wages (\$)	
		Number	% of Total	2006	2004** ⁴⁸
Bottling, Brewing, and Dairy Products Industry	2	31	0.30	3.50	n/a
Construction Industry	3	128	1.26	5.37	4.81
Finance and Insurance Industry	7	172	1.69	8.59	7.90
Fish Canning and Processing Industry	3	4651	45.62	3.60	3.60
Garment Manufacturing Industry	0	0	0.00	*	*
Government Employees Industry	4	3783	37.11	7.49	7.99
Hotel Industry	4	124	1.22	4.09	4.07
Miscellaneous Activities Industry	16	131	1.28	4.70	5.01
Petroleum Marketing Industry	1	6	0.06	7.41	5.92
Printing Industry	2	11	0.11	4.52	4.13
Private Hospitals and Educational Institutions Industry	1	10	0.10	3.60	3.23
Publishing Industry	1	5	0.05	4.20	8.14
Retailing, Wholesaling, and Warehousing Industry	95	964	9.46	4.26	4.55
Ship Maintenance Industry	0	0	0.00	*	6.54
Shipping and Transportation Industry: Classification A	1	77	0.76	4.68	4.41
Shipping and Transportation Industry: Classification B	1	27	0.28	4.84	4.57
Shipping and Transportation Industry: Classification C	7	69	0.68	5.66	5.30
Tour and Travel Services Industry	4	6	0.06	6.71	6.71
Total	153	10195			

*No data was collected for Garment Industry and Ship Maintenance. No businesses in the Garment Industry exist on the island and businesses for Ship Maintenance were contacted but did not participate in the survey.

**Please note that the 2004 Average Hourly Rate has been provided only as a reference and due to the limited and variant nature of the data, no concrete statistical trend between years should be inferred.

⁴⁸ U.S. Department of Labor, 2004 Wage and Hour Survey Results for American Samoa

American Samoa Employment and Wages

Three sectors employed approximately 93 percent of all covered workers in the survey:

- Fish Canning and Processing continued to be the dominant industry in the private sector with 4,651 covered employees in October 2006. This represented 45 percent of the total number of covered workers in the survey.
- The American Samoa Government employed 3,783 covered workers, accounting for more than 34 percent of total survey employment.
- Employment in Retailing, Wholesaling, and Warehousing accounted for 964 workers or over 9 percent of the covered employees in firms surveyed.

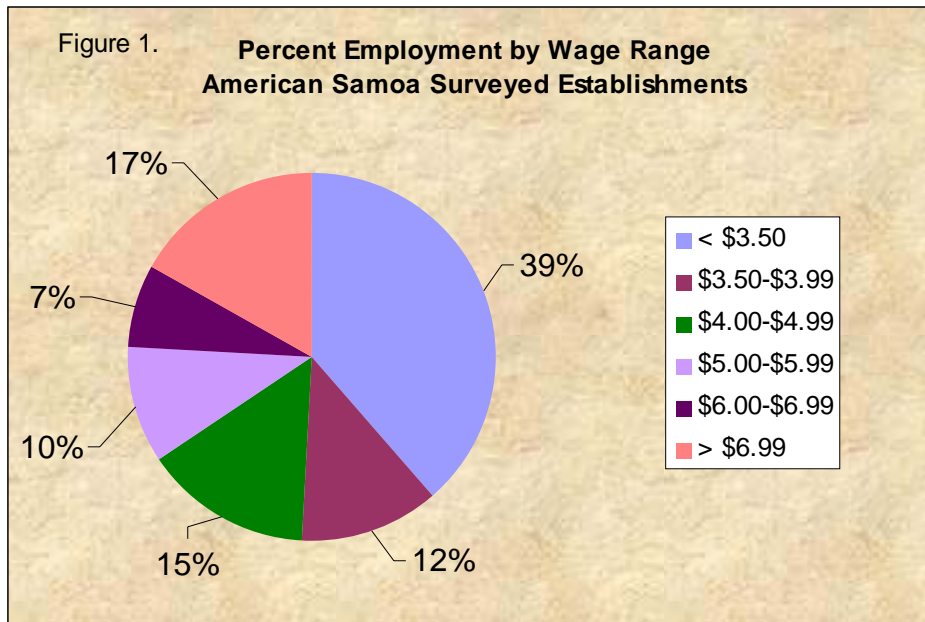
Table IV B indicates there were three industries that paid average wages below \$4.00 per hour to covered employees; Bottling, Brewing, and Dairy Products, Fish Canning and Processing, and Private Hospitals and Educational Institutions. The Fish Canning and Processing Industry paid an average hourly wage of \$3.60.

Four industries paid average wages greater than \$6.00 per hour: Finance and Insurance; Government Employees; Petroleum Marketing; and Tour and Travel Services industries. The Finance and Insurance Industry led all industries in terms of average hourly wage (\$8.59) paid to covered employees. The industry with the second highest average wage paid was Government Employees Industry at \$7.49.

Figure 1 shows the percent of covered employees by wage range for all of the establishments and agencies surveyed based on October 2006 data. The wage rates in Figure 1 are in increments of one dollar beginning with the lowest wage paid.

Estimated Effect of Increases in the Minimum Wage

Calculations showing the direct effects of alternative higher minimum wage rates for workers in American Samoa are presented in Appendix B. The calculations show the average hourly wage and total hourly income (firms' cost) resulting from increases in the minimum wage in five-percent increments.



In reviewing these calculations it is necessary to remember that:

1. The calculations show only the direct effects of increasing the wage rates of workers being paid less than and up to a specified rate, and do not take into consideration any movement in the wage structure (resulting from steps taken to avoid wage compression) above the alternative minimum wage rate.
2. These calculations are based upon the wage structure of the surveyed firms as of October 2006 and do not take into consideration any subsequent wage movements occurring after the survey.

Sub-Minimum Wage Employees

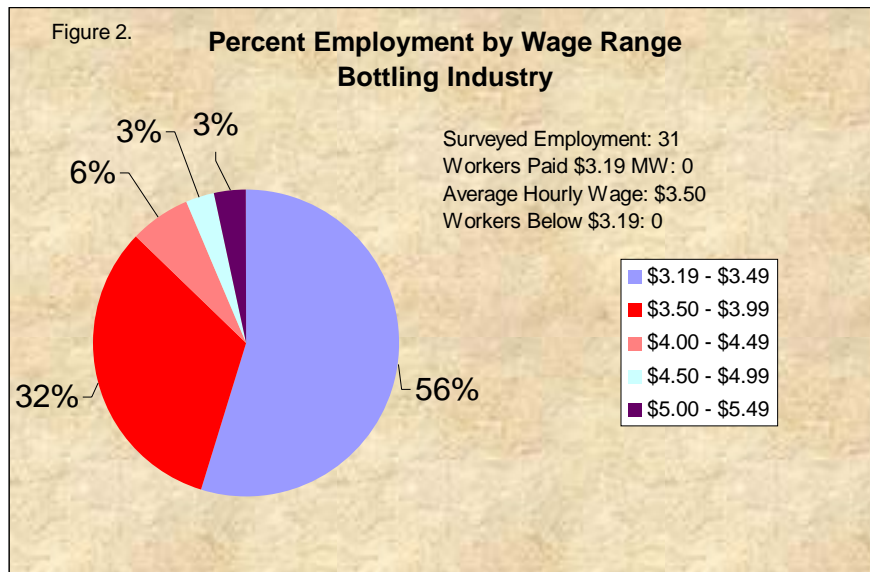
Based on Wage and Hour survey data, some covered employees earned wages below the minimum rate established for their respective industry classifications. Because the Employment Standards Administration of the U.S. Department of Labor has responsibility for investigating potential violations, Wage and Hour personnel will contact the establishments where these workers were employed in an attempt to ascertain minimum wage compliance. If some employers overstated the wages paid to some employees in an attempt to avoid such investigations, the estimates in this report might understate the true costs of raising wages to some higher minimum wage. However, these costs are really attributable to compliance with the current minimum wage rather than the result of raising the minimum wage to the higher level.

Bottling, Brewing, and Dairy Products Industry

This industry classification includes the bottling, sale and distribution of soft drinks and malt beverages and the processing, distribution and manufacturing of milk and other dairy products. The minimum hourly wage rate for this industry is \$3.19 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$3.50 to covered employees. According to survey data, no person was paid below the minimum wage.

The reported Bottling, Brewing, and Dairy Products Industry classification employment was 31 covered employees among two establishments. Fifty-six percent earned wages of \$3.19 to \$3.49 per hour and 32 percent earned wages of \$3.50 to \$3.99 per hour (see Figure 2). Six percent earned wages of \$4.00 to \$4.49 per hour and 3 percent earned wages of \$4.50 to \$4.99. Three percent earned wages of \$5.00 to \$5.99

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$3.35 (a 5% increase) would affect 16 employees, increasing the hourly range income by 2.1 percent. The average hourly rate would increase to \$3.57 (see Appendix B). An increase to \$3.51 (a 10% increase) would affect 19 employees, increasing the hourly wage income by 4.5 percent and would raise the average hourly rate to \$3.65 per hour. Increasing the minimum to \$3.67 (a 15% increase) would affect 27 employees, increasing the hourly wage income by 7.8 percent and would raise the average hourly rate to \$3.77 per hour.

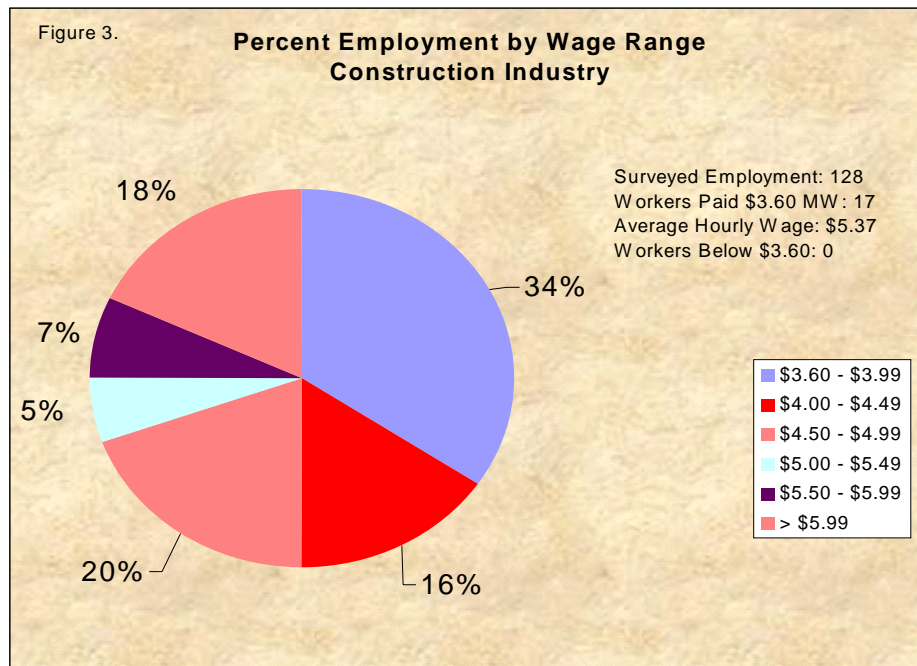


Construction Industry

The Construction Industry includes the construction, reconstruction, structural renovation and demolition of buildings, housing, highways and streets, catchments, dams and any other structure, whether publicly or privately owned. The minimum wage hourly rate for this industry is \$3.60 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$5.37 to covered employees. According to survey data, no persons were paid below the minimum wage.

The reported Construction Industry classification employment was 128 covered employees among three establishments. Thirty-four percent earned wages of \$3.60 to \$3.99 per hour and 16 percent earned wages of \$4.00 to \$4.49 per hour (see Figure 3). Twenty percent earned wages of \$4.50 to \$4.99 per hour and 5 percent earned wages of \$5.00 to \$5.49 per hour. Seven percent earned wages of \$5.50 to \$5.99 per hour and 18 percent earned wages in excess of \$5.99 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$3.78 (a 5% increase) would affect 18 employees, increasing the hourly wage income by 0.45 percent and raising the average hourly wage rate to \$5.40 per hour (see Appendix B). An increase to \$3.96 (a 10% increase) would affect 19 employees, increasing the hourly wage income by 0.94 percent and would raise the average hourly rate to \$5.43 per hour. Increasing the minimum to \$4.14 (a 15% increase) would affect 44 employees, increasing the hourly wage income by 1.96 percent would raise the average hourly wage rate to \$5.48 per hour.

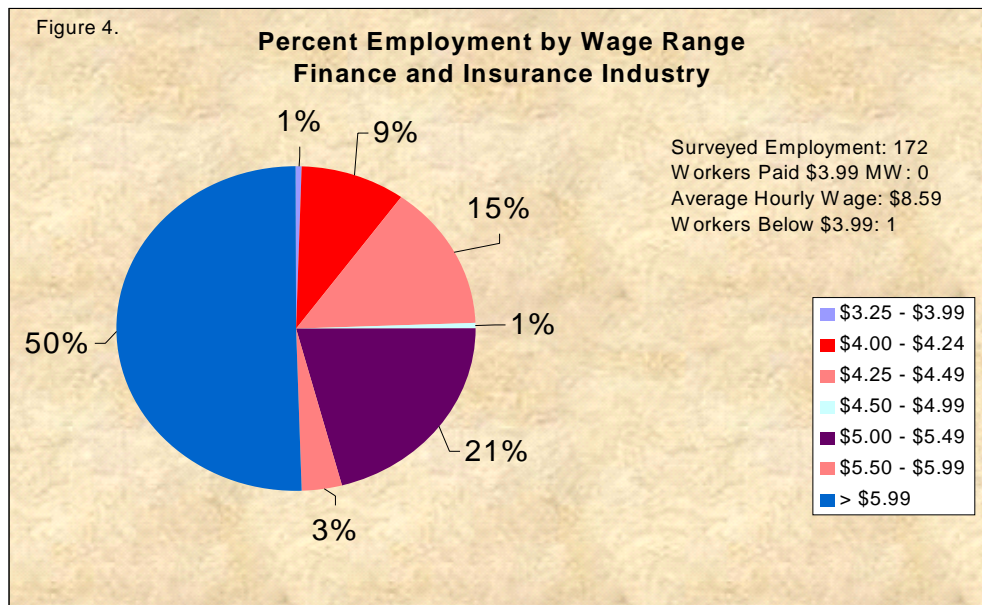


Finance and Insurance Industry

This industry classification includes all banks and other financial institutions (whether privately or government owned), dealers and brokers of securities and commodities, and insurance carriers, agents and brokers. The minimum hourly wage rate for this industry is \$3.99 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$8.59 to covered employees. According to survey data, one person was paid below the minimum wage.

The reported Finance and Insurance Industry classification employment was 172 covered employees among seven establishments. One percent earned wages of less than \$3.99. Nine percent earned \$4.00 to \$4.24 per hour and 15 percent earned wages of \$4.25 to \$4.49 per hour (see Figure 4). One percent earned wages of \$4.50 to \$4.99 per hour and 21 percent earned wages of \$5.00 to \$5.49 per hour. Three percent earned wages of \$5.50 to \$5.99 per hour and 50 percent earned wages in excess of \$5.99 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$4.19 (a 5% increase) would affect one employee increasing the hourly wage income by 0.03 percent and would raise the average hourly wage to \$8.60 per hour (see Appendix B). An increase to \$4.39 (a 10% increase) would affect 18 employees increasing the hourly wage income by 0.21 percent and would raise the average hourly rate to \$8.61 per hour. Increasing the minimum to \$4.59 (a 15% increase) would affect 43 employees increasing the hourly wage income by 0.78 percent and would raise the average hourly wage rate to \$8.66 per hour.

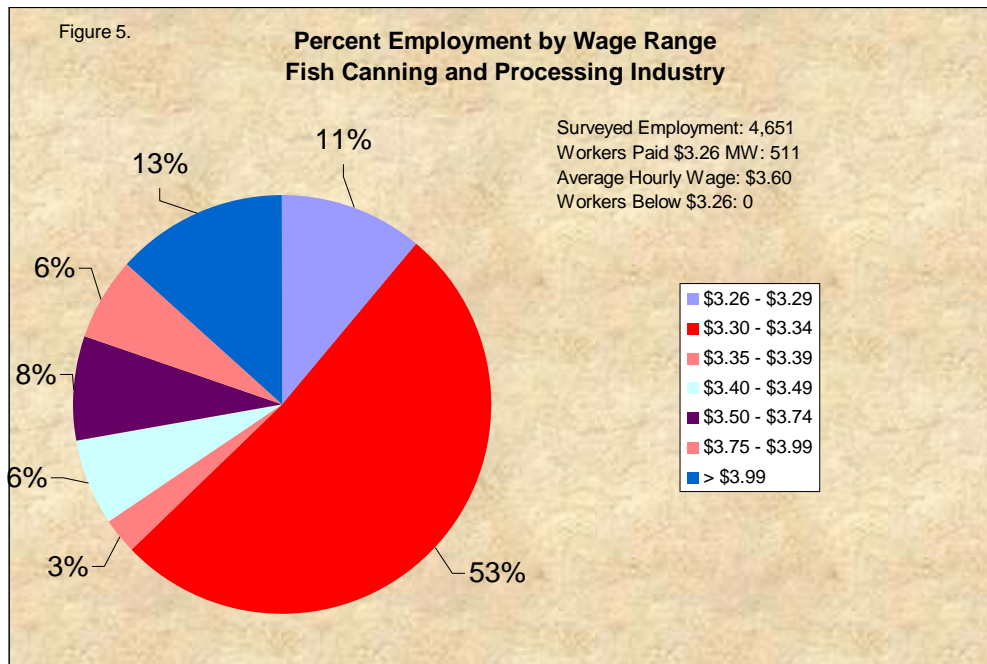


Fish Canning and Processing Industry

The Fish Canning and Processing Industry includes the canning, freezing, preserving, and processing of any fish or shellfish, and the manufacturing of any byproduct from these activities. It also includes the manufacturing of cans and related activities. The minimum hourly wage rate for this industry is \$3.26 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$3.60 to covered employees. According to survey data, no person was paid below the minimum wage.

The reported Fish Canning and Processing Industry classification employment was 4,651 covered employees among three establishments. Eleven percent of the workers were paid \$3.26 to \$3.29 hour (see Figure 5). The largest group of employees, 53 percent, was paid from \$3.30 to \$3.34. Three percent were paid from \$3.35 to \$3.39 per hour and six percent were paid from \$3.40 to \$3.49. Eight percent were paid from \$3.50 to \$3.74 per hour and six percent were paid from \$3.75 to \$3.99. The remaining 13 percent of workers were paid at a rate that exceeded \$3.99 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$3.42 (a 5% increase) would affect 3,225 employees, increasing hourly wage income by 2.31 percent. The average hourly rate among all employees would rise to \$3.68 per hour (see Appendix B). An increase to \$3.59 (a 10% increase) would affect 3,466 employees, increasing hourly wage income by 5.6 percent. The average hourly rate among all employees would rise to \$3.80 per hour. Increasing the minimum to \$3.75 (a 15% increase) would affect 3,733 employees, increasing hourly wage income by 9.2 percent. The average hourly rate among all employees would rise to \$3.93 per hour



Garment Manufacturing Industry

This industry classification includes the manufacturing of articles of apparel and clothing by knitting, sewing, spinning, and other similar processes. However, it does not include manufacturing, processing, or mending of apparel in retail or service establishments. There were no Garment Manufacturing establishments surveyed in November 2006 and this lack of survey data precluded an analysis of wage ranges or of alternative minimum wage impacts. However, it should be noted that the minimum hourly wage rate for Garment Manufacturing was increased to \$2.68 on October 1, 2002.

No businesses classified in the Garment Manufacturing Industry exist on the island.

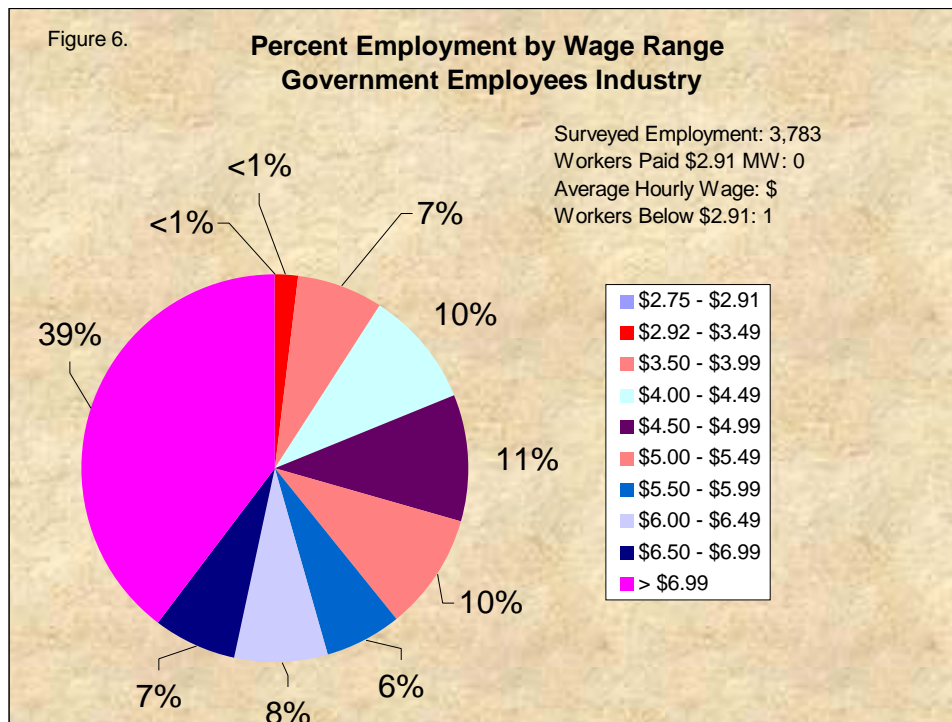
The minimum wage rate for this industry was set at \$2.68 as of October 1, 2006. An increase in the minimum wage of 5% would raise the wage to \$2.81, a 10% increase corresponds to a wage of \$2.95 and a 15% increase would increase the minimum wage to \$3.08.

Government Employees Industry

This industry classification includes all employees of the Government of American Samoa. It includes executive agencies, hospital and educational institutions, and a power facility. This classification excludes all employees of the U.S. Federal Government. The minimum hourly wage rate for this industry is \$2.91 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$7.49 to covered employees. According to survey data, only one person was paid below the minimum wage.

The reported Government Employees Industry classification employment was 3,783 covered employees among five establishments. Less than one percent of the workers were paid below \$2.91 per hour, below the minimum wage set for this industry. Less than one percent earned wages \$2.92 to \$3.49 per hour (see Figure 6). Seven percent earned \$3.50 to \$3.99 per hour and 10 percent earned \$4.00 to \$4.49 per hour. Eleven percent earned \$4.50 to \$4.99 and 10 percent earned \$5.00 to \$5.49 per hour. Six percent earned \$5.50 to \$5.99 per hour and eight percent earned \$6.00 to \$6.49 per hour. Seven percent earned \$6.50 to \$6.99 per hour and the largest group of workers, 39 percent, was paid at a rate that exceeded \$6.99 per hour.

If there were an increase in the minimum wage, an increase of 20% would change the average wage paid. The average hourly rate would change \$0.01 to \$7.50 average rate (see Appendix B). This would increase the hourly wage income by 0.02 percent.

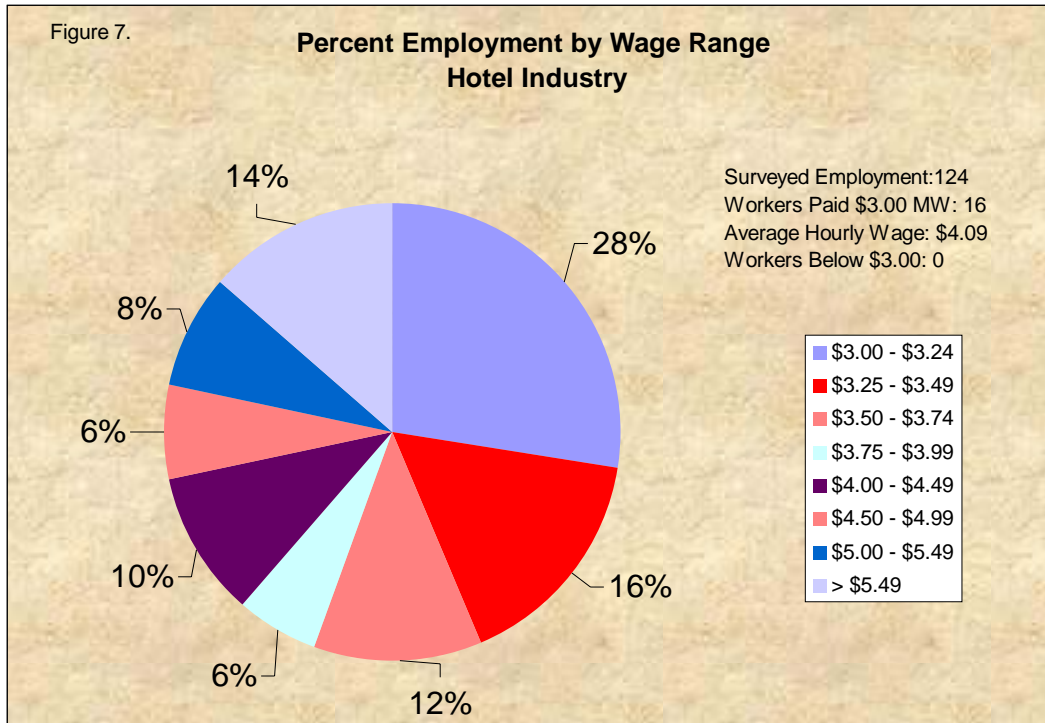


Hotel Industry

This industry includes all activities connected with the operation of hotels, motels, apartment hotels, and tourist courts engaged in providing lodging for the general public. The minimum hourly wage rate for this industry is \$3.00 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$4.09 to covered employees. According to survey data, no persons were paid below the minimum wage.

The reported Hotel Industry classification employment was 124 covered employees among four establishments. Twenty-eight percent earned \$3.00 to \$3.24 per hour and 16 percent earned wages of \$3.25 to \$3.49 per hour (see Figure 7). Twelve percent earned \$3.50 to \$3.74 per hour and six percent earned wages of \$3.75 to \$3.99 per hour. Ten percent earned \$4.00 to \$4.49 and six percent earned wages of \$4.50 to \$4.99 per hour. Eight percent earned wages of \$5.00 to \$5.49 per hour and 14 percent earned wages in excess of \$5.49 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$3.15 (a 5% increase) would affect 29 employees, increasing the hourly wage income by 0.68 percent and would raise the average hourly wage to \$4.12 per hour (see Appendix B). An increase to \$3.30 (a 10% increase) would affect 47 employees, increasing the hourly wage income by 1.8 percent and would raise the average hourly rate to \$4.16 per hour. Increasing the minimum to \$3.45 (a 15% increase) would affect 54 employees, increasing the hourly wage income by 3.3 percent and would raise the average hourly wage rate to \$4.22 per hour.

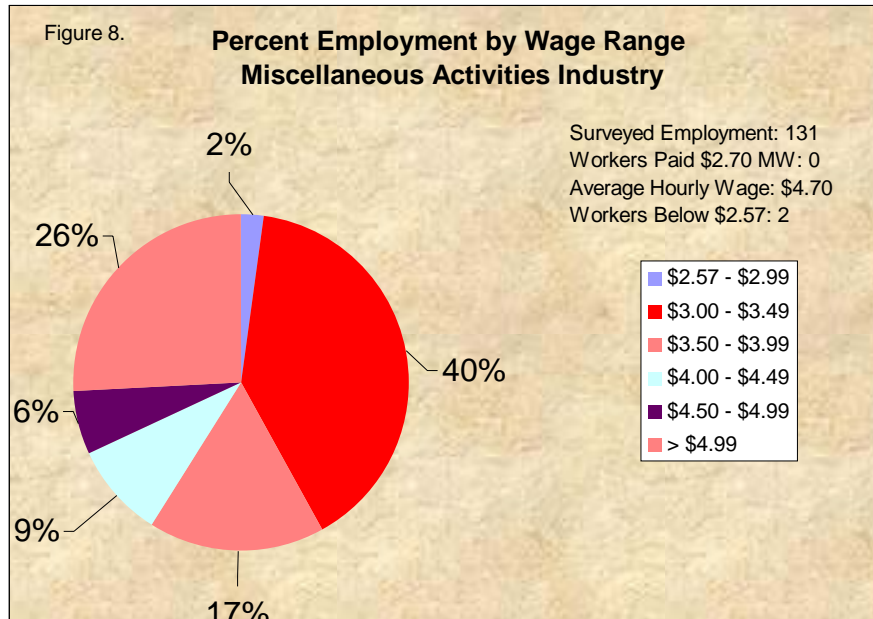


Miscellaneous Activities Industry

The Miscellaneous Activity Industry classification contains a wide variety of business activities such as radio stations, law offices, management companies, etc. that are not covered by any other industry classification. The minimum hourly wage rate for this industry is \$2.70 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$4.70 to covered employees. According to survey data, two persons were paid below the minimum wage.

The reported Miscellaneous Industry classification employment was 131 covered employees among 16 establishments. Two percent earned wages of \$2.57 to \$2.99 per hour and 40 percent earned wages of \$3.00 to \$3.49 per hour (see Figure 8). Seventeen percent earned wages of \$3.50 to \$3.99 per hour and nine percent earned wages of \$4.00 to \$4.49 per hour. Six percent earned wages of \$4.50 to \$4.99 per hour and 26 percent earned wages exceeding \$4.99 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$2.84 (a 5% increase) would affect three employees, increasing the hourly wage income by 0.09 percent but would not raise the average hourly wage of \$4.70 per hour (see Appendix B). An increase to \$2.97 (a 10% increase) would affect three employees, increasing the hourly wage income by 0.16 percent and would raise the average hourly rate to \$4.71 per hour. Increasing the minimum to \$3.11 (a 15% increase) would affect 25 employees, increasing the hourly wage income by 0.48 percent and would raise the average hourly wage rate to \$4.72 per hour.

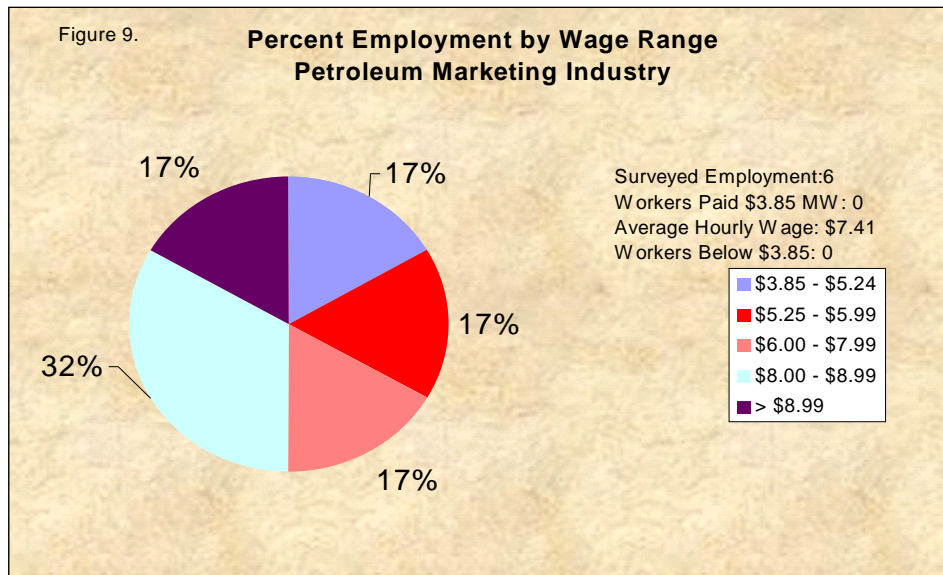


Petroleum Marketing Industry

This industry includes the wholesale marketing of gasoline, kerosene, diesel, and other petroleum products; bunkering operations connected with these products; and the repair and maintenance of petroleum storage facilities. The minimum hourly wage rate for this industry is \$3.85 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$7.41 to covered employees. According to survey data, no person was paid below the minimum wage.

The reported Petroleum Industry classification employment was six covered employees by one establishment. Seventeen percent earned wages of \$3.85 to \$5.24 per hour and 17 percent earned wages of \$5.25 to \$5.99 per hour (see Figure 9). Seventeen percent earned wages of \$6.00 to \$7.99 per hour and 32 percent earned wages of \$8.00 to \$8.99 per hour and 17 percent earned wages in excess of \$8.99

According to the survey data, the lowest paid wage was \$5.24 per hour. As a result, there would need to be a 37% increase in the minimum wage before any direct effect would be noticed. Raising the minimum wage by 37% would result in a \$5.27 per hour rate (which is higher than the US mainland minimum wage rate) and would affect one employee.

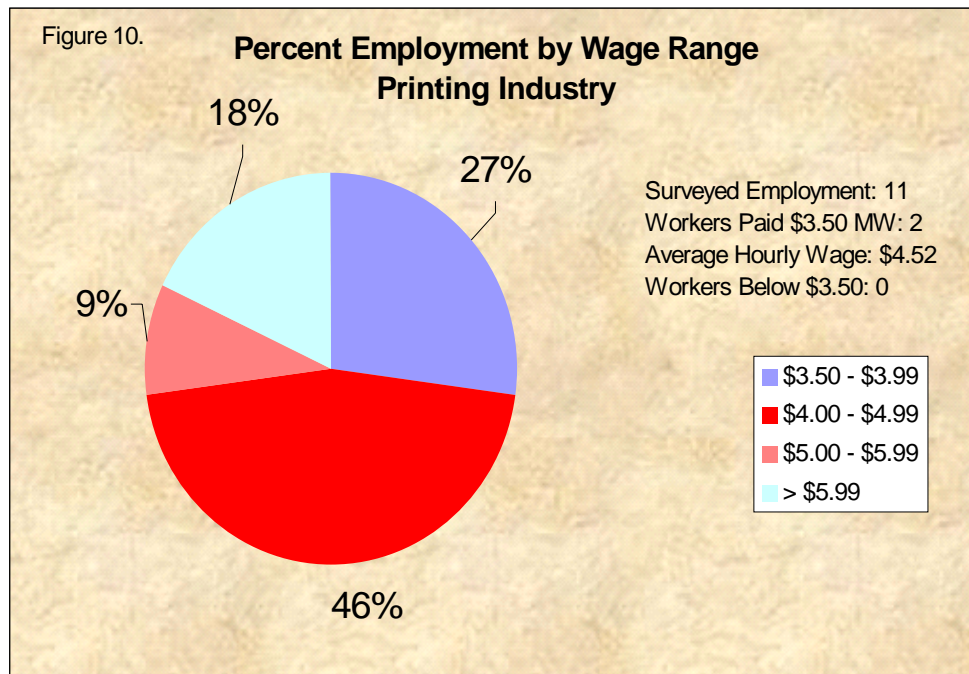


Printing Industry

The Printing industry containing establishments employing workers engaged in printing, job printing, and duplicating. This industry classification does not include printing by an employer that publishes a newspaper, magazine or similar publication. The minimum hourly wage rate for this industry is \$3.50 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$4.52 to covered employees. According to survey data, no persons were paid below the minimum wage.

The reported Printing Industry classification employment was 11 covered employees between two establishments. Twenty-seven percent earned wages of \$3.50 to \$3.99 per hour and 46 percent earned wages of \$4.00 to \$4.99 per hour (see Figure 10). Nine percent earned wages of \$5.00 to \$5.99 per hour and 18 percent earned wages in excess of \$5.99 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$3.68 (a 5% increase) would affect two employees, increasing the hourly wage income by 0.70 percent and would raise the average hourly wage to \$4.55 per hour (see Appendix B). An increase to \$3.85 (a 10% increase) would affect three employees, increasing the hourly wage income by 1.6 percent and would raise the average hourly rate to \$4.60 per hour. Increasing the minimum to \$4.03 (a 15% increase) would affect seven employees, increasing the hourly wage income by 2.9 percent and would raise the average hourly wage rate to \$4.65 per hour.

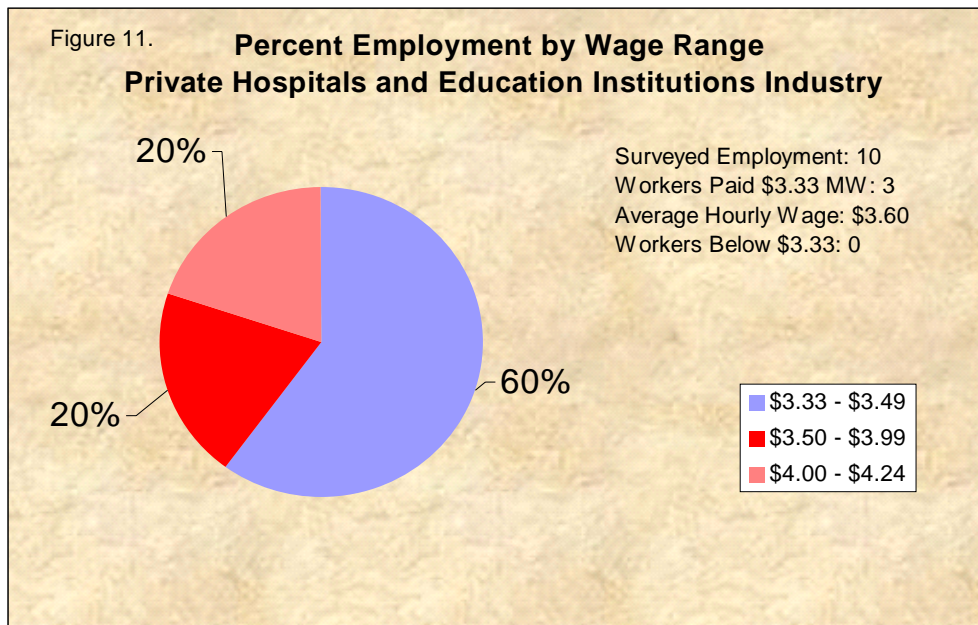


Private Hospitals and Educational Institutions Industry

This industry includes the activities associated with the operation of private hospitals, nursing homes, and related institutions primarily engaged in the care of the sick, aged, or mentally or physically disabled. This classification also includes preschools, elementary or secondary schools, or institutions of higher learning. However, this classification does not include any employees working for agencies of the Government of American Samoa. The minimum hourly wage rate for this industry is \$3.33 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$3.60 to covered employees. According to survey data, no persons were paid below the minimum wage.

The reported Private Hospital and Educational Institutions Industry classification employment was 10 covered employees by one establishment. Sixty percent earned wages from \$3.33 to \$3.49 per hour and 20 percent earned wages of \$3.50 to \$3.99 per hour (see Figure 11). Twenty percent earned wages from \$4.00 to \$4.24 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$3.50 (a 5% increase) would affect 6 employees, increasing the hourly wage by 1.9 percent and would raise the average hourly wage to \$3.67 per hour (see Appendix B). An increase to \$3.66 (a 10% increase) would affect seven employees, increasing the hourly wage by 4.7 percent and would raise the average hourly rate to \$3.77 per hour. Increasing the minimum to \$3.83 (a 15% increase) would affect eight employees, increasing the hourly wage by 8.1 percent and would raise the average hourly wage rate to \$3.89 per hour.

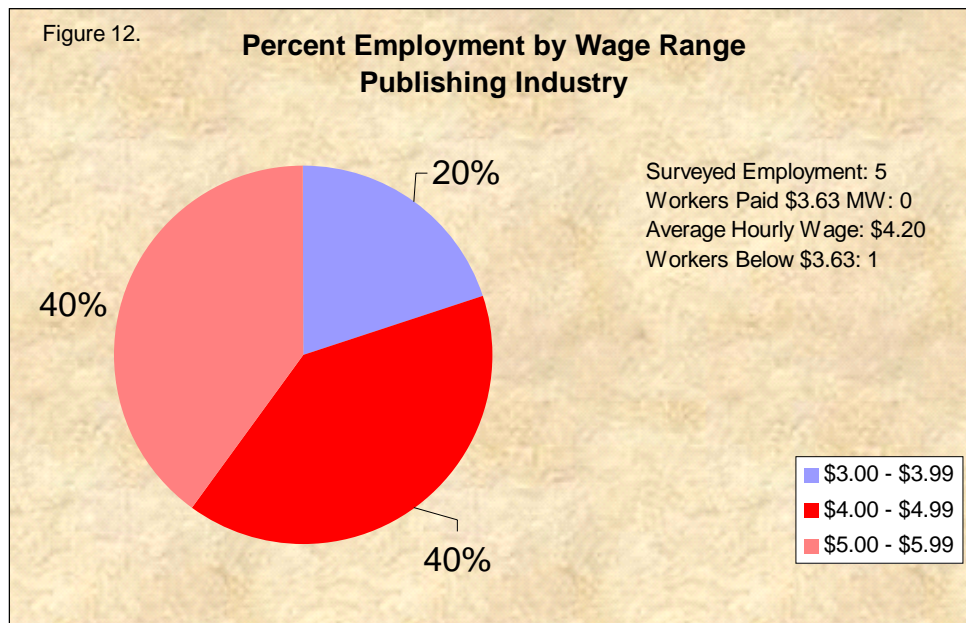


Publishing Industry

The Publishing Industry is engaged in the publishing of newspapers, magazines or other similar publications, other than the publication of newspapers with circulation less than 4,000. The minimum hourly wage rate for this industry is \$3.63 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$4.20 to covered employees. According to survey data, one person was paid below the minimum wage.

The reported Publishing Industry classification employment was five covered employees by one establishment. Twenty percent earned wages from \$2.50 to \$3.63 per hour. Forty percent earned \$3.63 to \$3.99 per hour and 50 percent earned wages of \$5.00 to \$5.99 per hour (see Figure 12).

To correctly estimate the increased burden for this Industry, the one employee paid less than the minimum wage is assumed to be paid the current minimum of \$3.63 per hour, not the amount collected during the survey (\$3.00 per hour). The adjusted average hourly wage would be \$4.33 per hour instead of \$4.20 per hour stated above. Therefore the direct effect of raising the minimum to \$3.81 (a 5% increase) would affect one employee increasing the hourly wage income by 0.84 percent and increasing the average hourly wage to \$4.36 per hour (see Appendix B). An increase to \$3.99 (a 10% increase) would affect one employee increasing the hourly wage income by 1.68 percent and would raise the average hourly rate to \$4.40 per hour. Increasing the minimum to \$4.17 (a 15% increase) would affect three employees increasing the hourly wage income by 6.65 percent increase in wage income and would raise the average hourly wage rate to \$4.50 per hour.

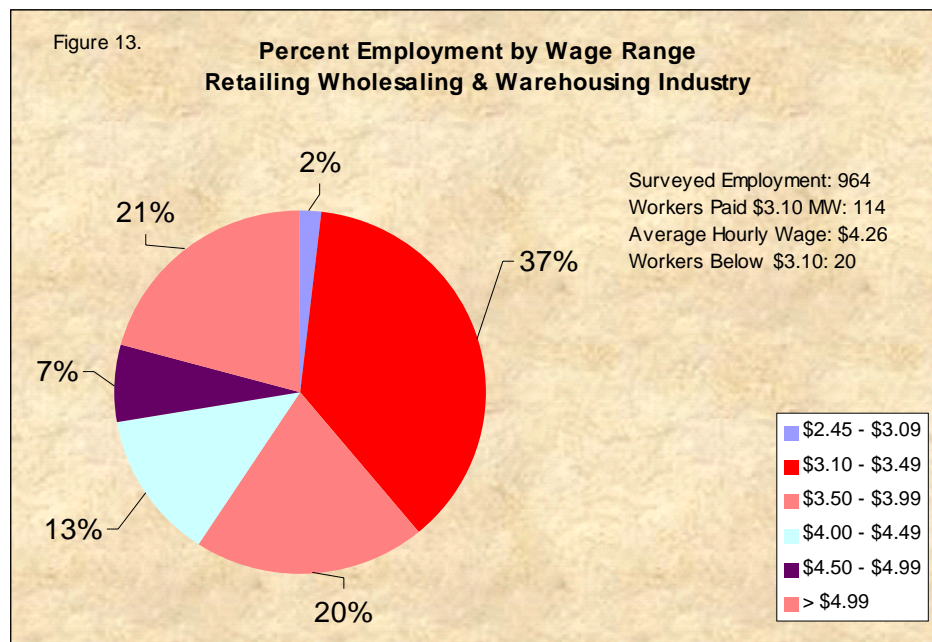


Retailing, Wholesaling, and Warehousing Industry

This industry includes all activities related to the selling of goods and services at wholesale and retail, and it includes warehousing and other distribution activities. This classification includes the activities of importers and exporters. The minimum hourly wage rate for this industry is \$3.10 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$4.26 to covered employees. According to survey data, 20 persons were paid below the minimum wage.

The reported Retailing, Wholesaling and Warehousing Industry classification employment was 964 covered employees among 95 establishments. Two percent earned wages of \$2.45 to \$3.09 per hour and 37 percent earned wages of \$3.10 to \$3.49 per hour (see Figure 13). Twenty percent earned wages of \$3.50 to \$3.99 per hour and 13 percent earned wages of \$4.00 to \$4.49 per hour. Seven percent earned wages of \$4.50 to \$4.99 and 21 percent earned wages in excess of \$4.99 per hour.

As with the Publishing Industry, for the purposes of estimating increase burden, the 20 employees be paid below the appropriate minimum wage are adjusted to being paid \$3.10 per hour. The adjusted average hourly rate would be \$4.27 per hour, as opposed to the \$4.26 per hour stated above. If there were an increase in the minimum wage, the direct effect of raising the minimum to \$3.26 (a 5% increase) would affect 244 employees, increasing the hourly wage income by 0.59 percent and would raise the average hourly wage to \$4.29 per hour (see Appendix B). An increase to \$3.41 (a 10% increase) would affect 346 employees, increasing the hourly wage income by 1.69 percent and would raise the average hourly rate to \$4.34 per hour. Increasing the minimum to \$3.57 (a 15% increase) would affect 450 employees, increasing the hourly wage income by 3.18 percent and would raise the average hourly wage rate to \$4.40 per hour.

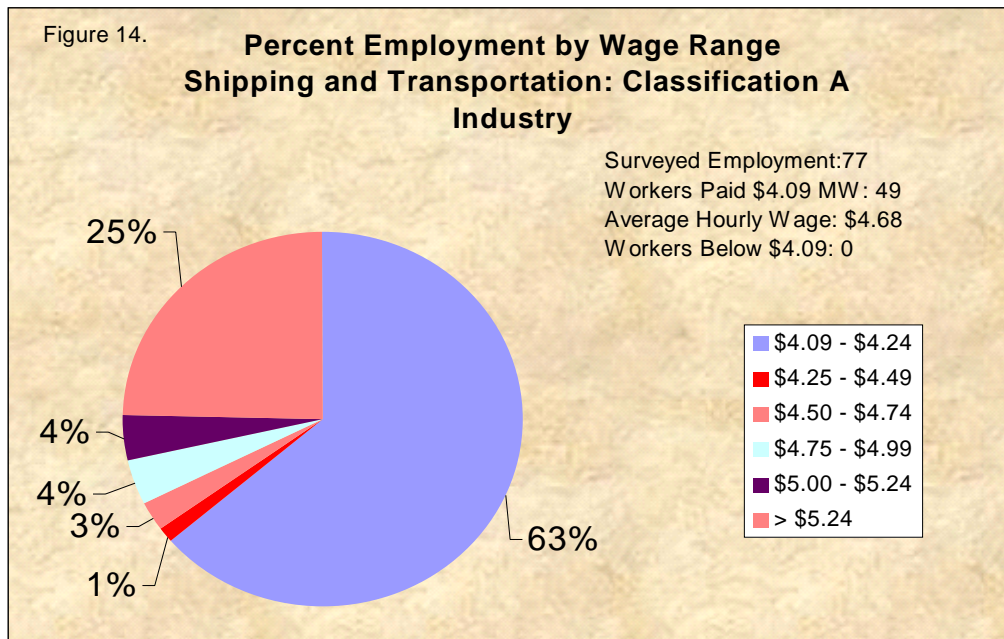


Shipping and Transportation Industry: Classification A

This classification includes firms whose employees were engaged in any of the following three services: stevedoring, lighterage, and maritime shipping agency activities. This industry excludes the operation of ticket agencies and travel bureaus, and excludes the bunkering of petroleum products. The minimum hourly wage rate for this industry is \$4.09 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$4.68 to covered employees. According to survey data, no person was paid below the minimum wage.

The reported Shipping and Transportation Industry: Classification A employment was 77 covered employees by one establishment. The largest number of employees (49) was paid exactly the minimum wage. Sixty-three percent earned wages of \$4.09 to \$4.24 per hour and one percent earned wages of \$4.25 to \$4.49 per hour (see Figure 14). Three percent earned wages of \$4.50 to \$4.74 per hour and 4 percent earned wages of \$4.75 to \$4.99 per hour. Four percent earned wages of \$5.00 to \$5.24 per hour and 25 percent earned wages in excess of \$5.24 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$4.29 (a 5% increase) would affect 49 employees, increasing the hourly wage income by 2.8 percent and would increase the average hourly wage to \$4.81 (see Appendix B). An increase to \$4.50 (a 10% increase) would affect 50 employees, increasing the hourly wage income by 5.6 percent and would raise the average hourly rate to \$4.94 per hour. Increasing the minimum to \$4.70 (a 15% increase) would affect 52 employees, increasing the hourly wage income by 8.6 percent and would raise the average hourly wage rate to \$5.08 per hour.

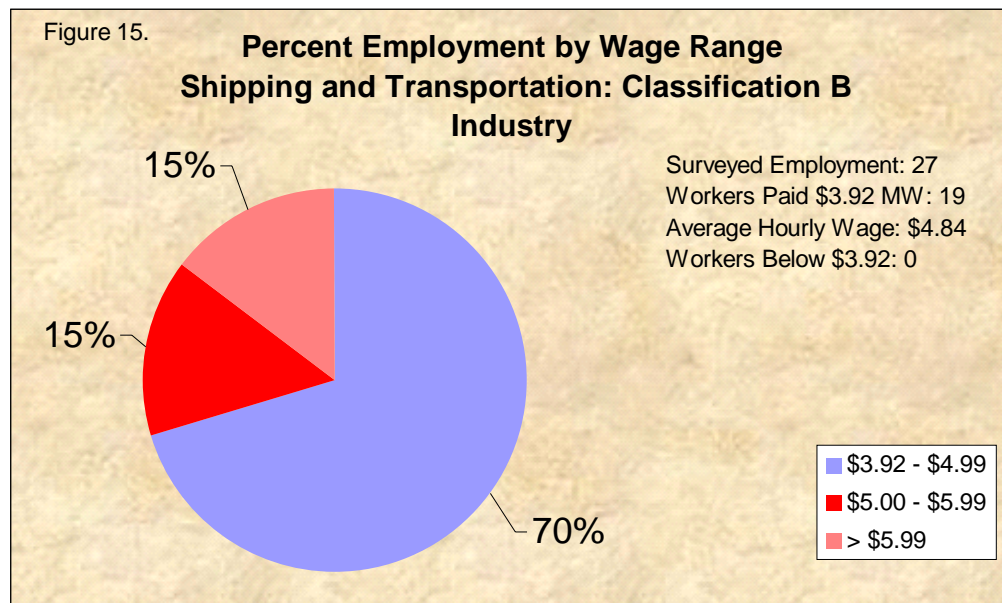


Shipping and Transportation Industry: Classification B

This classification includes firms whose employees are engaged in the unloading of raw and/or frozen fish from vessels. This industry excludes the operation of ticket agencies and travel bureaus, and excludes the bunkering of petroleum products. The minimum hourly wage rate for this industry is \$3.92 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$4.84 to covered employees. According to survey data, no persons were paid below the minimum wage.

The reported Shipping and Transportation Industry: Classification B employment was 27 covered employees by one establishment. Seventy percent earned wages of \$3.92 to \$4.99 per hour and 15 percent earned wages of \$5.00 to \$5.99 per hour (see Figure 15). Fifteen percent earned wages in excess of \$5.99 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$4.12 (a 5% increase) would affect 19 employees, increasing the hourly wage income by 2.9 percent and increasing the average hourly wage to \$4.98 per hour (see Appendix B). An increase to \$4.31 (a 10% increase) would affect 19 employees, increasing the hourly wage income by 5.7 percent and would raise the average hourly rate to \$5.12 per hour. Increasing the minimum to \$4.51 (a 15% increase) would affect 19 employees, increasing the hourly wage income by 8.6 percent and would raise the average hourly wage rate to \$5.26 per hour.

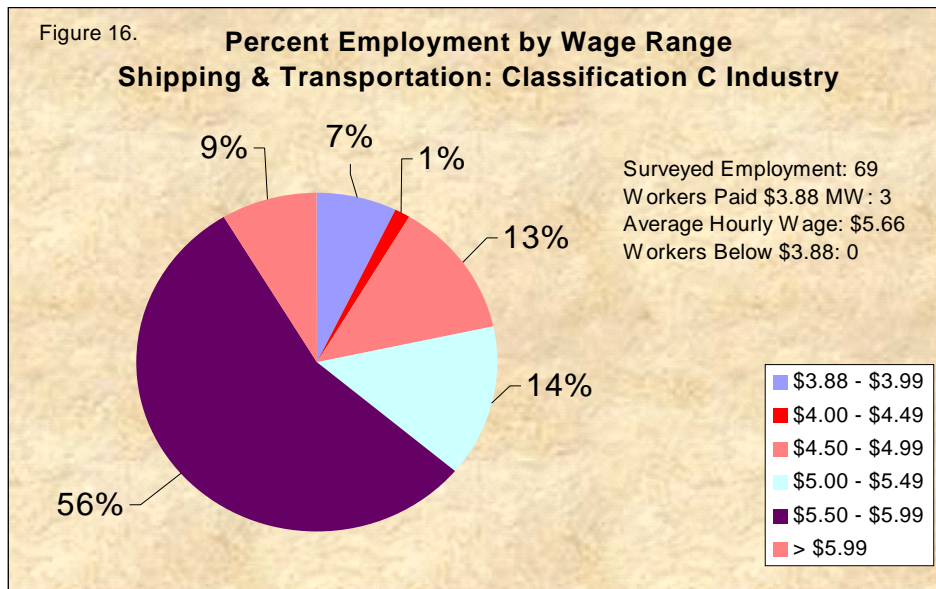


Shipping and Transportation Industry: Classification C

This classification includes all other activities in the shipping and transportation industry. The minimum hourly wage rate for this industry is \$3.88 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$5.66 to covered employees. According to survey data, no person was paid below the minimum wage.

The reported Shipping and Transportation: Classification C employment was 69 covered employees among seven establishments. Seven percent earned wages of \$3.88 to \$3.99 per hour and one percent earned wages of \$4.00 to \$4.49 per hour (see Figure 16). Thirteen percent earned wages of \$4.50 to \$4.99 per hour and 14 percent earned wages of \$5.00 to \$5.49 per hour. Fifty-six percent earned wages of \$5.50 to \$5.99 per hour and nine percent earned wages in excess of \$5.99 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$4.07 (a 5% increase) would affect six employees, increasing hourly wage income by 0.23 percent and increasing the average hourly to \$5.68 per hour (see Appendix B). An increase to \$4.27 (a 10% increase) would affect six employees, increasing hourly wage income by 0.53 percent and would raise the average hourly rate to \$5.69 per hour. Increasing the minimum to \$4.46 (a 15% increase) would affect six employees, increasing hourly wage income by 0.83 percent and would raise the average hourly wage rate to \$5.71 per hour.



Ship Maintenance Industry

The Ship Maintenance Industry classification is defined as all work activity related to ship repair and maintenance, including marine, railway, and dry dock operations. The minimum hourly wage rate for this industry is \$3.51 as of October 1, 2006

No Ship Maintenance Industry establishments chose to participate in the survey and this lack of survey data precluded any analysis of wage ranges or of alternative minimum wage impacts.

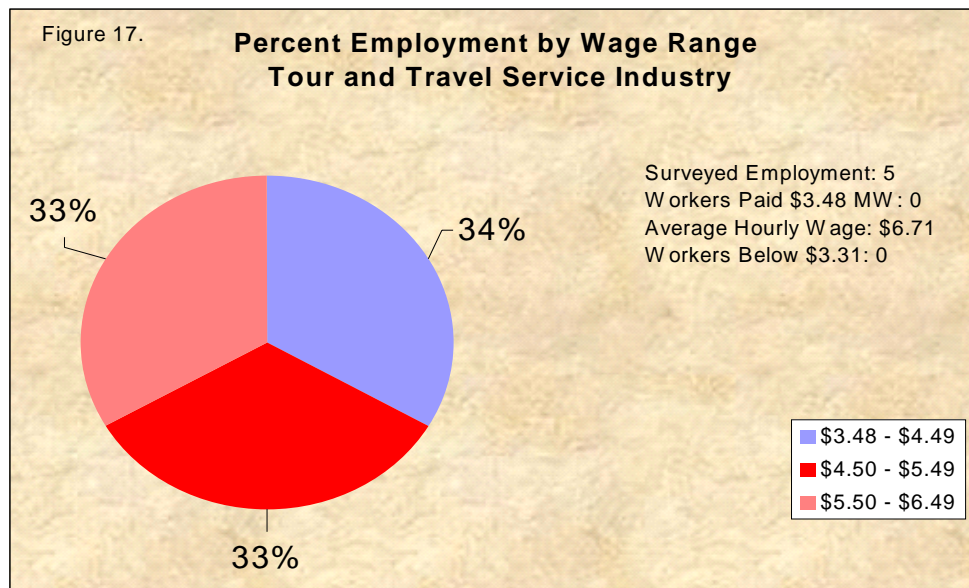
The minimum wage rate for this industry was set at \$3.51 as of October 1, 2006. An increase in the minimum wage of 5% would raise the wage to \$3.69 per hour, a 10% increase corresponds to a wage of \$3.86 per hour and a 15% increase would increase the minimum wage to \$4.04 per hour.

Tour and Travel Services Industry

This industry includes the operation of tourist bureaus and of travel and passenger ticket services and agencies. This industry does not include the operation of freight-shipping agencies. The minimum hourly wage rate for this industry is \$3.48 as of October 1, 2006. In October of 2006, these establishments paid an average straight-time hourly wage of \$4.79 to covered employees. According to survey data, no persons were paid below the minimum wage.

The reported Tour and Travel Service Industry classification employment was four covered employees between six establishments. Thirty-four percent earned wages \$3.48 to \$4.49 per hour and 33 percent earned wages of \$4.50 to \$5.49 per hour (see Figure 17). Thirty-three percent earned wages in excess of \$5.50 to \$6.49 per hour.

If there were an increase in the minimum wage, the direct effect of raising the minimum to \$3.65 (a 5% increase) would affect no employees, therefore no increase in the in the hourly wage income and the average hourly wage would remain at \$6.71 per hour (see Appendix B). Likewise, there would be no effect raising the minimum wage by up to 15% (\$4.00 per hour) since the lowest recorded wage rate was \$4.00 per hour.



V. The American Samoa Minimum Wage - FLSA Requirements

A. Achieve Minimum Standard of Living, by Reaching the Mainland Federal Minimum Wage, as Rapidly as is Economically Feasible.

Section 2 of the Fair Labor Standards Act states that the primary objective of the Act is:

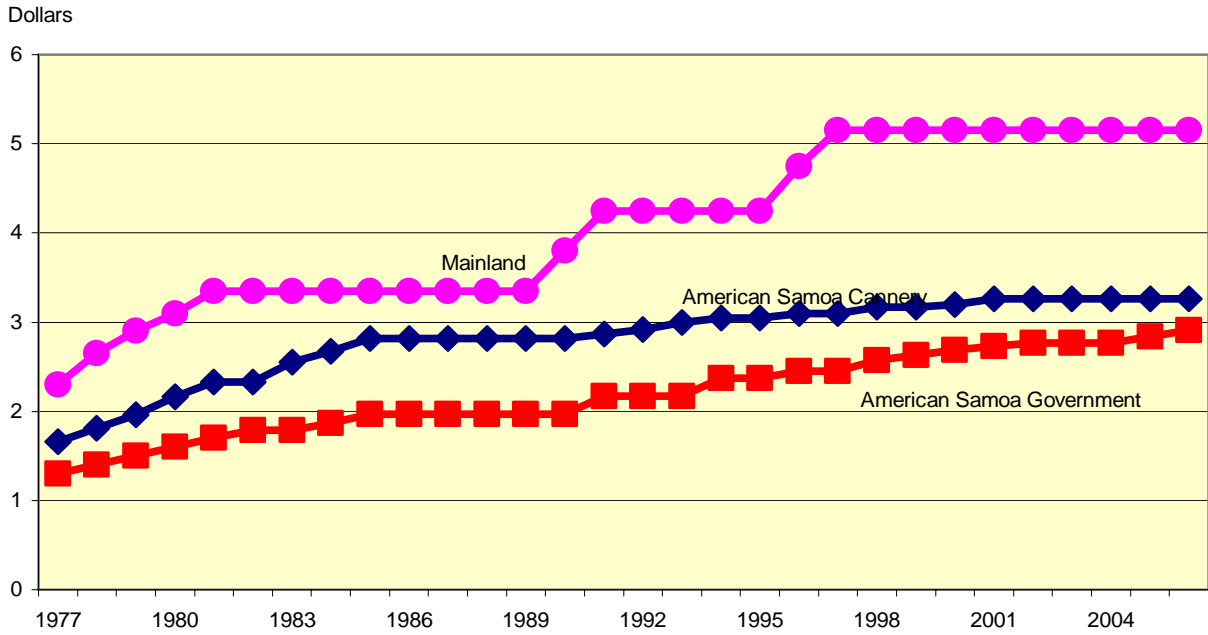
“[Eliminating] labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers...without substantially curtailing employment or earning power.”

FLSA wage policy for American Samoa, in Sec. 8(a) of the FLSA, states that the minimum wage is to reach the single mainland minimum wage as rapidly as is economically feasible, without substantially curtailing employment. Although the mainland minimum wage has not kept pace with the rate of inflation, the American Samoa minimums have increased even more slowly than the mainland minimum wage. As Figure 18 shows, for tuna canneries, the minimum wage dropped from about 84 percent of the mainland's minimum wage in the mid and late 1980's to 63 percent in 2001-2006. American Samoa government minimum wage rates dropped from just under 59 percent of the mainland rate in the mid to late 1980s to 57 percent in 2004-2006.

Between 1977 and 1985 the gap between the cannery and mainland minimum wage first widened then narrowed substantially. In 1978 the cannery minimum was 68 percent of the mainland minimum (Figure 18) but by 1985 the disparity had increased to 84 percent. Although the cannery minimum wage has increased slowly since 1990, the gap between it and the mainland minimum wage has widened. This is largely the result of robust increases in the mainland minimum wage rate during the years 1989-1991 and 1995-1997.

Figure 19 and the corresponding Appendix C table present the ratio of the minimum wage for selected American Samoa industries to the U.S. minimum wage. Note that the year 2006 tuna cannery wage ratio of 63 percent of the U.S. rate was lower than the comparable ratio for finance and insurance (77 percent), or construction (70 percent), but somewhat higher than retailing (60 percent), government (56 percent) and miscellaneous industries (52 percent).

Figure 18.
United States Mainland and American Samoa Minimum Wage Rates, 1977-2006



American Samoa Minimum Wage Rates as Ratios of U.S. Mainland Minimum Wage Rates, 1977-2006

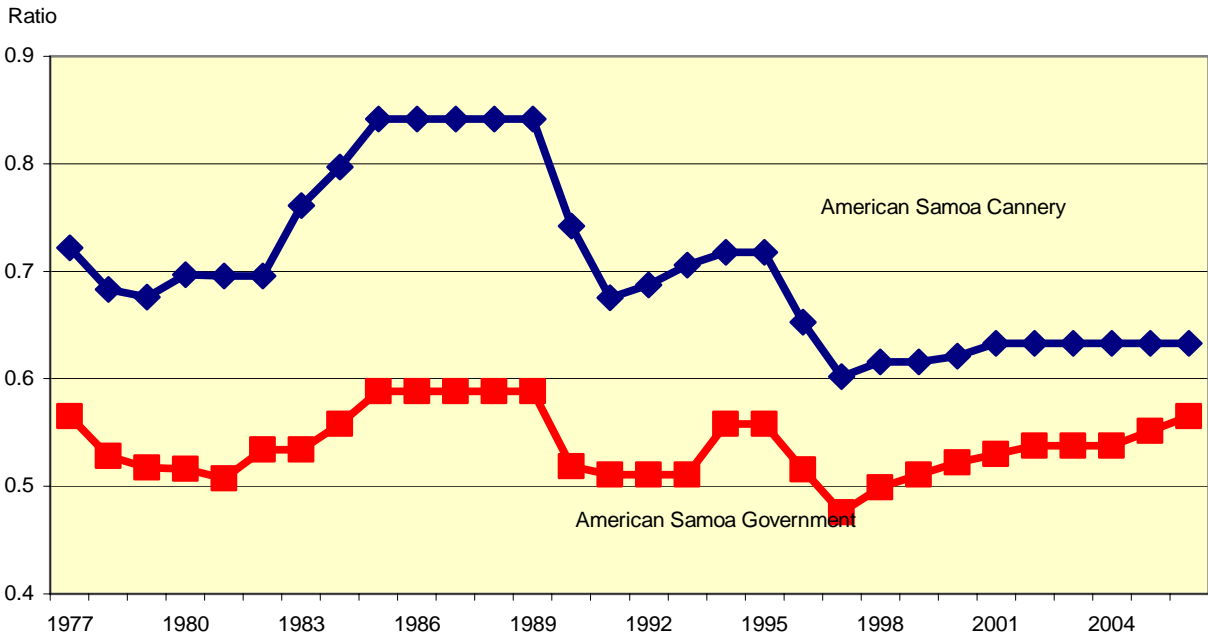
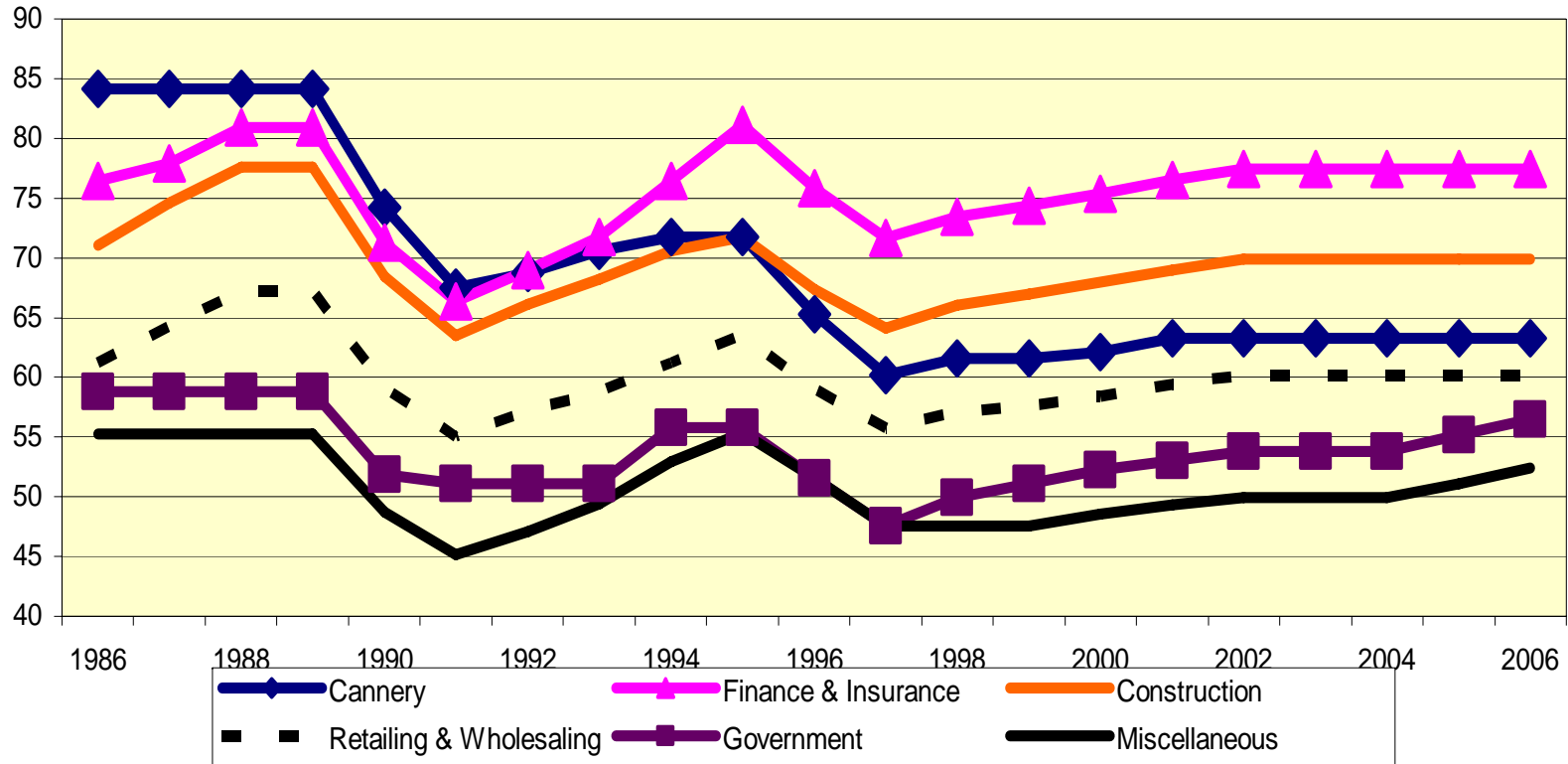


Figure 19.

Selected American Samoa Industry Minimum Wage Rates as a Percentage of U.S. Mainland Minimum Wage, 1986-2006

Percent



B. Do Not Raise Minimum Wages to a Level that Substantially Curtails Employment in the Industry

The American Samoa Industry Committee is required to recommend to the Secretary industry minimums that will not be so high as to "substantially curtail employment in the industry." (See 29 U.S.C. 8(b)). The Committee is required to recommend the mainland federal minimum wage unless evidence "establishes that the industry, or a predominant portion thereof, is unable to pay that wage due to such economic and competitive conditions." (See 29 U.S.C. 8(b)).⁴⁹

American Samoa industry committees in recent years have focused primarily on that part of the FLSA wage policy that advises against establishing wage minimums that might substantially reduce employment. Information presented to the Industry Committee has suggested that increases in the minimum wage, specifically in the tuna industry, could result in the tuna companies relocating elsewhere.⁵⁰

Measuring Ability to Pay

Measuring employers' ability to pay higher minimum wage rates is critical to meeting this second requirement in a way that still satisfies the first requirement of reaching the mainland minimum wage as is economically feasible. Two key factors in such measurements are a) the percent of the total production costs that wages represent and b) the percent increase of the total wage bill resulting from a given percent increase in the minimum wage.

In the past, tuna cannery officials have explained that increases in the minimum wage have spill-over effects.⁵¹ In other words, minimum wage increases lead to increases at all wage levels in order to avoid wage compression and to reward higher skilled employees.

Appendices B and D provide more detailed information on the wage impact of alternative minimum wage increases.

Impact of Higher Productivity

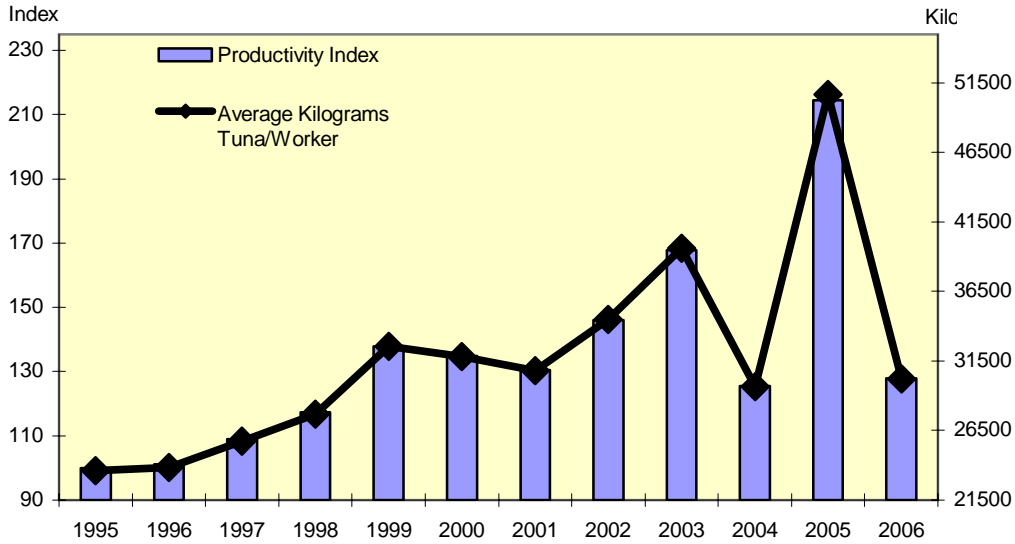
When productivity increases, an employer can raise wages by a like percent without increasing prices (or taxes, if the government is the employer) and also without decreasing employment and profits. Figure 20 shows one estimate of productivity increase in American Samoa tuna canneries from 1995 to 2005--99 percent. The analysis of output per worker does not consider the processing of imported frozen loins which both canneries implemented in 1999. The data only represents the total production based on total employment. It is noted that when substitution of labor is introduced, such as with frozen loins, the index will be distorted and the true causality of increase in productivity is unclear.

⁴⁹ American Samoa employers have generally not made available profit information that would assist the Committee in making this determination. See 29 C.F.R. Part 511.10(a).

⁵⁰ Report of American Samoa Industry Committee Number 26, June 2005.

⁵¹ Prehearing Statement of StarKist Samoa, Inc., Special Industry Committee No. 26, June 2005.

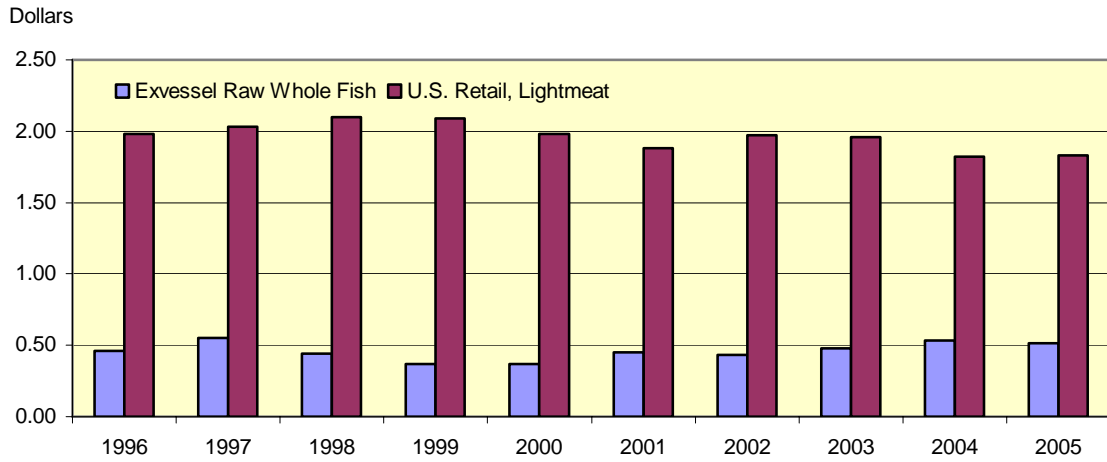
Figure 20.
Tuna Cannery Productivity for Selected Years, 1995-2006



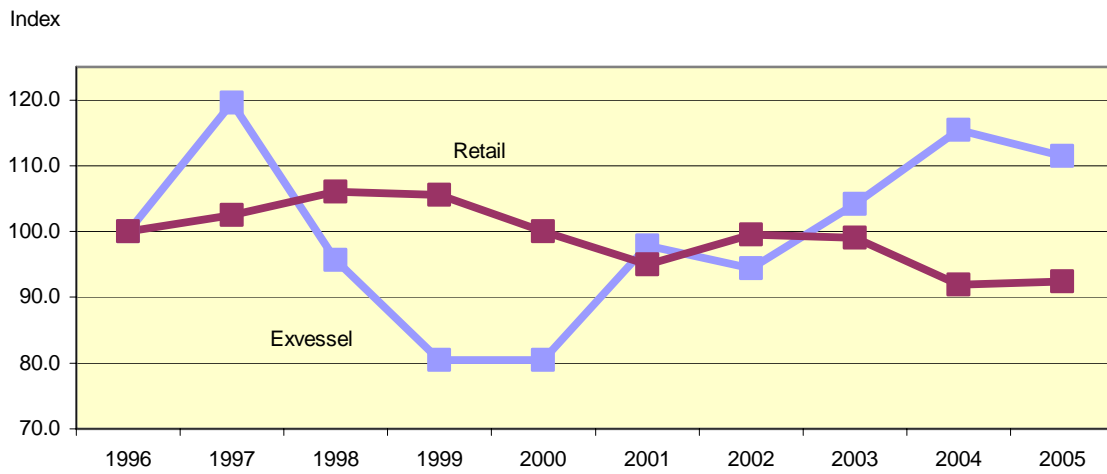
Taken alone, productivity increases could allow firms to absorb higher wage rates without eroding profit margins. However, in a thorough economic analysis other factors that could potentially mitigate the effects of productivity increases must also be taken into consideration. For American Samoa canneries, retail prices received for finished products, and the prices paid for raw whole tuna, are two important economic variables that impact economic returns.

As Figure 21 demonstrates, U.S. retail canned tuna prices have fluctuated since 1996. Specifically, retail prices fell considerably in 2000 and 2001, after having risen in 1998. In 2004, retail prices of tuna fell sharply and remained fairly constant in 2005. Exvessel prices however, rose considerably between 2000 and 2005 with only slight variation. The rise of the exvessel price softens the impact of any productivity gains as more money is required to purchase the raw materials. The flatness and slight decline of the retail price suggests that demand for tuna may be experiencing a plateau. Those is, since demand is not as high, retailers lowers or keep the retail price constant to maximize profit from the commodity.

Figure 21
Tuna Price per Pound



Tuna Price Indices



Ratio of Exvessel Index to Retail Index

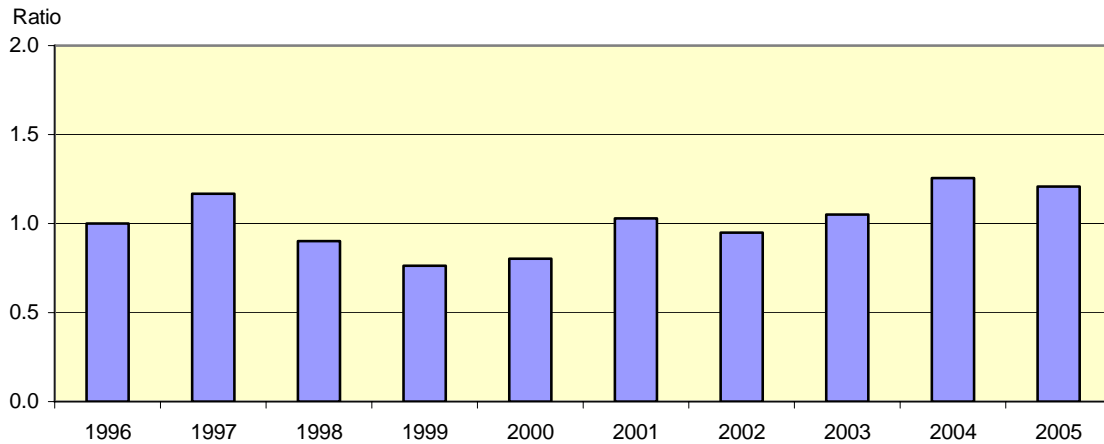


Figure 21 also illustrates the ratio of the price of the raw whole fish paid by the cannery to the fishing vessel ("exvessel price") to the retail price. In 2005 the price paid to the fishing vessels remains at an eight year high. Higher exvessel prices may also be an indirect indicator of a decreasing ability of canneries to absorb a higher minimum wage rate.

C. Set Minimums that Do Not Give a Competitive Advantage Over Counterpart U.S. Industries

As reflected in Table V A, from 1974 to 1987, the mainland U.S. percentage of total U.S. tuna cannery employment dropped from 45 percent to approximately 7.6 percent, while American Samoa's portion increased from nine percent to more than 30 percent. This shift in production came about as seven out of eight California canneries shut down, eliminating more than 5,000 of its 6,000 tuna processing jobs. At the same time, Puerto Rico increased its tuna cannery jobs from about 6,000 to 8,000, and American Samoa increased from about 1,200 to almost 4,000. The total increase in the two territories was 4,800 jobs, just 200 fewer than jobs lost on the U.S. mainland.

From 1987 to 1998, American Samoa's tuna processing employment continued to grow, while Puerto Rico's industry employment fell significantly. Specifically, the American Samoa portion of the U.S. total increased from 31 percent to about 72 percent, while Puerto Rico's total fell from 62 percent to about 14 percent. The transfer of processing employment coincides with the increase of Puerto Rico's minimum wage to the Mainland's rate in the late 1980s. This made American Samoa a more attractive location to process tuna due to the cost benefits associated with lower labor costs and duty-free status on canned tuna. Thus, between 1974 and 1998, American Samoa's tuna processing employment as a percent of the U.S. total gained by a multiple of eight times, while the mainland and Puerto Rico employment have been drastically reduced.

By 2002, only a small number of tuna cannery workers were employed in Puerto Rico or on the U.S. Mainland. By comparison, the number of tuna processing workers employed in American Samoa had remained almost constant since 1998. Canneries in American Samoa now account for more than 85 percent of total U.S. tuna cannery employment.

Table V A.

Employment and Minimum Wage in Tuna Processing for Selected Locations and Years

	Employment					Minimum Wage				
	1974	1987	1998	2002	2006	1974	1987	1998	2002	2006
U.S. Mainland	6,000	1,000	<1,000	200	<165*	\$2.00	\$3.35	\$5.15	\$5.15	\$5.15
Puerto Rico	6,000	8,000	1,000	600	600**	\$2.00	\$3.35	\$5.15	\$5.15	\$5.15
American Samoa	1,200	4,000	5,100	5,133	4,651	\$1.42	\$2.82	\$3.17	\$3.26	\$3.26
Total	13,200	13,000	<7,000	<6,000	<6,000					

*Information collected from Dun & Bradstreet, a provider of extensive business information database and newspaper articles

**Bumblebee Seafood LLC declined to provide information for their Puerto Rico plant

Source: Various Department of Labor Economic Reports.

Minimum Wages and Tuna Competition

The incentive to relocate to American Samoa became more significant after the mid- to late-1980's as Puerto Rico phased out of the industry committee process and became part of the uniform Federal wage system. A very large relocation of jobs from Puerto Rico to American Samoa occurred, as the wage gap between American Samoa and the U.S. minimum wage (now covering Puerto Rico) widened. In 1974, the wage gap between the two locations was 53 cents, or 41 percent of the American Samoa wage rate. By 1998, the wage gap had widened to \$1.98 or 62 percent of the American Samoa wage. Since 2001, the wage gap between the U.S. Mainland and the Tuna Canning and Processing industry rates remains constant at \$1.89 or 58 percent of the American Samoa tuna minimum wage rate.

Furthermore, wage levels higher than the minimum were set by collective bargaining agreements in some unionized Puerto Rico plants. At the same time, and of major importance, was the inferior fishing for tuna in the Eastern Pacific compared to the Western Pacific, due to El Nino weather changes. Such factors led StarKist, for example, to cut its workforce in Puerto Rico in the late 1990's from 2,500 to 1,000, a 60 percent reduction. Some of the 1,500 jobs were relocated to its Western Pacific, nonunion American Samoa cannery, with a minimum hourly wage near \$3.00 hourly and plentiful tax and tariff benefits. As a result, employment in lower-wage American Samoa increased from 4,200-4,300 in the mid-1990's to more than 5,000 by 2000.

Total U.S. Supply

The total supply of canned tuna available in the U.S. includes the pack from the continental operations (California), the pack from the offshore canneries (American Samoa and Puerto Rico), and the amount of imported canned tuna. As presented in Figure 22 and the

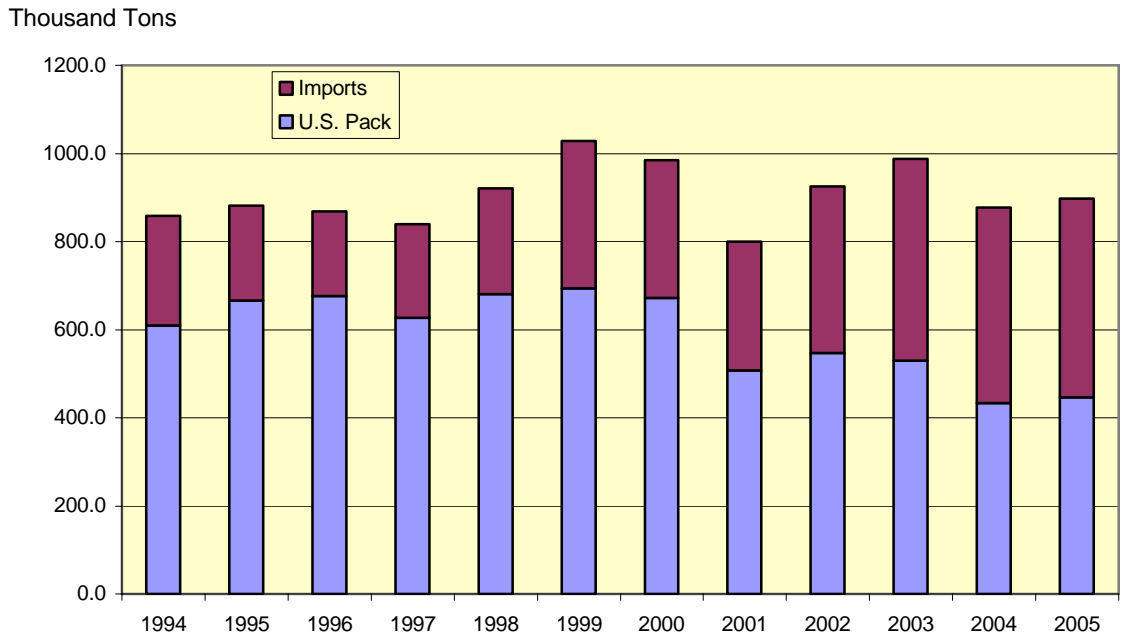
corresponding Appendix C table, U.S. supply dropped to 419 thousand tons in 1997 before climbing to 514 thousand tons in 1999.⁵² However, in 2001, U.S. supply was below 400 thousand tons. During the years 2001-2003 there was an increase in the U.S. supply but then a modest decline in U.S. supply to 10 year all-time lows.

U.S. production remained relatively stable from 1998 to 2000, between 335 and 346 thousand tons. This was greater than U.S. production in 1994 and 1997, which ranged from 304 to 313 thousand tons respectively. The percentage of U.S. supply from imports (the import penetration ratio), accordingly, was relatively high in 1994—29 percent, dropping to 22 percent in 1996, and climbing since. Although imports have been a significant part of total U.S. supply of tuna, domestic production remained relatively constant throughout the 1990s. By 2001 the import penetration ratio was at 36 percent. Also in 2001 the U.S. production fell to 253 thousand tons, a drop of more than 25 percent from 346 thousand tons just two years before. Reduced production in 2001 resulted in the lowest U.S. pack since at least 1987. This occurred as U.S. production from California and Puerto Rico moved to American Samoa, and while minimum wage increases first affected the mainland, then Puerto Rico.

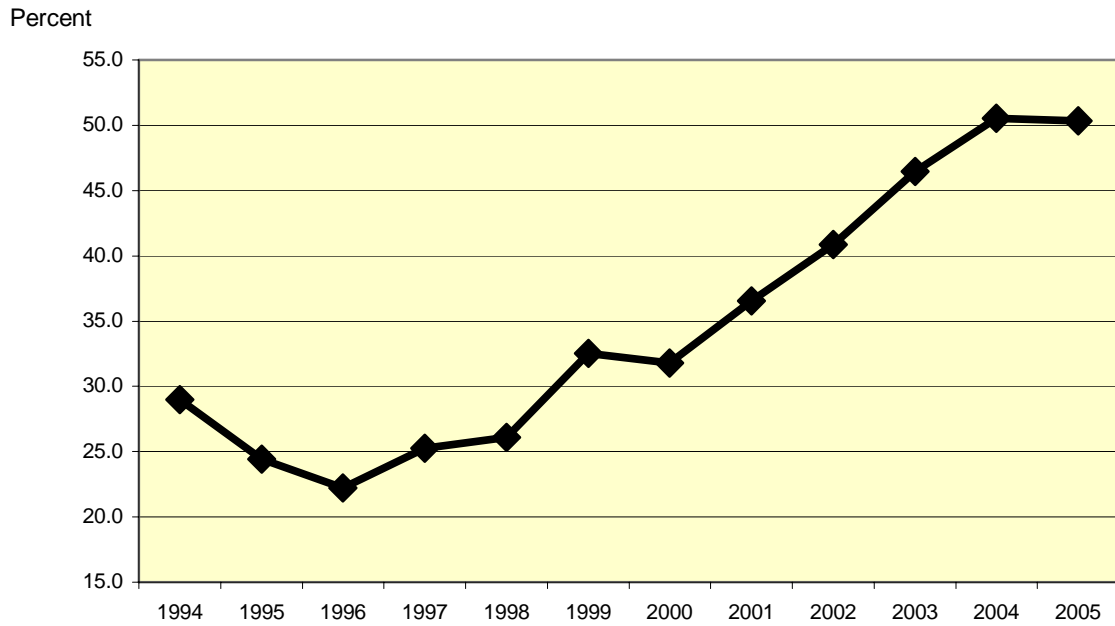
The amount of U.S. pack tuna has been in a decline each consecutive year for the last 4 years, 2002-2005. Imports of tuna have been gaining ground on the U.S. production for total U.S. supply. In 2004, the amount of imports (50.5%) surpassed slightly the amount of U.S. tuna and again in 2005 at 50.3 percent. The imports maintain the same penetration ratio although the total supply of tuna has declined from 2003.

⁵² U.S. Department of Commerce, *Fisheries of the United States, various years*, NOAA.

Figure 22.
Total U.S. Canned Tuna Supply Components, 1994-2005



Canned Tuna Imports as a Percent of Total U.S. Supply, 1994-2005



Bank of Hawaii Economic Report

Although the Bank of Hawaii Report dates back to 1997, the concepts are still very relevant to American Samoa. The difficulty in applying the three basic policies to determine increases in the minimum wage in American Samoa may reflect the fact that their tuna industry is in a "state of flux" as the Bank of Hawaii concludes in its American Samoa Economic Report.⁵³ On the one hand, the bank notes that American Samoa has an excellent harbor at Pago Pago, giving the territory a natural advantage with respect to landing fish for processing. American Samoa is exempt from the Nicholson Act, which prohibits foreign ships off-loading fish in U.S. ports. American Samoan products with less than 50 percent market value from foreign sources enter the United States duty-free. (In Chapter VII the tariff savings of the tuna canneries, due to their location in a U.S. territory rather than another country, is estimated and compared with an estimate of the industry's total wage costs.) The report also notes that the minimum wage, which is set by industry committee every two years, is far below the Federal minimum.

On the other hand, the report concludes that the well-being of American Samoa's tuna industry depends on this continued mix of ...

"duty-free status, tax exemption and a viable wage scale, as well as on continued use of the harbor by fishing vessels taking their catch in other parts of the ocean. Changing requirements for landing of catch by other Pacific island-states [e.g., no longer prohibiting foreign vessels from doing so] could mean fewer fish for American Samoa. Both NAFTA and GATT present problems for the territory, NAFTA because it may mean competition from Mexican processors in the future, GATT because it may prevent preferential entry into the United States of processed tuna from American Samoa, or from Mexico for that matter. Tax exemptions for foreign based subsidiaries are under pressure in the U.S. Congress and are no longer assured for cannery owners. And low labor costs in Thailand make for serious pressure for foreign competition."

⁵³ <https://www.boh.com/econ/reports/pacAS9704.pdf>.

VI. Economic Factors for Consideration that May Favor Minimum Wage Increases

Economic Advantages of the American Samoa Location

Tariff Rates

Shipments of canned tuna or other products from American Samoa into the United States are not subject to tariff rates as prescribed by the Harmonized Tariff Schedule of the United States. This is because American Samoa is a territory of the U.S. and is not considered to be an exporter. While foreign exporters pay no duty on all fresh, chilled, or frozen whole-fish tuna imports to the U.S., and pay a relatively low tariff rate on tuna loins (0.5 cents per pound), canned tuna imports are subject to more significant tariff duties.

The tariff rate for canned tuna, not in oil, in airtight containers, weighing not over 7 kilograms, is 6 percent of value (*ad valorem*). The rate for tuna, not in oil, in airtight containers, weighing over 7 kilograms, or weighing not over 7 kilograms, but above the quota, is 12.5 percent. The effectiveness of quotas on canned tuna is explained in the next section.

Tariff Savings

Territories such as American Samoa are outside the customs territory of the United States. Their products, however, are accorded duty-free entry into U.S. commerce if they meet the criterion of not more than 50 percent foreign component value. Canned tuna, regardless of the origin of the raw fish, easily meets this exemption. General Note 3(a) of the Harmonized Tariff Schedule of the United States provides this benefit.

A rough estimate can be made of the two American Samoa fish processors' tariff savings due to their location in a tariff-free U.S. Territory. If the threat of processors to relocate some or all production to another country were carried out, some locations might be satisfactory for tuna fish processing, but the processors would no longer be exempt from U.S. tariffs. Ghana, for example, is an underdeveloped nation with very low labor costs, and for whom certain designated products are given preference via an absence of tariff, pursuant to the GSP (Generalized System of Preferences). But canned tuna is not one of those designated products. StarKist already has a processing plant in Ghana that exports to European markets. Thailand and the Philippines--the two leading exporters of canned tuna to the U.S.--are also in prime tuna fishing locations where labor costs are low, but where tariffs are levied on imported tuna. As was already mentioned, Ecuador, under ATPA, can export certain products to the United States without paying tariffs; however, canned tuna does not enter duty-free.

In 2005, more than \$6.1 million in tariff savings would be lost for every 10 percent of processed canned tuna production relocated to such low labor cost countries. For those countries mentioned above, the 6 percent tariff for exports below the quota, and 12.5 percent tariff for exports above it, is not, or not about to be, removed.

- Tuna not in oil: American Samoa shipped \$387 million (282,663 thousand pounds) of canned tuna not packed in oil to the United States mainland in 2005. The tariff savings lost on this amount would be approximately \$44.2 million. Since the amount shipped to the U.S. was above the quota amount, the tariff would be calculated in two parts. The first part uses the 2005 quota of 41,965 thousand pounds to estimate the 6% tariff. The difference between the total and the quota is calculated to find the amount of tuna above quota and subject to the 12.5% tariff rate.⁵⁴
- Tuna in oil: For the \$50.2 million of tuna in oil shipped to the U.S., there would be a single rate of 35 percent. Tariff savings lost would be $(0.35 \times \$50.2 \text{ million}) = \17.5 million .

This totals \$61.8 million in potential loss due to paying tariff rates on tuna produced in another country.

One significant factor that is changing is the gradual phasing out of the tariff barrier for Mexico and other South American countries which are a part of North American Free Trade Agreement (NAFTA). As of 2004, the tariff rate for canned tuna not in oil from these countries is only 1.6 percent below the quota and 3.3 percent above the quota. These rates are being phased out altogether pursuant to NAFTA and will be zero by January 1, 2008. Meanwhile, the NOAA Fisheries' "affirmative finding" for Mexico and other countries allows them to meet U.S. dolphin-safe requirements on tuna imports.

The same NAFTA phase-out schedule for canned tuna will apply to Caribbean Basin countries, which were eligible to apply for NAFTA rates in October 2000. In March 2001, 12 of the 24 eligible countries had applied.⁵⁵ Also, to offset adverse effects of the Caribbean phase-out on the Andean countries of Bolivia, Colombia, Ecuador and Peru, Congress could also bring such countries under a similar tariff phase-out schedule in the future. Ecuador thus could join Mexico as a major canned tuna exporter with increasingly lower tariffs in its U.S. exports in the coming decade. In 2005 Ecuador was the 3rd largest importer of tuna at 64,415 thousand pounds.

Under the Generalized System of Preferences canned tuna may also be shipped duty-free by countries designated as least-developed nations. The Harmonized Tariff Schedule also allows duty-free status for those countries in the following agreements: United States – Australia Free Trade Agreement, North American Free Trade Agreement, African Growth and Opportunity Act, United States – Israel Free Trade Area and United States – Jordan Free

⁵⁴ Sources: U.S. Department of Commerce, *U.S. Trade with Puerto Rico and U.S. Possessions, 2005*, and U.S. Department of Commerce, *Fisheries of the United States, 2005*, NOAA.

⁵⁵ Caribbean Basin Trade Partnership Act, <http://www.mac.gov/CBI/WebMain/intro.htm>.

Trade Implementation Act. Most of the included countries that are allowed to export canned tuna duty-free to the U.S. and are not significant exporters, e.g. Canada and Israel.

The use of pre-processed loins also plays a part in tariff allocation. Since the Harmonized Tariff Schedule has criteria on the amount of foreign product that can be included and still be a U.S. product, using pre-processed loins could change the status. Since loins come from mainly Asian countries, the pre-processed loins would not be exempt from tariffs (i.e. have duty-free status), and if the product was above the HTS threshold, the tuna would be levied another tariff upon importation. Foreign countries could export pre-processed loins to a country with duty-free status, and then into the U.S. For example, Thailand could export loins to Ecuador which then could package the tuna into foiled pouches and export to the U.S. However, if American Samoa imported enough frozen loins from other countries it could lose the duty-free status of tuna imported into the United States as a result.

Tax Treatment

The U.S. tuna industry in American Samoa enjoys Federal and local tax benefits that apply to U.S. territories. Pursuant to Section 936 of the Internal Revenue Act (26 U.S.C. 936) a domestic corporation is allowed a tax credit equal to the taxable income from the active conduct of a trade or business in the U.S. territories. Thus, income derived from operations in American Samoa is effectively exempted from U.S. corporate income taxes.

In 2005, Congressman Faleomavaega authored legislation to extend the tax relief until 2016, but the legislation never passed after it was introduced.⁵⁶ Tax relief could be calculated by one of two methodologies. One method was calculated from profits (Section 936(a)(4)) and the other by wages (30A(d)).

In 2006, the renewal of the tax relief came to a critical stage it was set to expire. The loss of this advantage would be a damaging blow to the profits of the American Samoa canneries causing plausible relocation. Congressman Faleomavaega announced on December 8, 2006 that H.R. 6111 had been approved which included a two-year extension of 30A tax credits to 2008.⁵⁷ This gave the canneries their tax relief but would require both canneries to calculate their tax relief by wages.

American Samoa provides substantial exemptions from its own tax laws to the tuna processing industry and some other employers. The Tax Exemption Board of the Government of American Samoa may provide temporary income tax exemption to activities that will further the economic development of the Territory. Tax rates imposed by American Samoa against corporate income are the same as those of the U.S. Government, when they are applied.

With the exception of American Samoa and Guam, foreign-flag fishing vessels are not permitted to land their catch in United States ports under the Nicholson Act. Tuna canneries outside of American Samoa may purchase tuna from foreign fishing vessels through regular

⁵⁶ <http://www.govtrack.us/congress/bill.xpd?tab=main&bill=h109-629>

⁵⁷ http://www.house.gov/list/press/as00_faleomavaega/houseapproves30a.html.

commercial channels in the form of transshipment to a cargo ship at some transshipment point. Because of the excellent harbor side facilities, canneries in American Samoa can buy directly from foreign fishing fleets and the foreign vessels are permitted to land their catch on the cannery docks.

Limited Use of Frozen Loins in American Samoa

Although StarKist has expanded its production capacity with technology that allows the processing of frozen loins, there has been little reduction in use of whole fish. The primary reason is the relative abundance of fresh or frozen raw whole tuna in the region. Also, StarKist and Chicken of the Sea have developed methods of maximizing yield (the amount of edible tuna meat) based on experience at relatively long-established production facilities, reflecting sizable capital investment. These processors have also had long-term relationships with vessels providing whole fish with known fishing methods and quality records.

StarKist's canned tuna production for the U.S. market is centered on the American Samoa cannery. Conversion to using loins involves an initial lowering of output, as well as retraining of the labor force, that has led to reluctance by StarKist to shift a major share of production to loin processing.⁵⁸ In American Samoa, StarKist has used microwave technology for cooking frozen loins as an add-on, rather than as a replacement for all of its whole-fish processing.

American Samoa is in an ideal location for whole fish. The dolphin-safe policy of U.S. canners drastically reduced their use of tuna from the eastern Tropical Pacific and shifted it to the western Pacific. This also coincided with a more plentiful supply of tuna in the region due to weather and environmental factors. Direct delivery from foreign fish vessels (with no prohibition on buying from foreign vessels, unlike for the U.S. mainland) minimizes delivery costs.

The principal disadvantage to processing frozen tuna loins is related to quality--the consistency of the tuna meat after it has been frozen and thawed. The use of loins requires two stages of freezing and thawing. First, the raw fish are frozen on board the fishing vessel. The fish are later thawed and the loins removed at the first processing site, e.g., Thailand, New Guinea. Then, the loins are frozen and shipped to the cannery, e.g. Puerto Rico, California, and American Samoa. Processors have sometimes noted less firm consistency, as ice crystals form in the meat cells during freezing and damage the cell structure. In addition, since the loins are frozen and generally transported relatively long distances, additional measures must be taken to ensure adequate handling to prevent spoilage and breakage of the solid fish meat.

StarKist's size and tradition of international operations have given it an advantage over its competition with respect to procurement of raw whole tuna supplies, whereas other U.S. processors generally have relied more heavily on U.S. vessels for their raw tuna requirements and have imported mainly from the spot market as a supplement. StarKist generally has

⁵⁸ See 1992 Report of ITC.

contracted a larger share of its requirements with both U.S. and foreign vessels because of its larger size and larger raw tuna needs. Its dominant position, with American Samoa the largest tuna cannery in the world, has allowed it to have some bargaining power over prices. This has come about as the number of U.S. fishing vessels has decreased and the group representing them in negotiations with canneries became inoperative.

Use of loins by U.S. plants in American Samoa is discouraged to some extent by the U.S. tariff treatment of products of insular possessions. Such products are subject to U.S. duties if their inputs are imported, dutiable and exceed 70 percent of the total value of the finished product. Imported frozen tuna loins, if used exclusively as an input (compared to frozen whole tuna) likely would exceed the 70-percent threshold and thus shipments of canned tuna from American Samoa would be subject to duties.

There are major differences between Puerto Rico and American Samoa with regard to labor costs and supply. StarKist processed loins in its Puerto Rico plant due to the substantial reduction of raw tuna supplies from the ETP (resulting from the dolphin-safe policy and natural forces) and relatively high labor costs in Puerto Rico. In contrast, the StarKist plant in American Samoa enjoys access to ample raw fish supplies and relatively low labor costs.

Increases in Productivity

Ever increasing competition has compelled tuna processors to innovate to improve edible yield and quality from the fish at every stage, from thawing the frozen fish offloaded from boats to transporting the product. Technological advances in thawing have been made, such as automatic fish sizers that group incoming raw tuna by size, improving control of the thawing process. More efficient cooking and conditioning have resulted from use of pressure cookers and uniform fish sizing. The use of vacuum cooking and conditioning has minimized waste and superficial oxidation of the flesh and facilitated easier peeling of the skin during the cleaning process. "Curing" time (mainly affecting flavor) of sterilized canned tuna has been cut from 40 to 20 days, allowing inventory to be shipped twice as quickly.

The canning/retort stage is the most mechanized link in the tuna canning process. Automatic can filling and sealing machines have been used for decades. Innovations have improved the accuracy of the fillers, handling the cans more gently so as not to break the fibers of the tuna meat and improving the flow of the cans from the can sealers to the retorts. Computerized controls and automated equipment have reduced manual labor needed to place the sealed cans into a retort for heating. In addition, processors are increasing the yield from raw tuna by using more of the fish.

It takes less time to clean one large fish than a number of small fish with the same weight. Therefore, the shift to larger fish in 1996 resulted in higher productivity compared to 1993-95. On the other hand, cleaning the fish after thawing has been the most difficult challenge to using new technology. Despite longstanding efforts to mechanize this process, tuna cleaning is typically still done manually. While this stage could be skipped entirely by use of frozen loins rather than whole fish, doing so may not be desirable for quality reasons.

Measuring Productivity Improvements

The term productivity refers to the amount of goods and services that are produced per unit of input. Productivity increases result from achieving more output while inputs are held steady. For countries, productivity is an important determinant of living standards experienced by the populace. In general, higher levels of productivity lead to increases in living standards for both workers and consumers. For companies, increased productivity will often generate increased profit margins. Companies benefiting from productivity increases can raise wages (assuming no change in output prices or other costs), without a negative impact on profit.

One approach for measuring productivity divides the quantity of output⁵⁹ by the number of cannery workers, as shown in past biennial Economic Reports on American Samoa.⁶⁰ Using data first presented in Chapter V (Figure 20), average annual output per worker for 2005 was 115 percent higher than in 1995 or more than 6 percent higher annually. It should be noted that, unlike the other approaches, only the number of workers, not total hours are measured here, making these estimates less precise.

Improvements, especially those that provide automation to replace a worker, can have a substantial impact on productivity calculations. Improvements that place automation over workers for the less than desirable jobs may help in employment retention. However, despite the mechanization of many of the plant processes, the cleaning of fish is still the most labor intensive. Until the meat is off the fish, there is no tuna to be canned and a skilled fish cleaner should be more productive than a new employee. But even with this, employment at the canneries is undulating with the arrival and departures of fishing vessels. During a week where a vessel is being offloaded the cannery may have over 3,000 employees; whereas a week with no vessel may see fewer than 1,000 employees at the cannery. Thus without some proprietary knowledge, it's difficult to measure productivity other than the simple example provided above.

Table VI B:
Index of Output per Worker

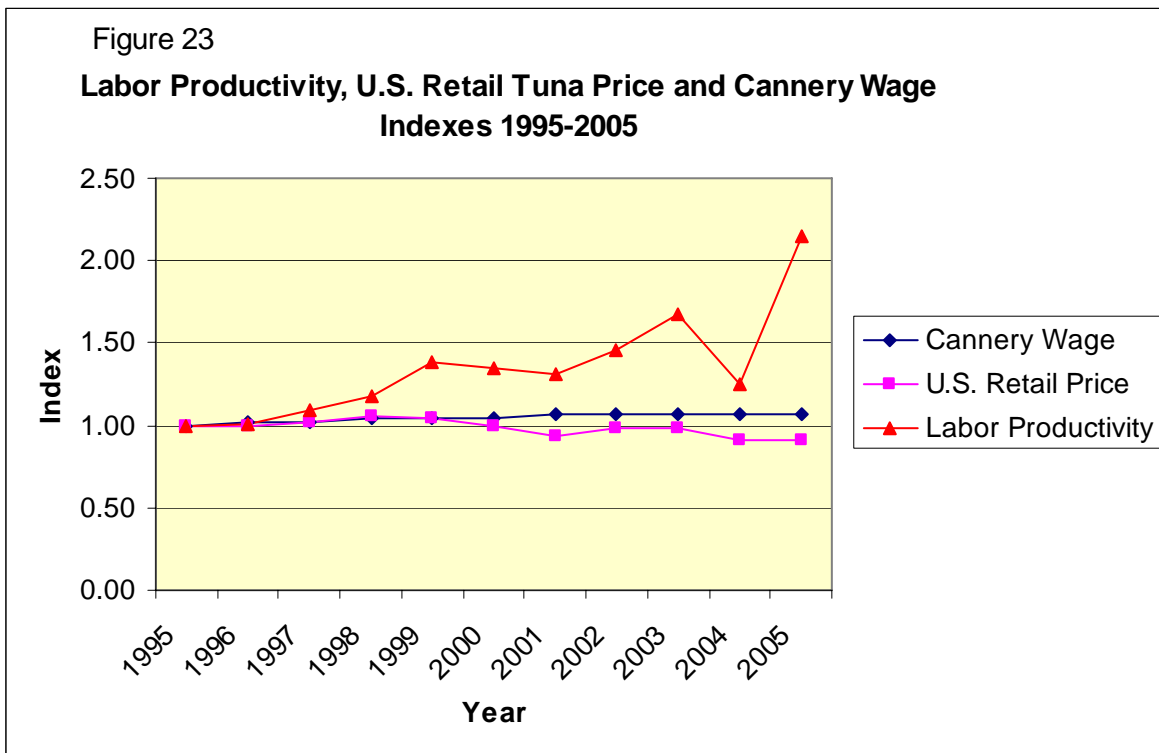
Year	Annual Output Per Worker (Kilograms)	Index
1995	23608	100
1996	23865	101
1997	25717	109
1998	27691	117
1999	32554	138
2000	31823	135
2001	30815	131

⁵⁹ U.S. Department of Commerce, *U.S. Trade with Puerto Rico and U.S. Possessions*, various years.

⁶⁰ Data are based on Wage Hour Surveys of employment in years 1995 through 2002, published in biennial reports.

2002	34479	146
2003	39612	168
2004	29651	126
2005	50651	215

Figure 23 plots the indexes of labor productivity growth from Table IV B, U.S. retail price for canned tuna and minimum wage rate for the American Samoa tuna industry for the years 1995 through 2003. The changes in the retail price of tuna and changes in minimum wages have been minimal compared to the increase in productivity over the years 1995-2003. It is not known when and what type of productivity improvements were made to each of the two canneries as they are often proprietary, but based on the increases in productivity there appears to be little effect of the foreign pressure on the canned tuna prices to curtail such improvements. Between 1999 and 2001, there was a decrease in both the price of canned tuna and the productivity output. However, between 1998 and 1999 and again in 2002 to 2003, there were large increases in labor production when the price of tuna remained essentially constant. The retail price of tuna took a sharp decline in 2004, as did labor productivity. However, in 2005, labor productivity rose sharply as the U.S. retail price remained constant.



As mentioned in Chapter V, increases in productivity can provide some ability to increase wages without hurting profits. However, the nature of the changes in productivity must be considered to determine the magnitude of ability to pay higher wages. A large capital investment such as in new machinery may increase productivity, but the burden of the cost

will lower the amount available to increase wages. Other improvements, such as extensive frozen loins use, may reduce employment and increase productivity and may increase the ability of the company to pay their employees a higher wage as a result.

VII. Economic Factors for Consideration that May Weigh Against Minimum Wage Increases

Slow U.S. Market Growth

Production of tuna rose 47 percent worldwide between 1991 and 1997, with the greatest increases coming from producers in the Africa/Indian Oceans, Latin America, and Southeast Asia. These increases reflected shipments into heavy growth areas of consumption in Latin America and Europe.⁶¹

The robust growth of canned tuna consumption in certain parts of the world contrasts with a much slower growth in the U.S. Meanwhile, foreign competition has increased for the U.S. market. Slow market growth and increased competition puts great pressure on producers in American Samoa to minimize costs.

While Thailand markets canned tuna to countries besides the U.S. (e.g., Japan), American Samoa's production is only for the U.S. market, given that market's advantages for a U.S. territory (e.g., no tariff, compared to a 24 percent tariff that would have to be paid on exports to Europe). But the canned tuna market in the U.S. has matured, averaging only a little over 1 percent increase in sales in the last 15 years, compared to an average 2.5 percent gain worldwide. Competition by fast food restaurants, the decrease in can size from 6.5 to 6.0 ounces, and some perception of lower-quality due to a shift in tuna species being canned, may also have helped slow the U.S. market's growth.

While U.S. tuna supply experienced declines and advances from 1992-2001, the annual per capita consumption of canned tuna remained fairly flat during this period. From a low of 2.8 pounds per person in 1982, canned tuna consumption increased to 3.5 pounds in 1992.⁶² After minor fluctuations, per capita consumption again totaled 3.4 pounds in 2003. However, per capita consumption in 2001 was only 2.9 pounds--by far the lowest level in almost 20 years. The last 4 years, 2002-2005, tuna consumption averaged at 3.225 pounds per capita, which is slightly less than the previous 4 years (1998-2001) of 3.325 pounds per capita.

As a relatively undifferentiated commodity, canned tuna is often met with widespread consumer indifference to its country of origin or brand name. There is some perception that name brands, such as StarKist, Chicken of the Sea and Bumblebee, contain higher quality meat but price is often the key factor. There is a growing market in the premium end (value-added) of the market such as albacore tuna (produced mainly by Bumble Bee) and for value-added products such as snack packs, pouched tuna and tuna salads. However, the majority of the consumer-end value-added products are not made in U.S. Territories but rather other countries such as Ecuador which have extremely low wages and no tariffs for tuna in a foil pouch.

⁶¹ Sources: Various papers delivered at Tuna 1997 Conference in Bangkok.

⁶² U.S. Department of Commerce, *Fisheries of the United States*, 2005, NOAA.

Chicken of the Sea presented to the Industry Committee No. 25 arguments that current conditions of the workplace, productivity and U.S. demand for tuna does not increase the profit enough to absorb increases in the minimum wage. The company showed that from 2001 to 2003, the average hourly wage increased by 2.5% but that employment decreased by 2.6%.⁶³ In addition, Chicken of the Sea argues that decreases in consumer demand and retail price along with increases in the foreign market imports have deteriorated the tuna cannery industry such that any increase in productivity is matched by an increase in the minimum wage. StarKist, in their 2005 prehearing statement, concurred that “U.S. suppliers have little, if any competitive advantage over foreign producers in the U.S. retail tuna market.”

Foreign Competition

Imports of Canned Tuna

The U.S. and the European Community (EC) together import about 80 percent of traded tuna, in roughly equal shares. The EC tariff is 24 percent on canned tuna (some countries pay no tariffs on tuna from the EC or pay a reduced rate).⁶⁴ The U.S. tariffs are 6 percent to 12.5 percent. (Thirty-five percent on tuna packed in oil.) The main suppliers to the U.S. in 2002 were Thailand, Philippines, Ecuador, and Indonesia (in order of decreasing dollar value).

After a high of 351 million pounds in 1991, imports of canned tuna into the United States decreased to 193.0 million pounds by 1996 (see Figure 22 Table in Appendix C). From 1996 to 1999, imports--mainly from Thailand--increased sharply, to 334.6 million pounds. Then, imports overall declined in the year 2000 by about six percent. Imports slightly decreased in 2001, but experienced growth in both 2002 and 2003. For the years 2004 and 2005, imports experienced slight oscillations but the amount imported was still greater than the amount imported prior to 2003.

Dolphin-Safe Standard

Because Mexico has received an “affirmative finding” from the National Marine Fisheries Service, it can encircle dolphins while harvesting tuna in the ETP with large purse-seiners and export this tuna as “dolphin-safe” into the United States if the NOAA Assistant Administrator’s final finding is upheld. As a member of NAFTA, Mexico has dutiable rates on canned tuna not in oil of 2.4 percent below the quota and 5 percent above the quota. These rates are being phased out altogether pursuant to NAFTA and will be zero in 2008. Given its location, the United States represents an attractive market for Mexican produced tuna.

Using tuna from the ETP does not come without risks. In February of 2007, Food Lion LLC announced that it would cease all purchases from Dolores Tuna which is packed by PINSA of

⁶³ Report of American Samoa Industry Committee Number 25, 2003.

⁶⁴ Former European colonies in Africa, the Pacific, and the Caribbean, plus the Andean community nations, import canned tuna duty-free.

Mexico. The decision was a result of documentation that the tuna caught was in violation of dolphin-safe protocol.⁶⁵

Andean Trade Preference and Drug Enforcement Act

The Andean Trade Preference Act (ATPA) allowed for duty-free entry into the United States of various goods produced in Bolivia, Colombia, Ecuador, and Peru. A goal of ATPA was wider access to U.S. markets for Andean producers to facilitate development of economic alternatives to drug crop production.⁶⁶ However, tuna was not one of the products granted duty-free status.

In 2001, the U.S. Congress considered legislation that would exempt Andean tuna from at least a portion of the tariffs imposed by the United States. According to Congressman Faleomavaega of American Samoa, StarKist lobbied Congress in favor of the proposed legislation while Chicken of the Sea opposed it.⁶⁷ StarKist maintains tuna production in Ecuador (as does Bumble Bee) and would gain economically from increased access to U.S. markets.

In July of 2002 Congressman Faleomavaega announced that the U.S. House passed Andean trade legislation that prevented canned tuna processed in Ecuador from entering the U.S. duty-free.⁶⁸ However, the legislation did grant the President authority to allow tuna packed in foil pouches duty-free status. The U.S. Senate later that year passed legislation with the same revisions on tuna recommended by the House.⁶⁹ The new legislation which incorporated the ATPA was the Andean Trade Preference and Drug Enforcement Act (ATPDEA) which was signed into law (Public Law 107-210) on August 6, 2002.⁷⁰

Foreign nations will continue to press for U.S. trade concessions (i.e. an opening of U.S. markets) as a means to accelerate their domestic economic development. One incentive for the United States to consider these concessions is efforts by foreign governments to help curb or eliminate illicit drug production and importations to the United States.

Quota on Canned Tuna Relatively Ineffective

A tariff-rate quota provides for an increased tariff when a certain quantity of imports is reached. A global tariff-rate quota applies to imports of canned tuna, not in oil, in airtight containers, which weigh, with their contents, not over 7 kilograms. It applies to both light meat and albacore. The quota is set each year as mandated by Public Law 107-210 and cannot exceed 4.8 percent of apparent U.S. consumption (as reported annually by the U.S. Department of Commerce) of tuna in air-tight containers during the immediately preceding year. Any canned tuna in these designated categories (not in oil, not over 7 kilograms) that is imported in excess of the quota is placed in the tariff category of tuna, not in oil, but weighing over 7 kilograms, and is dutiable at that category's rate of 12.5 percent.

⁶⁵ <http://www.eii.org/dolphinSafeTuna/consumer/foodLion.html>

⁶⁶ <http://www.usitc.gov/er/nl2002/ER1008z1.htm>.

⁶⁷ http://www.house.gov/apps/list/press/as00_faleomavaega/andean1001.html.

⁶⁸ http://www.house.gov/apps/list/press/as00_faleomavaega/atpapasseshouse.html.

⁶⁹ http://www.house.gov/apps/list/press/as00_faleomavaega/atpapassedbyenate.html.

⁷⁰ <http://www.whitehouse.gov/news/releases/2002/10/20021031-9.html>

The quota thus does not set a limit. It just increases the tariff from 6 to 12.5 percent. The canned tuna quotas and the amount of imports over each year's quota, in millions of pounds, from 1992 to 2001 are as follows:⁷¹

Table VII B:
Amount of Imports to U.S., Quota and Over Quota, Canned Tuna

Year	Quota	Over Quota
	(Millions of Pounds)	
1992	73.7	259.7
1993	72.7	144.3
1994	73.3	168.2
1995	73.4	126.2
1996	80.0	117.2
1997	78.6	139.7
1998	67.3	176.7
1999	72.1	249.0
2000	62.4	245.2
2001	65.1	220.5
2002	39.9	323.0
2003	41.3	501.6
2004	50.4	377.1
2005	41.9	447.1

An indication of the attractiveness of the U.S. canned tuna market can be seen in the large increases of canned tuna imported above the quota. In 2003, an unprecedented 501.6 million pounds of canned tuna entered U.S. commerce above the quota level. This amount is more than twice the amount over quota in 1999 (249 million lbs.) and a 55 percent increase over 2002.

From Figure 22, it is shown that the total amount of tuna imports reached the 50 percent mark and the extra tariffs for the portion over quota does little to keep importers from entering the U.S. tuna market. These data suggest that even with an increased duty rate from 6 to 12.5 percent, foreign suppliers can realize a profit in the U.S. market. In 2005, the amount of tuna over quota was 10.7 times greater in millions of pounds than the quota amount.

After the U.S. quota is filled, Thai exporters claim they have to lower their price 6.5 percent because their buyers will not absorb any of the duty increase (from 6 percent below the quota to 12.5 percent above it). As a result, the Thai industry buys up frozen tuna during the last quarter of the year, in order to prepare for orders to be entered in the U.S. early the next year,

⁷¹ U.S. Department of Commerce, *Fisheries of the United States, 2005*, NOAA. Note from publication:—Data in this table will not agree with tuna import data released by the U.S. Department of Commerce, Bureau of the Census. Any tuna entered for consumption or withdrawn from a warehouse for consumption during the calendar year, except for receipts from possessions of the U.S., is subject to this quota.

and thus takes advantage of the below-quota tariff rate. This causes short-term fish prices to increase, which raises production costs.

European Tariffs

The International Trade Commission (ITC) concluded that the higher European Union (EU) tariff of 24 percent reduces the quantity of imports to Europe by a large amount. It depresses the world price of tuna, lowering the cost of imported tuna in the U.S. market. As a result, U.S. consumers substitute away from U.S. domestically produced tuna to imported tuna. In 1992, it was estimated by the ITC that the EU tariff reduced the price of U.S. domestic canned tuna by 4.4 percent and the quantity of production by 8.8 percent.

Use of Frozen Loin Technology

Tuna processors have suggested that one result of higher minimum wages could be replacement of manual fish cleaning and related jobs by tuna loin technology. Tuna loins are the lighter meat, edible portion of tuna, similar to fillets. Thawing, cooking and cleaning frozen, whole tuna produces them. The loins are then packaged--usually in vacuum-sealed plastic--frozen, and shipped to canneries. The production of tuna loins from the cleaned, whole fish amounts to 70-80 percent of the total labor cost. Given its labor-saving potential, the use of frozen, precooked tuna loins as a raw material by some processors has increased. By shifting the production of loins to locations with relatively low labor costs, canned tuna producers can reduce labor costs significantly.

A plant in the Marshall Islands has been producing tuna loins for several years and sending the loins to StarKist Samoa for further processing. StarKist Samoa also receives frozen loins from a facility in Papua New Guinea.⁷² According to StarKist officials, average wages in the Marshall Islands and Papua New Guinea were approximately \$2.00 USD and \$0.24 USD per hour respectively.⁷³

StarKist has two plants in Ecuador producing frozen loins, which were shipped to its Puerto Rico Caribe plant for canning. The shift from frozen whole fish to tuna loins as the supply for the Puerto Rican cannery contributed to a decrease in employment by about 1,500 employees in Puerto Rico, prior to that location's closure. Frozen loins were purchased from lower labor-cost foreign producers, canned tuna was bought from lower labor-cost copackers in Thailand, and production in relatively low-wage American Samoa (compared to Puerto Rico) was increased.⁷⁴ In addition, substantial capital investment was made by StarKist to increase its output capacity by 10-15 percent in order to can imported frozen loins in addition to whole fish at its plant in American Samoa.

⁷² Del Monte 2006 Annual Report, pg. 10.

⁷³ Prehearing Statement of StarKist Samoa, Inc., Special Industry Committee No. 24, June 2001.

⁷⁴ Testimony of Barry Mills, Vice President of Tuna Operations for the Star-Kist Tuna Company, pp.16-22 of transcript, June 8, 1999. Submitted to and given at public hearing held by Industry Committee No. 23.

Chicken of the Sea, the second tuna processor in American Samoa, did have a cannery in Los Angeles using frozen loins. In 2001 that facility closed and the 100 ton/day production was moved to American Samoa.⁷⁵ In 1990, Bumble Bee opened a cannery in California that exclusively processes loins. Virtually all loins utilized by U.S. canneries are imported.

Importing loins into the continental United States, as does Bumble Bee, provides an advantage over shipping in and putting its brand name on tuna cans produced in a lower cost foreign country. Shipping costs for loins packed in plastic are lower than shipping costs for tuna packed in metal cans. There are also tariff savings to importing loins. The duty on loins is only 0.5 cents per pound (1.1 cents per kilogram), while canned tuna imports are dutiable at 6, 12.5 or 35 percent of value (ad valorem), depending on the tariff category.

Economic Uncertainty

When economic growth in a given region or industry is robust, there is more leeway to increase wages. While acknowledging the past growth of the tuna processing industry, in April 2000, a report on the future of the American Samoa economy concluded...

"There are strong probabilities that American Samoa could face drastic economic setbacks in this decade."

The report was titled "Comprehensive Economic Development Strategy," and was written by the Territorial Planning Commission and Department of Commerce of the American Samoa Government. The U.S. Department of Commerce, Economic Development Administration funded this report.

The report stated that Federal government aid and the tuna industry constitute roughly 90 percent of the island's economy. The income of the 8,200 workers of the American Samoa Government and the tuna industry support the other 5,700 workers in various industry establishments on the island. It found that 60 percent of the jobs in American Samoa are either cannery jobs or cannery-related, or jobs that only exist because of tuna workers.

In the tuna canneries and other sectors, the great majority of low-paid workers are from Samoa, an independent nation with average hourly earnings far below American Samoa's.⁷⁶ The American Samoan government collects taxes based on their earnings, but Samoans do not have representation as American Samoa citizens.

The report noted that the tuna canneries have been able to thrive due to low wages, low taxes, location, and preferential trade terms. It stated, however, that "time is running out on American Samoa's low wage, labor intensive industries (such as American Samoa tuna canning and garment factories) primarily because the artificial location advantages upon

⁷⁵ Crow's Nest, August, 2001.

⁷⁶ In 1995 there were 6,609 persons in the labor force of 14,700 who were born in American Samoa; 6,510 were born in Samoa; the remainder were born in Tonga, other Pacific islands, U.S. mainland, and elsewhere, according to the *American Samoa Statistical Yearbook, 2000*, Department of Commerce, American Samoa Government.

which they depend (e.g., tariffs and quotas) are disappearing." It called for new industry with higher productivity levels equal to their income goals. Such higher productivity would be the result of better-educated, better-trained workers, a more efficient class of managers, and capital investment in new technology.

The 2004 State of the Economy Report expounded on the economic uncertainty of the island. Despite hurricane Heta causing massive devastation to the island in its wake in January of 2004, the aid brought to the island from government money and volunteering efforts softened the economic impact but inflation still rose. The report indicated that increases in global oil prices were a component affecting the inflation on the island. American Samoa has gone through tumultuous times with the airline industry. Aloha airlines unexpectedly decided to suspend service to the island leaving Hawaiian airlines as the sole airline for passenger travel to the U.S. mainland. In addition, the suspension of service of Samoan Air by the Federal Aviation Administration (FAA) left Polynesian airlines with a monopoly on inter-island travel. American Samoa relies on travel from the U.S. mainland as a primary source of their tourism revenue. High prices in airfare to the island could hinder travel and the amount of tourism revenue to the local economy.

In an effort to strengthen the economy with new business, the Government has been actively marketing its tax exemptions and other benefits of the island. In a pamphlet called *Investment Opportunities and Incentives in American Samoa*, a number of different advantages of American Samoa are presented. Some of them are: Section 936 Tax relief (as discussed earlier), Manufactured Products can be labeled "Made in USA", U.S. Currency, U.S. Customs Code Headnote 3(a) and lower Minimum Wages. In addition these incentives, the Department of Commerce released a magazine for investors and expounded the aspects that make American Samoa attractive to investors, such as the Workforce Investment Act, which, under certain instances, the Government supplements 50 percent of worker's wages for up to one year. The community college offers Associate of Arts and Associate of Science degrees and certificate programs for both blue and white collar positions.

Wage Increases Not Limited to Minimum Wage Workers

In most internal labor markets, i.e., markets governed by institutional rules, such as civil service systems or large private employer personnel systems, an increase in the entry level wage may lead to wage increases in other job classifications in order to maintain relative occupational pay relationships.

According to StarKist and Chicken of the Sea officials, any increase in the minimum wage has also been applied, sometimes by change in percentage, sometimes by absolute cents, to all wage classes in their canneries to avoid wage compression and to maintain incentives for employees with higher-level skills and with more experience.⁷⁷ Therefore, according to industry sources, it is not just those paid the minimum wage that receive a wage increase when minimum wage levels are raised, but many additional employees do as well.

⁷⁷ Prehearing Statement of StarKist Samoa Inc., Special Industry Committee No. 25, June 2005.

High Failure Rate of Small Businesses

Small businesses in American Samoa have a high failure rate, due to cash flow problems, poor management, low quality products, insufficient advertising and under capitalization. Testimony submitted by the Department of Commerce for the 1999 hearings held by Committee No. 23 listed these factors. To the extent that small businesses are covered, payment of a higher minimum wage may add to their problems.⁷⁸

Economic Disadvantages of the American Samoa Location

Higher Costs

In its 1999 testimony, a Chicken of the Sea representative cited ocean and airfreight costs and infrequent arrivals and departures as negatives for the American Samoa location, compared to some other sites. OSHA and EPA regulatory costs were also cited, as well as a high absenteeism and turnover rate for some workers in American Samoa. These various costs, if compounded by a higher minimum wage, could lead to relocation of some production to lower-wage locations.

In the past few years there has been a sharp increase in the world wide price of oil. U.S. consumers have experienced the impact most dramatically at the fueling stations for gasoline. American Samoa also has been affected. StarKist cites that it has had an increase in gasoline prices of almost double from 2003 to 2005.⁷⁹ As a result, the cost of power has increased concurrently since power generation on the island is primarily fossil fuel based.

Higher Wages than Competitors

Labor rates for the largest exporters of canned tuna were recently estimated at \$0.54 USD per hour in Thailand,⁸⁰ \$0.66 USD per hour in the Philippines,⁸¹ and \$0.60 USD per hour in Ecuador.⁸² This partly accounts for the lower prices that are paid for imports by retailers who utilize private labels. This also provides an incentive for tuna canners to move production facilities to countries with low average wages in order to regain cost advantages. Unlike their foreign counterparts, the American Samoa cannery's products are sold mainly to the U.S. market. Approximately 15% of the world's supply comes from American Samoa.⁸³ Foreign companies have the ability to sell their products to other markets giving them a competitive advantage.

⁷⁸ The minimum wage must be paid to all non-exempt employees by employers with a gross annual dollar volume of sales of at least \$500,000. In addition, the minimum wage must be paid to non-exempt employees who are engaged in commerce, in the production of goods for commerce, or in activities closely related or directly essential to the production of goods for commerce.

⁷⁹ Prehearing Statement of StarKist Samoa Inc., Special Industry Committee No. 25, June 2005.

⁸⁰ http://www.boi.go.th/english/how/labor_costs.asp (assuming 8hour work day under Minimum Daily Wage Rates 2007).

⁸¹ <http://www.dole.gov.ph/>

⁸² http://www.house.gov/list/speech/as00_faleomavaega/minwagehearing2005.html.

⁸³ Prehearing Statement of StarKist Samoa Inc., Special Industry Committee No. 26, June 2005.

Attempts to compete with nearby islands for new industry are also hindered by increases in the American Samoa minimum wage. As of 2003, the minimums in such locations were \$0.71 USD in Tonga, \$0.54 USD in Samoa, and \$0.71 USD in Fiji's manufacturing trade.⁸⁴

⁸⁴ Prehearing Statement of American Samoa Government, Special Industry Committee No. 25, 2003.

Appendix A.

Covered Employees in

Private Sector

COVERED EMPLOYEES IN PRIVATE SECTOR

Business Name	2005				2006			
	Feb	May	Aug	Nov	Feb	May	Aug	Nov
Bottling, Brewing, and Dairy Products								
Island Breeze Water Co.	4	4	3	3	3	3	3	
Island Choice								
Haleck Enterprises, Inc.	27	30	25	26	30	22	35	49
Construction								
Fletcher Construction Company	97	94	87	84	55		99	66
McConnell Dowell (American Samoa Ltd)	53	86	57		34	31	37	40
Samoa Maritime Company	41	38	31	34				
Finance and Insurance								
Ameriprise Financial	1	1	1	1	1	1	1	1
ANZ Amerika Samoa Bank	124	123	124	124	122	123	123	124
Development Bank of American Samoa	33	38	38	38				
National Pacific Insurance Ltd	10	10	10	10	10	10	10	10
Oxford Pacific Insurance Management Corporation	4	5	4	4	4	4	4	
Samoa Systems, Inc.	1	1	1	1	1	1	1	
South Seas Financial Services Corporation	3	3	3	3	3	3	3	
Fish Canning and Processing								
COS Samoa Packing Co.	1835	1680	1653	1715	1567	1834	1875	1906
Impress American Samoa Inc.	103	106	93	87	85	85	86	89
Star Kist Samoa Inc	2768	2695	2605	2571	2451	2557	2799	2729
Government Employees								
American Samoa Community College	120	120	119	121	109	109	113	117
American Samoa Government								
American Samoa Medical Authority								
LBJ Tropical Medical Center								
American Samoa Power Authority	395	393	395	395				
American Samoa Telecommunications Authority	164	169	169	170	169	170	169	171
Hotel								
Sadie Thompson Inn								
Dateline Industries, Inc.					28	37	30	
Sadies By The Sea								
Dateline Industries, Inc.							10	
Tessarea Vaitogi Inn	0	0	0	0	0	0	0	0
Tradewinds (Clarion Hotels)								
Ottoville Investments One Inc.								
Miscellaneous Activities								
Ames & Associates Inc	0	0	0	0	0	0	0	0
Haleck West Administration								
Haleck Enterprises, Inc.	5	5	6	6				
Nazareth House	50	51	53	49	50	46	49	44

Ottoville Development Co.								
Haleck Enterprises, Inc.	28	31	29	28				
Pacific Vision Center	2	2	2	2	2	2	2	
Pacifica IT	8	8	4	4	4	4	4	
PCTC, Inc dba Industrial Gases	11	11	11	11	11	11	11	11
Pritchard's Bakery Inc.	20	20	20	20	20	20	20	20
Rose Joneson Vargas (Attorney at Law)								
Samoa Sports Center, Inc.	25	27	27	27	27	25	25	
Showers of Blessings (FM 104)	4	4	8	10				
Sound & Image Services	0	0	0	0	0	0	0	0
Stevenson Trucking	5	5	5	5	6	6	6	
Sulufaiga Inc	0	0	0	0	0	0	0	0
T N T Inc					0	0	0	0
TJ Health and Fitness Gym	4	4	4	4	4	4	4	4
Petroleum Marketing								
Mobil Oil Australia Limited	6	6	6	6	6	6	6	
Printing								
Island Printing Co. Inc dba Island Business Center	8	7	7	5	5	5	5	
Pago Printshop	9	10	9	9	8	8	7	6
Private Hospitals and Educational Institutions								
Nazareth House								
Nazareth Montessori School	10	10	9	9	8	9	8	11
Publishing								
Samoa Post	6	6	6	6	5	5	5	5
Retailing, Wholesaling, and Warehousing								
ABC Fax	4	4	4	4	4	4	4	
American Samoa 2000, Inc.								
'McDonald's American Samoa	98	94	114	103	86	87	91	91
Asco Motors	34	34	34	36	37	36	36	29
AST Telecom, LLC dba Blue Sky Communications & Datec	32	34	37	35	40	39	45	46
Aveina Brothers Inc.	89	91	97	96	100	98	99	
Casamar Inc	5	3	4	18				
CBT Ho Ching and Co	68	67	71	68	75	73	74	74
Chinese Restaurant	3	3	3	3	3	3	3	
CSL Building Specialties	5	8	9	7	9	9	10	7
DDW Internet Café	9	9	9	9	8	8	8	7
DJ Hardware	4	4	4	4	4	4	4	4
Ellen					3	3	3	3
Evalani's Inc	4	4	4	4	4	4	4	4
Evergreen Retail Store	17	17	17	17	10	12	10	
Express Electronics	4	4	5	5	16	16	15	15
Forsgren's	109	107	105	100				
Friendly Car Rental	11	10	12	12	17	17	17	
GHC Reid and Co. Inc	43	41	41	44	43	45	42	

Gold Conda Ltd	1	1	1	1	1	1	1	1
Gold Conda Supermarket	4	4	4	4	4	4	4	4
Good Food Bakery	6	6	6	6	6	6	6	6
H&H Inc.	3	3	3	3	3	3	3	3
Haleck Island Motors								
Haleck Enterprises, Inc.	20	21	21	25				
Haleck West Supermarket								
Haleck Enterprises	7	8	6	7				
Haleck's Service Center Inc	7	7	7	7	7	7	7	7
Hawthorne Machinery of Samoa	14	14	15	15				
Island Beauty								0
Island Hut Steak House								
Trans Pacific Enterprises, Inc.	30	31	29		29	34	34	
Island Lubricants	5	6	7	6	4	5	4	
IT Solutions					4	4	4	4
Iupeli Siliva Wesley Bookshop	5	5	5	4	4	4	4	
JM Mart	3	3	3	3	3	3	3	
K-1 Market	7	7	7	7	7	8	8	
KS Mart	11	14	14	15	17	19	21	21
KT Mart II	6	6	6	6	6	6	6	6
LJV Cake Shop	2	2	2	2	2	2	2	2
Makisi's Home Improvement								
Haleck Enterprises, Inc/	5	5	5	4				
Marty's	0	0	0	0	0	0	0	0
Metro Enterprises	38	38	27	28	29	31	28	26
National Industrial Supply	5	3	4	4	6	5	5	4
Nu'uuli Service Station I & II								
Stevenson Management	13	12	11	14	13	12	12	
O & O Corporation	26	22	21	17				
Origin Energy American Samoa	14				15	15	15	15
Pacific Merchandise, Inc.	8	8	8	8	8	8	8	
Pacific Products, Inc	25	25	22	20	18	19	18	
Pacific Sales and Marketing Inc	13	13	13	13	13	13	13	13
Pago Tuna Company	2	2	2	2	2	2	2	2
Panamax	12	12	12	12	12	10	10	10
Paradise, Inc.	5	5	5	5	5	5	5	5
Plaza Home Furnishings					3	2	3	3
Polynesian Picks	4	4	4	4	4	4	4	4
Rubbles Tavern	28	29	22	21	22	21	23	19
Samoa Export & Import								
Lepua Mart	13	13	13	13	13	13	13	
Samoa Motors, Inc.	15	18	17	15	16	17	15	
Samoa Napa Inc	11	10	11	11	12	12	12	11
Sawyer Sifoa Co	6	6	6	6	6	6	6	6
Seagull Corporation	5	6	6	5				
Seaside Service Station								
Stevenson Management					7	6	7	
Sepp's Paint Shop	16	16	16	16	16	16	16	
Stitch and Stuff								
'Trophies and Things Inc								
Sujee's Fast Food								
Sunny Enterprises Inc.,	9	12	11	9	9	10	10	

Swap Meet Liquidation of Samoa	1	1	1	1	1	1	1	
Tautua mo Oe, Inc	13	12	15	16	14	20	14	
Tess Sewing Shop	2	2	2	2	2	2	2	2
The Liquor Store								
Dateline Industries, Inc	4	4	3	4	3	3	4	4
The Shoe Tree	16	16	16	18				
Tokyo Sushi	2	2	2	2	2	2	2	2
Tom Ho Ching Inc								
Transpac	13	14	13	11	11	9	11	11
Treasure Island Jewelers	0	0	0	0	0	0	0	0
Trophies and Things Inc	5	5	5	5	5	5	5	5
Tropik traders, Inc	2	2	2	2	2	2	2	2
TSK Enterprises - Clothing Store	12	12	12	12	12	12	12	
TSK Enterprises - General Store	4	4	4	4	4	4	4	
Union World	6	6	5	6	6	6	7	6
Unknown Store (Lau Fau Center)								2
Vai's Flowers & Gifts	0	0	0	0	0	0	0	0
VJP Retailer & Laundromat								
Way Fast Food & Retail								
Xin Wan Restaurant			3	3	2	2	2	
YSJ Limited	15	18	17	16	14	16	16	

**Shipping and Transportation:
Classification A**

Harbor Maritime & Stevedoring Co	111	138	128	109				
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**Shipping and Transportation:
Classification B**

Mother Pearl of the Pacific Inc								
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**Shipping and Transportation:
Classification C**

DGX DHX	5	5	5	5	5	5	5	5
DHL World Wide Express	2	2	2	2	2	2	2	2
Hawaiian Airlines	37	37	37	37	32	32	32	32
KFJ Shipping Agency Inc.,	2	2	2	2	2	2	2	
Polynesia Shipping Services, Inc.	9	9	9	9	9	9	9	
Polynesian Airlines		21	19	17	17	15	14	14
Samoa Pacific Shipping Inc	6	6	6	6				

Tour and Travel Services

Collins Travel	2	2	2	2	2	2	1	
J & J World Travel Inc.	2	2	2	2	2	2	2	2
Oceania Travel	0	0	0	0	0	0	0	0
Poponut Travel	3	3	3	3	3	3	3	3

Note: Some Firms had no covered employees or did not provide data for some time periods

Appendix B.

Minimum Wage Impact

Tables

**MINIMUM WAGE IMPACT TABLE
BOTTLING, BREWING AND DIARY PRODUCTS**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.19	\$3.35	\$3.51	\$3.67	\$3.83	\$3.99
Average Hourly Wage	\$3.50	\$3.57	\$3.65	\$3.77	\$3.91	\$4.05
Total Hourly Income	\$108	\$111	\$113	\$117	\$121	\$125
Increase in Total Hourly Income ³		2.07%	4.54%	7.84%	11.82%	15.79%
Employees Directly Affected		16	19	27	27	27

Total Employment = 31 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
CONSTRUCTION**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.60	\$3.78	\$3.96	\$4.14	\$4.32	\$4.50
Average Hourly Wage	\$5.37	\$5.40	\$5.43	\$5.48	\$5.55	\$5.63
Total Hourly Income	\$683	\$686	\$689	\$696	\$705	\$715
Increase in Total Hourly Income ³		0.45%	0.94%	1.96%	3.25%	4.75%
Employees Directly Affected		18	19	44	56	57

Total Employment = 128 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
FINANCE & INSURANCE INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.99	\$4.19	\$4.39	\$4.59	\$4.79	\$4.99
Average Hourly Wage	\$8.59	\$8.60	\$8.61	\$8.66	\$8.71	\$8.76
Total Hourly Income	\$1,478	\$1,478	\$1,481	\$1,489	\$1,498	\$1,507
Increase in Total Hourly Income ³		0.03%	0.21%	0.78%	1.36%	1.94%
Employees Directly Affected		1	18	43	43	43

Total Employment = 172 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
FISH CANNING AND PROCESSING INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.26	\$3.42	\$3.59	\$3.75	\$3.91	\$4.08
Average Hourly Wage	\$3.60	\$3.68	\$3.80	\$3.93	\$4.07	\$4.21
Total Hourly Income	\$16,736	\$17,124	\$17,669	\$18,272	\$18,908	\$19,558
Increase in Total Hourly Income ³		2.31%	5.57%	9.17%	12.98%	16.86%
Employees Directly Affected		3225	3466	3733	3919	4032

Total Employment = 4,651 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
GOVERNMENT EMPLOYEES INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$2.91	\$3.06	\$3.20	\$3.35	\$3.49	\$3.64
Average Hourly Wage	\$7.49	\$7.49	\$7.49	\$7.49	\$7.50	\$7.50
Total Hourly Income	\$28,351	\$28,351	\$28,352	\$28,352	\$28,356	\$28,373
Increase in Total Hourly Income ³		0.00%	0.00%	0.00%	0.02%	0.08%
Employees Directly Affected		1	1	3	66	150

Total Employment = 3,783 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
HOTEL INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.00	\$3.15	\$3.30	\$3.45	\$3.60	\$3.75
Average Hourly Wage	\$4.09	\$4.12	\$4.16	\$4.22	\$4.30	\$4.38
Total Hourly Income	\$507	\$510	\$516	\$524	\$533	\$543
Increase in Total Hourly Income ³		0.68%	1.78%	3.29%	5.15%	7.18%
Employees Directly Affected		29	47	54	67	69

Total Employment = 124 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
MISCELLANEOUS INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$2.70	\$2.84	\$2.97	\$3.11	\$3.24	\$3.38
Average Hourly Wage	\$4.70	\$4.70	\$4.71	\$4.72	\$4.75	\$3.79
Total Hourly Income	\$615	\$616	\$616	\$618	\$623	\$629
Increase in Total Hourly Income ³		0.09%	0.16%	0.48%	1.15%	2.24%
Employees Directly Affected		3	3	25	37	54

Total Employment = 131 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
PETROLEUM MARKETING INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.85	\$4.04	\$4.24	\$4.43	\$4.62	\$5.27
Average Hourly Wage	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41
Total Hourly Income	\$44	\$44	\$44	\$44	\$44	\$44
Increase in Total Hourly Income ³		0.00%	0.00%	0.00%	0.00%	0.00%
Employees Directly Affected		0	0	0	0	0

Total Employment = 6 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
PRINTING INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.50	\$3.68	\$3.85	\$4.03	\$4.20	\$4.38
Average Hourly Wage	\$4.52	\$4.55	\$4.60	\$4.65	\$4.76	\$4.88
Total Hourly Income	\$50	\$50	\$51	\$51	\$52	\$54
Increase in Total Hourly Income ³		0.70%	1.61%	2.86%	5.33%	7.79%
Employees Directly Affected		2	3	7	7	7

Total Employment = 11 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
PRIVATE HOSPITAL AND EDUCATIONAL INSTITUTION INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.33	\$3.50	\$3.66	\$3.83	\$4.00	\$4.16
Average Hourly Wage	\$3.60	\$3.67	\$3.77	\$3.89	\$4.02	\$4.17
Total Hourly Income	\$36	\$37	\$38	\$39	\$40	\$42
Increase in Total Hourly Income ³		1.91%	4.73%	8.05%	11.75%	15.76%
Employees Directly Affected		6	7	8	8	9

Total Employment = 10 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
PUBLISHING INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.63	\$3.81	\$3.99	\$4.17	\$4.36	\$4.54
Average Hourly Wage	\$4.33	\$4.36	\$4.40	\$4.50	\$4.61	\$4.72
Total Hourly Income	\$22	\$22	\$22	\$23	\$23	\$24
Increase in Total Hourly Income ³		0.84%	1.68%	4.13%	6.65%	9.17%
Employees Directly Affected		1	1	3	3	3

Total Employment = 5 employees⁴

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

⁴ One Employee was paid below the minimum wage

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
RETAILING WHOLESALING & WAREHOUSING INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.10	\$3.26	\$3.41	\$3.57	\$3.72	\$3.88
Average Hourly Wage	\$4.27	\$4.29	\$4.34	\$4.40	\$4.48	\$4.56
Total Hourly Income	\$4,112	\$4,136	\$4,181	\$4,243	\$4,316	\$4,399
Increase in Total Hourly Income ³		0.59%	1.69%	3.18%	4.97%	6.99%
Employees Directly Affected		244	346	450	494	552

Total Employment = 964 employees⁴

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

⁴ Twenty employees were paid below the minimum wage

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
SHIPPING AND TRANSPORTATION 'A' INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$4.09	\$4.29	\$4.50	\$4.70	\$4.91	\$5.11
Average Hourly Wage	\$4.68	\$4.81	\$4.94	\$5.08	\$5.23	\$5.38
Total Hourly Income	\$360	\$370	\$381	\$391	\$402	\$414
Increase in Total Hourly Income ³		2.78%	5.62%	8.56%	11.65%	14.86%
Employees Directly Affected		49	50	52	55	58

Total Employment = 77 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
SHIPPING AND TRANSPORTATION 'B' INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.92	\$4.12	\$4.31	\$4.51	\$4.70	\$4.90
Average Hourly Wage	\$4.84	\$4.98	\$5.12	\$5.26	\$5.39	\$5.53
Total Hourly Income	\$131	\$134	\$138	\$142	\$146	\$149
Increase in Total Hourly Income ³		2.85%	5.70%	8.55%	11.39%	14.24%
Employees Directly Affected		19	19	19	19	19

Total Employment = 27 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
SHIPPING AND TRANSPORTATION 'C' INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.88	\$4.07	\$4.27	\$4.46	\$4.66	\$4.85
Average Hourly Wage	\$5.66	\$5.68	\$5.69	\$5.71	\$5.74	\$5.77
Total Hourly Income	\$391	\$392	\$393	\$394	\$396	\$398
Increase in Total Hourly Income ³		0.23%	0.53%	0.83%	1.32%	1.87%
Employees Directly Affected		6	6	6	11	11

Total Employment = 69 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

**MINIMUM WAGE IMPACT TABLE
TOUR AND TRAVEL SERVICE INDUSTRY**

Wage Item	Current Minimum ¹	Alternative Minimum Wage ²				
	\$3.48	\$3.65	\$3.83	\$4.00	\$4.18	\$4.35
Average Hourly Wage	\$4.79	\$4.79	\$4.79	\$4.79	\$4.85	\$4.91
Total Hourly Income	\$29	\$29	\$29	\$29	\$29	\$29
Increase in Total Hourly Income ³		0.00%	0.00%	0.00%	1.22%	2.43%
Employees Directly Affected		0	0	0	2	2

Total Employment = 6 employees

¹ Minimum wage as of 10-01-06

² Alternative minimum wage increases in increments of 5 percent

³ Increases calculated using total hourly income paid on October 12, 2006 as denominator

Note: The actual wage cost resulting from the increases in the minimum wage, as shown in the table, might include (in addition to the wage increases necessary to bring the sub-minimum wage employees up to the minimum) eventual wage increases for hourly employees paid at or above the minimum wage in order to maintain the prior relative wage pattern.

Appendix C.

Tables for Chapter V Figures

Figure 18 Table.

U.S. Mainland and American Samoa Minimum Wage Rates, 1975-2006

Year	United States	AS Cannery	AS Government	ASC/US	ASG/US
1975	2.10	1.35	1.15	0.64	0.55
1976	2.30	1.54	1.20	0.67	0.52
1977	2.30	1.66	1.30	0.72	0.57
1978	2.65	1.81	1.40	0.68	0.53
1979	2.90	1.96	1.50	0.68	0.52
1980	3.10	2.16	1.60	0.70	0.52
1981	3.35	2.33	1.70	0.70	0.51
1982	3.35	2.33	1.79	0.70	0.53
1983	3.35	2.55	1.79	0.76	0.53
1984	3.35	2.67	1.87	0.80	0.56
1985	3.35	2.82	1.97	0.84	0.59
1986	3.35	2.82	1.97	0.84	0.59
1987	3.35	2.82	1.97	0.84	0.59
1988	3.35	2.82	1.97	0.84	0.59
1989	3.35	2.82	1.97	0.84	0.59
1990	3.80	2.82	1.97	0.74	0.52
1991	4.25	2.87	2.17	0.68	0.51
1992	4.25	2.92	2.17	0.69	0.51
1993	4.25	3.00	2.17	0.71	0.51
1994	4.25	3.05	2.37	0.72	0.56
1995	4.25	3.05	2.37	0.72	0.56
1996	4.75	3.10	2.45	0.65	0.52
1997	5.15	3.10	2.45	0.60	0.48
1998	5.15	3.17	2.57	0.62	0.50
1999	5.15	3.17	2.63	0.62	0.51
2000	5.15	3.20	2.69	0.62	0.52
2001	5.15	3.26	2.73	0.63	0.53
2002	5.15	3.26	2.77	0.63	0.54
2003	5.15	3.26	2.77	0.63	0.54
2004	5.15	3.26	2.77	0.63	0.54
2005	5.15	3.26	2.84	0.63	0.55
2006	5.15	3.26	2.91	0.63	0.57

Sources: U.S. Department of Labor, *Various Industries in American Samoa*, Wage and Hour Division, for different years.

U.S. Department of Labor, *Economic Report: The Minimum Wage in American Samoa*, Wage and Hour Division, for different years.

Figure 19 Table.

Selected American Samoa Industry Minimum Wage Rates as a Percentage of U.S. Mainland Minimum Wage, 1983-2006

Year	Cannery	Finance & Insurance	Construction	Retailing & Wholesaling	Government	Miscellaneous
1983	76.12	68.96	64.18	55.22	53.43	49.85
1984	79.70	72.24	67.16	57.91	55.82	52.24
1985	84.18	76.42	71.04	61.19	58.81	55.22
1986	84.18	76.42	71.04	61.19	58.81	55.22
1987	84.18	77.91	74.63	64.18	58.81	55.22
1988	84.18	80.90	77.61	67.16	58.81	55.22
1989	84.18	80.90	77.61	67.16	58.81	55.22
1990	74.21	71.32	68.42	59.21	51.84	48.68
1991	67.53	66.35	63.53	55.06	51.06	45.18
1992	68.71	68.94	66.12	57.18	51.06	47.06
1993	70.59	71.76	68.24	58.82	51.06	49.41
1994	71.76	76.47	70.59	61.18	55.76	52.94
1995	71.76	81.18	71.76	63.53	55.76	55.29
1996	65.26	75.79	67.37	58.95	51.58	51.58
1997	60.19	71.65	64.08	55.73	47.57	47.57
1998	61.55	73.40	66.02	57.09	49.90	47.57
1999	61.55	74.37	66.99	57.67	51.07	47.57
2000	62.14	75.34	67.96	58.45	52.23	48.54
2001	63.30	76.50	68.93	59.42	53.01	49.32
2002	63.30	77.48	69.90	60.19	53.79	49.90
2003	63.30	77.48	69.90	60.19	53.79	49.90
2004	63.30	77.48	69.90	60.19	53.79	49.90
2005	63.30	77.48	69.90	60.19	55.15	51.07
2006	63.30	77.48	69.90	60.19	56.50	52.43

Sources: U.S. Department of Labor, *Various Industries in American Samoa*, Wage and Hour Division, for different years.

U.S. Department of Labor, *Economic Report: The Minimum Wage in American Samoa*, Wage and Hour Division, for different years.

Figure 20 Table.

Tuna Canneries Productivity and Productivity Index, 1995-2005

Periods	Productivity Index	Average Kilograms Tuna/Worker
1995	100	23608
1996	101	23865
1997	109	25717
1998	117	27691
1999	138	32554
2000	135	31823
2001	131	30815
2002	146	34479
2003	156	36879
2004	126	29651
2005	199	46887

Sources: U.S. Department of Labor, Wage and Hour Division, *Various Industries in American Samoa*, select years.

U.S. Department of Labor, Wage and Hour Division Economic Surveys, various years.

U.S. Census Bureau, *U.S. Trade with Puerto Rico and U.S. Possessions*, various years.

American Samoan Government, Department of Commerce, *Statistical Year Book 2005*.

Figure 21 Table.

Exvessel and Retail Tuna Prices and Indices, 1996-2005

Year	Exvessel Raw Whole Fish	U.S. Retail Canned	Exvessel Index	Retail Index	Ratio
1996	0.46	1.98	100	100	1.0
1997	0.55	2.03	119.6	102.5	1.2
1998	0.44	2.10	95.7	106.1	0.9
1999	0.37	2.09	80.4	105.6	0.8
2000	0.37	1.98	80.4	100.0	0.8
2001	0.45	1.88	97.8	94.9	1.0
2002	0.43	1.97	93.5	99.5	0.9
2003	0.33	1.96	71.7	99.0	0.7
2004	0.45	1.82	97.8	91.9	1.1
2005	0.34	1.83	73.9	92.4	0.8

Sources:

Retail – U.S. BLS, U.S. city average lightmeat tuna, January.

Exvessel – U.S. Department of Commerce, *Fisheries of the United States*, NOAA, various years.

Figure 22 Table.

Total U.S. Tuna Supply Components, 1994-2005

Year	(Million pounds)		Total	Imports % of Total
	U.S. Pack	Imports		
1994	609.5	249.0	858.5	29.0
1995	666.5	215.3	440.9	48.8
1996	675.8	193.0	868.8	22.2
1997	627.0	212.1	839.1	25.3
1998	680.8	240.4	921.2	26.1
1999	693.8	334.5	1028.3	32.5
2000	671.3	312.9	984.2	31.8
2001	507.4	292.2	799.6	36.5
2002	546.9	378.1	925.0	40.9
2003	529.3	459.0	988.3	46.4
2004	434.1	443.3	877.4	50.5
2005	446.1	452.0	898.1	50.3

Source: U.S. Department of Commerce, *Fisheries of the United States*, various years.

Figure 23 Table.

Labor Productivity, U.S. Retail Tuna Price and Cannery Wage Indexes 1995-2005

Year	Fig 18 Cannery Wage	Fig 21 Retail Price	Fig 20 Productivity	Cannery Wage	U.S. Retail Price	Labor Productivity
1995	3.05	2	23608	1.00	1.00	1.00
1996	3.10	1.98	23865	1.02	0.99	1.01
1997	3.10	2.03	25717	1.02	1.02	1.09
1998	3.17	2.10	27691	1.04	1.05	1.17
1999	3.17	2.09	32554	1.04	1.05	1.38
2000	3.20	1.98	31823	1.05	0.99	1.35
2001	3.26	1.88	30815	1.07	0.94	1.31
2002	3.26	1.97	34479	1.07	0.99	1.46
2003	3.26	1.96	39612	1.07	0.98	1.68
2004	3.26	1.82	29651	1.07	0.91	1.26
2005	3.26	1.83	50651	1.07	0.92	2.15

Appendix D.
Detailed Minimum Wage
Impact Tables

**BOTTLING, BREWING AND DIARY PRODUCTS
INDUSTRY**

Hourly Wages	Employees	Cumulative		Current Minimum		Minimum \$3.35		Minimum \$3.51		Minimum \$3.67		
		Number	Percent	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	
\$3.19 - \$3.25	15	15	48	48	48	48	50	50	53	53	55	55
\$3.26 - \$3.35	1	16	3	52	3	51	3	54	4	56	4	59
\$3.36 - \$3.45	1	17	3	55	3	55	3	57	4	60	4	62
\$3.46 - \$3.55	2	19	6	61	7	62	7	64	7	67	7	70
\$3.56 - \$3.65	8	27	26	87	29	91	29	93	29	95	29	99
\$3.66 - \$3.75	0	27	0	87	0	91	0	93	0	95	0	99
\$3.76 - \$3.85	0	27	0	87	0	91	0	93	0	95	0	99
\$3.86 - \$3.95	0	27	0	87	0	91	0	93	0	95	0	99
\$3.96 - \$4.05	1	28	3	90	4	95	4	97	4	99	4	103
\$4.06 - \$4.15	1	29	3	94	4	99	4	101	4	104	4	107
\$4.16 - \$4.25	0	29	0	94	0	99	0	101	0	104	0	107
\$4.26 - \$4.35	0	29	0	94	0	99	0	101	0	104	0	107
\$4.36 - \$4.45	0	29	0	94	0	99	0	101	0	104	0	107
\$4.46 - \$4.55	1	30	3	97	5	103	5	105	5	108	5	112
\$4.56 - \$4.65	0	30	0	97	0	103	0	105	0	108	0	112
\$4.66 - \$4.75	0	30	0	97	0	103	0	105	0	108	0	112
\$4.76 - \$4.85	0	30	0	97	0	103	0	105	0	108	0	112
\$4.86 - \$4.95	0	30	0	97	0	103	0	105	0	108	0	112
\$4.96 - \$5.05	0	30	0	97	0	103	0	105	0	108	0	112
\$5.06 - \$5.15	0	30	0	97	0	103	0	105	0	108	0	112
\$5.16 - \$5.25	1	31	3	100	5	108	5	111	5	113	5	117
\$5.26 - \$5.35	0	31	0	100	0	108	0	111	0	113	0	117
\$5.36 - \$5.45	0	31	0	100	0	108	0	111	0	113	0	117
\$5.46 - \$5.55	0	31	0	100	0	108	0	111	0	113	0	117
>\$5.55	0	31	0	100	0	108	0	111	0	113	0	117

CONSTRUCTION INDUSTRY

Hourly Wages	Employees	Cumulative			Current Minimum		Minimum \$3.78		Minimum \$3.96		Minimum \$4.14	
		Number	Percent	Percent	Hourly	Cumulative	Hourly	Cumulative	Hourly	Cumulative	Hourly	Cumulative
					Income	Income	Income	Income	Income	Income	Income	Income
\$3.56 - \$3.65	17	17	13	13	61	61	64	64	67	67	70	70
\$3.66 - \$3.75	1	18	1	14	4	65	4	68	4	71	4	75
\$3.76 - \$3.85	1	19	1	15	4	69	4	72	4	75	4	79
\$3.86 - \$3.95	0	19	0	15	0	69	0	72	0	75	0	79
\$3.96 - \$4.05	25	44	20	34	100	169	100	172	100	175	104	182
\$4.06 - \$4.15	0	44	0	34	0	169	0	172	0	175	0	182
\$4.16 - \$4.25	11	55	9	43	47	215	47	219	47	222	47	229
\$4.26 - \$4.35	1	56	1	44	4	220	4	223	4	226	4	233
\$4.36 - \$4.45	1	57	1	45	4	224	4	227	4	231	4	237
\$4.46 - \$4.55	5	62	4	48	23	247	23	250	23	253	23	260
\$4.56 - \$4.65	2	64	2	50	9	256	9	259	9	262	9	269
\$4.66 - \$4.75	8	72	6	56	38	294	38	297	38	300	38	307
\$4.76 - \$4.85	4	76	3	59	19	313	19	316	19	319	19	326
\$4.86 - \$4.95	0	76	0	59	0	313	0	316	0	319	0	326
\$4.96 - \$5.05	13	89	10	70	65	378	65	381	65	384	65	391
\$5.06 - \$5.15	0	89	0	70	0	378	0	381	0	384	0	391
\$5.16 - \$5.25	1	90	1	70	5	383	5	386	5	390	5	397
\$5.26 - \$5.35	0	90	0	70	0	383	0	386	0	390	0	397
\$5.36 - \$5.45	0	90	0	70	0	383	0	386	0	390	0	397
\$5.46 - \$5.55	6	96	5	75	33	416	33	419	33	423	33	430
\$5.56 - \$5.65	0	96	0	75	0	416	0	419	0	423	0	430
\$5.66 - \$5.75	1	97	1	76	6	422	6	425	6	428	6	435
\$5.76 - \$5.85	2	99	2	77	12	434	12	437	12	440	12	447
\$5.86 - \$5.95	0	99	0	77	0	434	0	437	0	440	0	447
\$5.96 - \$6.05	5	104	4	81	30	464	30	467	30	470	30	477
\$6.06 - \$6.15	1	105	1	82	6	470	6	473	6	476	6	483
\$6.16 - \$6.25	2	107	2	84	13	482	13	485	13	489	13	496
\$6.26 - \$6.35	0	107	0	84	0	482	0	485	0	489	0	496
\$6.36 - \$6.45	0	107	0	84	0	482	0	485	0	489	0	496
\$6.46 - \$6.55	5	112	4	88	33	515	33	518	33	521	33	528
>\$6.56	16	128	13	100	180	695	180	698	180	701	180	708

FINANCE & INSURANCE INDUSTRY

Hourly Wages	Employees	Cumulative		Current Minimum		Minimum \$4.19		Minimum \$4.39		Minimum \$4.59	
		Number	Percent	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$3.66 - \$3.75	1	1	1	4	4	4	4	4	4	5	5
\$3.76 - \$3.85	0	1	0	0	4	0	4	0	4	0	5
\$3.86 - \$3.95	0	1	0	0	4	0	4	0	4	0	5
\$3.96 - \$4.05	0	1	0	0	4	0	4	0	4	0	5
\$4.06 - \$4.15	0	1	0	0	4	0	4	0	4	0	5
\$4.16 - \$4.25	16	17	18	68	72	68	72	70	75	73	78
\$4.26 - \$4.35	0	17	0	0	72	0	72	0	75	0	78
\$4.36 - \$4.45	25	42	28	110	181	110	182	110	184	115	193
\$4.46 - \$4.55	1	43	1	5	186	5	186	5	189	5	197
\$4.56 - \$4.65	0	43	0	0	186	0	186	0	189	0	197
\$4.66 - \$4.75	0	43	0	0	186	0	186	0	189	0	197
\$4.76 - \$4.85	0	43	0	0	186	0	186	0	189	0	197
\$4.86 - \$4.95	0	43	0	0	186	0	186	0	189	0	197
\$4.96 - \$5.05	32	75	36	162	347	162	348	162	350	162	359
\$5.06 - \$5.15	1	76	1	5	352	5	353	5	356	5	364
\$5.16 - \$5.25	1	77	1	5	358	5	358	5	361	5	369
\$5.26 - \$5.35	1	78	1	5	363	5	363	5	366	5	375
\$5.36 - \$5.45	2	80	2	11	374	11	374	11	377	11	385
\$5.46 - \$5.55	3	83	3	17	390	17	391	17	394	17	402
\$5.56 - \$5.65	2	85	2	11	402	11	402	11	405	11	413
\$5.66 - \$5.75	1	86	1	6	407	6	408	6	411	6	419
\$5.76 - \$5.85	0	86	0	0	407	0	408	0	411	0	419
\$5.86 - \$5.95	0	86	0	0	407	0	408	0	411	0	419
\$5.96 - \$6.05	0	86	0	0	407	0	408	0	411	0	419
\$6.06 - \$6.15	1	87	1	6	414	6	414	6	417	6	425
\$6.16 - \$6.25	2	89	2	13	426	13	427	13	429	13	438
\$6.26 - \$6.35	0	89	0	0	426	0	427	0	429	0	438
\$6.36 - \$6.45	2	91	2	13	439	13	439	13	442	13	450
\$6.46 - \$6.55	1	92	1	7	445	7	446	7	448	7	457
\$6.56 - \$6.65	0	92	0	0	445	0	446	0	448	0	457
\$6.66 - \$6.75	0	92	0	0	445	0	446	0	448	0	457
>\$6.75	81	173	91	1038	1483	1038	1484	1038	1486	1038	1495

FISH CANNING AND PROCESSING INDUSTRY

Hourly Wages	Employees	Cumulative Number	Percent	Cumulative Percent	Current Minimum		Minimum \$3.42		Minimum \$3.59		Minimum \$3.75	
					Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$3.26 - \$3.35	2914	2914	63	63	9596	9596	9975	9975	10450	10450	10925	10925
\$3.36 - \$3.45	443	3357	10	72	1510	11106	1519	11493	1589	12038	1661	12585
\$3.46 - \$3.55	0	3357	0	72	0	11106	0	11493	0	12038	0	12585
\$3.56 - \$3.65	376	3733	8	80	1354	12460	1354	12847	1355	13393	1410	13995
\$3.66 - \$3.75	0	3733	0	80	0	12460	0	12847	0	13393	0	13995
\$3.76 - \$3.85	186	3919	4	84	699	13159	699	13547	699	14092	699	14694
\$3.86 - \$3.95	11	3930	0	84	43	13202	43	13590	43	14135	43	14738
\$3.96 - \$4.05	102	4032	2	87	406	13608	406	13996	406	14541	406	15143
\$4.06 - \$4.15	95	4127	2	89	390	13998	390	14385	390	14931	390	15533
\$4.16 - \$4.25	18	4145	0	89	75	14073	75	14460	75	15006	75	15608
\$4.26 - \$4.35	67	4212	1	91	289	14362	289	14749	289	15295	289	15897
\$4.36 - \$4.45	0	4212	0	91	0	14362	0	14749	0	15295	0	15897
\$4.46 - \$4.55	54	4266	1	92	242	14604	242	14992	242	15537	242	16139
\$4.56 - \$4.65	1	4267	0	92	4.57	14609	4.57	14996	4.57	15542	4.57	16144
\$4.66 - \$4.75	1	4268	0	92	5	14614	5	15001	5	15547	5	16149
\$4.76 - \$4.85	43	4311	1	93	205	14819	205	15206	205	15752	205	16354
\$4.86 - \$4.95	35	4346	1	93	171	14990	171	15377	171	15923	171	16525
\$4.96 - \$5.05	0	4346	0	93	0	14990	0	15377	0	15923	0	16525
\$5.06 - \$5.15	38	4384	1	94	194	15184	194	15571	194	16117	194	16719
\$5.16 - \$5.25	14	4398	0	95	73	15257	73	15644	73	16190	73	16792
\$5.26 - \$5.35	120	4518	3	97	638	15895	638	16282	638	16828	638	17430
\$5.36 - \$5.45	0	4518	0	97	0	15895	0	16282	0	16828	0	17430
\$5.46 - \$5.55	0	4518	0	97	0	15895	0	16282	0	16828	0	17430
\$5.56 - \$5.65	12	4530	0	97	67	15962	67	16349	67	16895	67	17497
\$5.66 - \$5.75	0	4530	0	97	0	15962	0	16349	0	16895	0	17497
\$5.76 - \$5.85	41	4571	1	98	239	16200	239	16588	239	17133	239	17735
\$5.86 - \$5.95	0	4571	0	98	0	16200	0	16588	0	17133	0	17735
\$5.96 - \$6.05	0	4571	0	98	0	16200	0	16588	0	17133	0	17735
\$6.06 - \$6.15	5	4576	0	98	30	16231	30	16618	30	17164	30	17766
\$6.16 - \$6.25	5	4581	0	98	31	16262	31	16649	31	17195	31	17797
> \$6.25	70	4651	2	100	475	16736	475	17124	475	17669	475	18272

GOVERNMENT EMPLOYEES INDUSTRY

Hourly Wages	Employees	Cumulative		Current Minimum		Minimum \$3.06		Minimum \$3.20		Minimum \$3.35	
		Number	Percent	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$2.77 - \$3.25	2	2	0	6	6	6	6	6	6	7	7
\$3.26 - \$3.35	1	3	0	3	9	3	10	3	10	3	10
\$3.36 - \$3.45	34	37	1	116	125	116	125	116	126	116	126
\$3.46 - \$3.55	67	104	2	233	359	233	359	233	359	233	359
\$3.56 - \$3.65	46	150	1	165	524	165	524	165	524	165	525
\$3.66 - \$3.75	68	218	2	252	776	252	776	252	776	252	777
\$3.76 - \$3.85	53	271	1	203	979	203	979	203	979	203	979
\$3.86 - \$3.95	34	305	1	133	1112	133	1112	133	1112	133	1112
\$3.96 - \$4.05	71	376	2	284	1396	284	1396	284	1396	284	1397
\$4.06 - \$4.15	50	426	1	206	1602	206	1602	206	1602	206	1602
\$4.16 - \$4.25	66	492	2	277	1879	277	1879	277	1879	277	1879
\$4.26 - \$4.35	82	574	2	355	2234	355	2234	355	2234	355	2235
\$4.36 - \$4.45	47	621	1	207	2441	207	2441	207	2442	207	2442
\$4.46 - \$4.55	184	805	5	826	3267	826	3267	826	3267	826	3267
\$4.56 - \$4.65	56	861	1	257	3524	257	3524	257	3525	257	3525
\$4.66 - \$4.75	94	955	2	443	3967	443	3967	443	3967	443	3968
\$4.76 - \$4.85	98	1053	3	471	4438	471	4438	471	4438	471	4438
\$4.86 - \$4.95	42	1095	1	206	4644	206	4644	206	4645	206	4645
\$4.96 - \$5.05	76	1171	2	381	5025	381	5025	381	5025	381	5026
\$5.06 - \$5.15	83	1254	2	424	5449	424	5449	424	5449	424	5449
\$5.16 - \$5.25	39	1293	1	203	5651	203	5652	203	5652	203	5652
\$5.26 - \$5.35	74	1367	2	391	6043	391	6043	391	6043	391	6044
\$5.36 - \$5.45	49	1416	1	265	6307	265	6308	265	6308	265	6308
\$5.46 - \$5.55	100	1516	3	549	6857	549	6857	549	6857	549	6857
\$5.56 - \$5.65	24	1540	1	134	6991	134	6991	134	6991	134	6992
\$5.66 - \$5.75	42	1582	1	239	7230	239	7230	239	7230	239	7231
\$5.76 - \$5.85	69	1651	2	401	7631	401	7631	401	7631	401	7632
\$5.86 - \$5.95	53	1704	1	314	7945	314	7945	314	7945	314	7945
\$5.96 - \$6.05	76	1780	2	457	8402	457	8402	457	8402	457	8403
\$6.06 - \$6.15	24	1804	1	147	8549	147	8549	147	8549	147	8549
>\$6.15	1979	3783	52	19802	28351	19802	28351	19802	28352	19802	28352

HOTEL INDUSTRY

Hourly Wages	Employees	Cumulative Number	Percent	Cumulative Percent	Current Minimum		Minimum \$3.15		Minimum \$3.30		Minimum \$3.45	
					Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$2.96 - \$3.05	24	24	19	19	72	72	76	76	79	79	83	83
\$3.06 - \$3.15	6	30	5	24	19	91	19	95	20	99	21	104
\$3.16 - \$3.25	17	47	14	38	55	146	55	150	56	155	59	162
\$3.26 - \$3.35	3	50	2	40	10	156	10	159	10	165	10	173
\$3.36 - \$3.45	4	54	3	44	14	170	14	173	14	179	14	186
\$3.46 - \$3.55	13	67	10	54	46	215	46	219	46	224	46	232
\$3.56 - \$3.65	2	69	2	56	7	222	7	226	7	231	7	239
\$3.66 - \$3.75	4	73	3	59	15	237	15	241	15	246	15	254
\$3.76 - \$3.85	2	75	2	60	8	245	8	248	8	254	8	262
\$3.86 - \$3.95	1	76	1	61	4	249	4	252	4	258	4	266
\$3.96 - \$4.05	12	88	10	71	48	297	48	300	48	306	48	314
\$4.06 - \$4.15	1	89	1	72	4	301	4	304	4	310	4	318
\$4.16 - \$4.25	0	89	0	72	0	301	0	304	0	310	0	318
\$4.26 - \$4.35	0	89	0	72	0	301	0	304	0	310	0	318
\$4.36 - \$4.45	0	89	0	72	0	301	0	304	0	310	0	318
\$4.46 - \$4.55	7	96	6	77	32	332	32	336	32	341	32	349
\$4.56 - \$4.65	0	96	0	77	0	332	0	336	0	341	0	349
\$4.66 - \$4.75	1	97	1	78	5	337	5	341	5	346	5	354
\$4.76 - \$4.85	0	97	0	78	0	337	0	341	0	346	0	354
\$4.86 - \$4.95	0	97	0	78	0	337	0	341	0	346	0	354
\$4.96 - \$5.05	8	105	6	85	40	377	40	381	40	386	40	394
\$5.06 - \$5.15	0	105	0	85	0	377	0	381	0	386	0	394
\$5.16 - \$5.25	1	106	1	85	5	382	5	386	5	391	5	399
\$5.26 - \$5.35	0	106	0	85	0	382	0	386	0	391	0	399
\$5.36 - \$5.45	1	107	1	86	5	388	5	391	5	397	5	405
\$5.46 - \$5.55	2	109	2	88	11	399	11	402	11	408	11	416
>\$5.55	15	124	12	100	108	507	108	510	108	516	108	524

MISCELLANEOUS INDUSTRY

Hourly Wages	Employees	Cumulative Number	Percent	Cumulative Percent	Current Minimum		Minimum \$2.84		Minimum \$2.97		Minimum \$3.11	
					Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$2.57 - \$2.75	2	2	2	2	5	5	6	6	6	6	6	6
\$2.76 - \$2.85	1	3	1	2	3	8	3	9	3	9	3	9
\$2.86 - \$2.95	0	3	0	2	0	8	0	9	0	9	0	9
\$2.96 - \$3.05	18	21	14	16	54	62	54	63	54	63	56	65
\$3.06 - \$3.15	10	31	8	24	31	94	31	94	31	95	31	97
\$3.16 - \$3.25	17	48	13	37	55	149	55	149	55	150	55	151
\$3.26 - \$3.35	6	54	5	42	20	168	20	169	20	169	20	171
\$3.36 - \$3.45	1	55	1	43	3	172	3	172	3	173	3	175
\$3.46 - \$3.55	5	60	4	47	18	189	18	190	18	190	18	192
\$3.56 - \$3.65	1	61	1	47	4	193	4	194	4	194	4	196
\$3.66 - \$3.75	6	67	5	52	23	215	23	216	23	216	23	218
\$3.76 - \$3.85	2	69	2	53	8	223	8	224	8	224	8	226
\$3.86 - \$3.95	6	75	5	58	23	247	23	247	23	247	23	249
\$3.96 - \$4.05	5	80	4	62	20	267	20	267	20	267	20	269
\$4.06 - \$4.15	2	82	2	64	8	275	8	275	8	276	8	278
\$4.16 - \$4.25	2	84	2	65	9	283	9	284	9	284	9	286
\$4.26 - \$4.35	2	86	2	67	9	292	9	292	9	293	9	295
\$4.36 - \$4.45	1	87	1	67	4	296	4	297	4	297	4	299
\$4.46 - \$4.55	3	90	2	70	14	310	14	310	14	311	14	313
\$4.56 - \$4.65	1	91	1	71	5	314	5	315	5	315	5	317
\$4.66 - \$4.75	2	93	2	72	10	324	10	324	10	325	10	327
\$4.76 - \$4.85	1	94	1	73	5	329	5	329	5	330	5	332
\$4.86 - \$4.95	1	95	1	74	5	334	5	334	5	335	5	337
\$4.96 - \$5.05	5	100	4	78	25	359	25	359	25	360	25	362
\$5.06 - \$5.15	2	102	2	79	10	369	10	369	10	370	10	372
\$5.16 - \$5.25	3	105	2	81	16	384	16	385	16	385	16	387
> \$5.25	24	129	19	100	224	608	224	609	224	609	224	611

PETROLEUM MARKETING INDUSTRY

Hourly Wages	Employees	Cumulative Number	Percent	Cumulative Percent	Current Minimum		Minimum \$4.04		Minimum \$4.24		Minimum \$4.43	
					Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$3.76 - \$3.85	0	0	0	0	0	0	0	0	0	0	0	0
\$3.86 - \$3.95	0	0	0	0	0	0	0	0	0	0	0	0
\$3.96 - \$4.05	0	0	0	0	5	5	5	5	5	5	5	5
\$4.06 - \$4.15	0	0	0	0	0	5	0	5	0	5	0	5
\$4.16 - \$4.25	0	0	0	0	0	5	0	5	0	5	0	5
\$4.26 - \$4.35	0	0	0	0	6	11	6	11	6	11	6	11
\$4.36 - \$4.45	0	0	0	0	0	11	0	11	0	11	0	11
\$4.46 - \$4.55	0	0	0	0	7	18	7	18	7	18	7	18
\$4.56 - \$4.65	0	0	0	0	0	18	0	18	0	18	0	18
\$4.66 - \$4.75	0	0	0	0	0	18	0	18	0	18	0	18
\$4.76 - \$4.85	0	0	0	0	0	18	0	18	0	18	0	18
\$4.86 - \$4.95	0	0	0	0	0	18	0	18	0	18	0	18
\$4.96 - \$5.05	0	0	0	0	0	18	0	18	0	18	0	18
\$5.06 - \$5.15	0	0	0	0	8	26	8	26	8	26	8	26
\$5.16 - \$5.25	1	1	17	17	9	35	9	35	9	35	9	35
\$5.26 - \$5.35	0	1	0	17	0	35	0	35	0	35	0	35
\$5.36 - \$5.45	0	1	0	17	0	35	0	35	0	35	0	35
\$5.46 - \$5.55	0	1	0	17	0	35	0	35	0	35	0	35
\$5.56 - \$5.65	1	2	17	33	0	35	0	35	0	35	0	35
\$5.66 - \$5.75	0	2	0	33	0	35	0	35	0	35	0	35
\$5.76 - \$5.85	0	2	0	33	10	44	10	44	10	44	10	44
\$5.86 - \$5.95	0	2	0	33	0	44	0	44	0	44	0	44
\$5.96 - \$6.05	0	2	0	33	0	44	0	44	0	44	0	44
\$6.06 - \$6.15	0	2	0	33	0	44	0	44	0	44	0	44
\$6.16 - \$6.25	0	2	0	33	0	44	0	44	0	44	0	44
\$6.26 - \$6.35	0	2	0	33	0	44	0	44	0	44	0	44
\$6.36 - \$6.45	0	2	0	33	0	44	0	44	0	44	0	44
\$6.46 - \$6.55	0	2	0	33	0	44	0	44	0	44	0	44
\$6.56 - \$6.65	0	2	0	33	0	44	0	44	0	44	0	44
\$6.66 - \$6.75	0	2	0	33	0	44	0	44	0	44	0	44
>\$6.76	4	6	67	100	0	44	0	44	0	44	0	44

PRINTING INDUSTRY

Hourly Wages	Employees	Cumulative Number	Percent	Cumulative Percent	Current Minimum		Minimum \$3.68		Minimum \$3.85		Minimum \$4.03	
					Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$3.26 - \$3.35	0	0	0	0	0	0	0	0	0	0	0	0
\$3.36 - \$3.45	0	0	0	0	0	0	0	0	0	0	0	0
\$3.46 - \$3.55	2	2	18	18	7	7	7	7	8	8	8	8
\$3.56 - \$3.65	0	2	0	18	0	7	0	7	0	8	0	8
\$3.66 - \$3.75	1	3	9	27	4	11	4	11	4	12	4	12
\$3.76 - \$3.85	0	3	0	27	0	11	0	11	0	12	0	12
\$3.86 - \$3.95	0	3	0	27	0	11	0	11	0	12	0	12
\$3.96 - \$4.05	4	7	36	64	16	27	16	27	16	28	16	28
\$4.06 - \$4.15	0	7	0	64	0	27	0	27	0	28	0	28
\$4.16 - \$4.25	0	7	0	64	0	27	0	27	0	28	0	28
\$4.26 - \$4.35	0	7	0	64	0	27	0	27	0	28	0	28
\$4.36 - \$4.45	0	7	0	64	0	27	0	27	0	28	0	28
\$4.46 - \$4.55	1	8	9	73	5	31	5	32	5	32	5	33
\$4.56 - \$4.65	0	8	0	73	0	31	0	32	0	32	0	33
\$4.66 - \$4.75	0	8	0	73	0	31	0	32	0	32	0	33
\$4.76 - \$4.85	0	8	0	73	0	31	0	32	0	32	0	33
\$4.86 - \$4.95	0	8	0	73	0	31	0	32	0	32	0	33
\$4.96 - \$5.05	1	9	9	82	5	36	5	37	5	37	5	38
\$5.06 - \$5.15	0	9	0	82	0	36	0	37	0	37	0	38
\$5.16 - \$5.25	0	9	0	82	0	36	0	37	0	37	0	38
\$5.26 - \$5.35	0	9	0	82	0	36	0	37	0	37	0	38
\$5.36 - \$5.45	0	9	0	82	0	36	0	37	0	37	0	38
\$5.46 - \$5.55	0	9	0	82	0	36	0	37	0	37	0	38
\$5.56 - \$5.65	0	9	0	82	0	36	0	37	0	37	0	38
\$5.66 - \$5.75	0	9	0	82	0	36	0	37	0	37	0	38
\$5.76 - \$5.85	0	9	0	82	0	36	0	37	0	37	0	38
\$5.86 - \$5.95	0	9	0	82	0	36	0	37	0	37	0	38
\$5.96 - \$6.05	1	10	9	91	6	42	6	43	6	43	6	44
\$6.06 - \$6.15	0	10	0	91	0	42	0	43	0	43	0	44
\$6.16 - \$6.25	0	10	0	91	0	42	0	43	0	43	0	44
> \$6.25	1	11	9	100	8	50	8	50	8	51	8	51

PRIVATE HOSPITAL AND EDUCATIONAL INSTITUTION INDUSTRY

Hourly Wages	Employees	Cumulative		Current Minimum		Minimum \$3.50		Minimum \$3.66		Minimum \$3.83	
		Number	Percent	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$2.96 - \$3.05	4	4	40	13	13	14	14	15	15	15	15
\$3.06 - \$3.15	3	7	30	11	24	11	25	11	26	11	27
\$3.16 - \$3.25	3	10	30	12	36	12	37	12	38	12	39
\$3.26 - \$3.35	0	10	0	0	36	0	37	0	38	0	39
\$3.36 - \$3.45	0	10	0	0	36	0	37	0	38	0	39
\$3.46 - \$3.55	0	10	0	0	36	0	37	0	38	0	39
\$3.56 - \$3.65	0	10	0	0	36	0	37	0	38	0	39
\$3.66 - \$3.75	0	10	0	0	36	0	37	0	38	0	39
\$3.76 - \$3.85	0	10	0	0	36	0	37	0	38	0	39
\$3.86 - \$3.95	0	10	0	0	36	0	37	0	38	0	39
\$3.96 - \$4.05	0	10	0	0	36	0	37	0	38	0	39
\$4.06 - \$4.15	0	10	0	0	36	0	37	0	38	0	39
\$4.16 - \$4.25	0	10	0	0	36	0	37	0	38	0	39
\$4.26 - \$4.35	0	10	0	0	36	0	37	0	38	0	39
\$4.36 - \$4.45	0	10	0	0	36	0	37	0	38	0	39
\$4.46 - \$4.55	0	10	0	0	36	0	37	0	38	0	39
\$4.56 - \$4.65	0	10	0	0	36	0	37	0	38	0	39
\$4.66 - \$4.75	0	10	0	0	36	0	37	0	38	0	39
\$4.76 - \$4.85	0	10	0	0	36	0	37	0	38	0	39
\$4.86 - \$4.95	0	10	0	0	36	0	37	0	38	0	39
\$4.96 - \$5.05	0	10	0	0	36	0	37	0	38	0	39
\$5.06 - \$5.15	0	10	0	0	36	0	37	0	38	0	39
\$5.16 - \$5.25	0	10	0	0	36	0	37	0	38	0	39
\$5.26 - \$5.35	0	10	0	0	36	0	37	0	38	0	39
\$5.36 - \$5.45	0	10	0	0	36	0	37	0	38	0	39
\$5.46 - \$5.55	0	10	0	0	36	0	37	0	38	0	39
\$5.56 - \$5.65	0	10	0	0	36	0	37	0	38	0	39
\$5.66 - \$5.75	0	10	0	0	36	0	37	0	38	0	39
\$5.76 - \$5.85	0	10	0	0	36	0	37	0	38	0	39
\$5.86 - \$5.95	0	10	0	0	36	0	37	0	38	0	39
> \$5.95	0	10	0	0	36	0	37	0	38	0	39

PUBLISHING INDUSTRY

Hourly Wages	Employees	Cumulative		Current Minimum		Minimum \$3.81		Minimum \$3.99		Minimum \$4.17	
		Number	Percent	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$2.96 - \$3.05	0	0	0	0	0	0	0	0	0	0	0
\$3.06 - \$3.15	0	0	0	0	0	0	0	0	0	0	0
\$3.16 - \$3.25	0	0	0	0	0	0	0	0	0	0	0
\$3.26 - \$3.35	0	0	0	0	0	0	0	0	0	0	0
\$3.36 - \$3.45	0	0	0	0	0	0	0	0	0	0	0
\$3.46 - \$3.55	0	0	0	0	0	0	0	0	0	0	0
\$3.56 - \$3.65	1 *	1	20	20	0	0	0	0	0	0	0
\$3.66 - \$3.75	0	1	0	20	0	0	0	0	0	0	0
\$3.76 - \$3.85	0	1	0	20	0	0	0	0	0	0	0
\$3.86 - \$3.95	0	1	0	20	0	0	0	0	0	0	0
\$3.96 - \$4.05	2	3	40	60	8	8	8	8	8	8	8
\$4.06 - \$4.15	0	3	0	60	0	8	0	8	0	8	8
\$4.16 - \$4.25	0	3	0	60	0	8	0	8	0	8	8
\$4.26 - \$4.35	0	3	0	60	0	8	0	8	0	8	8
\$4.36 - \$4.45	0	3	0	60	0	8	0	8	0	8	8
\$4.46 - \$4.55	0	3	0	60	0	8	0	8	0	8	8
\$4.56 - \$4.65	0	3	0	60	0	8	0	8	0	8	8
\$4.66 - \$4.75	0	3	0	60	0	8	0	8	0	8	8
\$4.76 - \$4.85	0	3	0	60	0	8	0	8	0	8	8
\$4.86 - \$4.95	0	3	0	60	0	8	0	8	0	8	8
\$4.96 - \$5.05	2	5	40	100	10	18	10	18	10	18	18
\$5.06 - \$5.15	0	5	0	100	0	18	0	18	0	18	18
\$5.16 - \$5.25	0	5	0	100	0	18	0	18	0	18	18
\$5.26 - \$5.35	0	5	0	100	0	18	0	18	0	18	18
\$5.36 - \$5.45	0	5	0	100	0	18	0	18	0	18	18
>\$5.45	0	5	0	100	0	18	0	18	0	18	18

* one employee is actually paid below minimum wage

RETAILING WHOLESALING & WAREHOUSING INDUSTRY

Hourly Wages	Employees	Cumulative		Current Minimum		Minimum \$3.26		Minimum \$3.41		Minimum \$3.57		
		Number	Percent	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	
\$2.36 - \$3.05	0	0	0	0	0	0	0	0	0	0	0	0
\$3.06 - \$3.15	158 *	158	16	16	480	480	505	505	529	529	553	553
\$3.16 - \$3.25	86	244	9	25	279	759	280	784	293	822	307	859
\$3.26 - \$3.35	74	318	8	33	246	1004	246	1030	252	1074	264	1123
\$3.36 - \$3.45	54	372	6	39	185	1189	185	1215	185	1259	193	1315
\$3.46 - \$3.55	78	450	8	47	273	1463	273	1488	273	1533	278	1594
\$3.56 - \$3.65	35	485	4	50	127	1589	127	1615	127	1659	127	1720
\$3.66 - \$3.75	55	540	6	56	206	1795	206	1820	206	1865	206	1926
\$3.76 - \$3.85	11	551	1	57	42	1837	42	1862	42	1907	42	1968
\$3.86 - \$3.95	16	567	2	59	63	1900	63	1925	63	1970	63	2031
\$3.96 - \$4.05	72	639	7	66	288	2188	288	2213	288	2258	288	2319
\$4.06 - \$4.15	13	652	1	68	54	2241	54	2267	54	2312	54	2372
\$4.16 - \$4.25	30	682	3	71	127	2369	127	2394	127	2439	127	2500
\$4.26 - \$4.35	2	684	0	71	9	2377	9	2403	9	2447	9	2508
\$4.36 - \$4.45	12	696	1	72	53	2430	53	2456	53	2500	53	2561
\$4.46 - \$4.55	31	727	3	75	140	2570	140	2595	140	2640	140	2701
\$4.56 - \$4.65	7	734	1	76	32	2602	32	2627	32	2672	32	2733
\$4.66 - \$4.75	17	751	2	78	81	2682	81	2708	81	2752	81	2813
\$4.76 - \$4.85	5	756	1	78	24	2706	24	2732	24	2777	24	2837
\$4.86 - \$4.95	7	763	1	79	34	2741	34	2766	34	2811	34	2872
\$4.96 - \$5.05	31	794	3	82	155	2896	155	2921	155	2966	155	3027
\$5.06 - \$5.15	5	799	1	83	26	2921	26	2947	26	2991	26	3052
\$5.16 - \$5.25	9	808	1	84	47	2968	47	2994	47	3039	47	3100
\$5.26 - \$5.35	4	812	0	84	21	2990	21	3015	21	3060	21	3121
\$5.36 - \$5.45	0	812	0	84	0	2990	0	3015	0	3060	0	3121
\$5.46 - \$5.55	11	823	1	85	61	3050	61	3076	61	3120	61	3181
\$5.56 - \$5.65	4	827	0	86	22	3073	22	3098	22	3143	22	3204
\$5.66 - \$5.75	9	836	1	87	52	3124	52	3150	52	3194	52	3255
\$5.76 - \$5.85	1	837	0	87	6	3130	6	3156	6	3200	6	3261
\$5.86 - \$5.95	0	837	0	87	0	3130	0	3156	0	3200	0	3261
>\$5.95	127	964	13	100	971	4101	971	4127	971	4171	971	4232

* twenty employees are actually paid below minimum wage

SHIPPING AND TRANSPORTATION 'A' INDUSTRY

Hourly Wages	Employees	Cumulative Number	Percent	Cumulative Percent	Current Minimum		Minimum \$4.29		Minimum \$4.50		Minimum \$4.70	
					Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$4.06 - \$4.15	49	49	64	64	200	200	210	210	220	220	230	230
\$4.16 - \$4.25	0	49	0	64	0	200	0	210	0	220	0	230
\$4.26 - \$4.35	1	50	1	65	4	205	4	215	4	225	5	235
\$4.36 - \$4.45	0	50	0	65	0	205	0	215	0	225	0	235
\$4.46 - \$4.55	2	52	3	68	9	214	9	224	9	234	9	245
\$4.56 - \$4.65	0	52	0	68	0	214	0	224	0	234	0	245
\$4.66 - \$4.75	3	55	4	71	14	228	14	238	14	248	14	259
\$4.76 - \$4.85	0	55	0	71	0	228	0	238	0	248	0	259
\$4.86 - \$4.95	0	55	0	71	0	228	0	238	0	248	0	259
\$4.96 - \$5.05	3	58	4	75	15	243	15	253	15	263	15	274
\$5.06 - \$5.15	0	58	0	75	0	243	0	253	0	263	0	274
\$5.16 - \$5.25	3	61	4	79	16	259	16	269	16	279	16	290
\$5.26 - \$5.35	0	61	0	79	0	259	0	269	0	279	0	290
\$5.36 - \$5.45	0	61	0	79	0	259	0	269	0	279	0	290
\$5.46 - \$5.55	3	64	4	83	17	275	17	285	17	295	17	306
\$5.56 - \$5.65	0	64	0	83	0	275	0	285	0	295	0	306
\$5.66 - \$5.75	1	65	1	84	6	281	6	291	6	301	6	312
\$5.76 - \$5.85	0	65	0	84	0	281	0	291	0	301	0	312
\$5.86 - \$5.95	0	65	0	84	0	281	0	291	0	301	0	312
\$5.96 - \$6.05	3	68	4	88	18	299	18	309	18	319	18	330
\$6.06 - \$6.15	0	68	0	88	0	299	0	309	0	319	0	330
\$6.16 - \$6.25	0	68	0	88	0	299	0	309	0	319	0	330
\$6.26 - \$6.35	0	68	0	88	0	299	0	309	0	319	0	330
\$6.36 - \$6.45	0	68	0	88	0	299	0	309	0	319	0	330
\$6.46 - \$6.55	5	73	6	95	33	331	33	341	33	352	33	362
\$6.56 - \$6.65	0	73	0	95	0	331	0	341	0	352	0	362
\$6.66 - \$6.75	0	73	0	95	0	331	0	341	0	352	0	362
\$6.76 - \$6.85	0	73	0	95	0	331	0	341	0	352	0	362
\$6.86 - \$6.95	0	73	0	95	0	331	0	341	0	352	0	362
>\$6.95	4	77	5	100	29	360	29	370	29	381	29	391

SHIPPING AND TRANSPORTATION 'B' INDUSTRY

Hourly Wages	Employees	Cumulative Number	Percent	Cumulative Percent	Current Minimum		Minimum \$4.12		Minimum \$4.31		Minimum \$4.51	
					Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$3.26 - \$3.35	0	0	0	0	0	0	0	0	0	0	0	0
\$3.36 - \$3.45	0	0	0	0	0	0	0	0	0	0	0	0
\$3.46 - \$3.55	0	0	0	0	0	0	0	0	0	0	0	0
\$3.56 - \$3.65	0	0	0	0	0	0	0	0	0	0	0	0
\$3.66 - \$3.75	0	0	0	0	0	0	0	0	0	0	0	0
\$3.76 - \$3.85	0	0	0	0	0	0	0	0	0	0	0	0
\$3.86 - \$3.95	19	19	70	70	74	74	78	78	82	82	86	86
\$3.96 - \$4.05	0	19	0	70	0	74	0	78	0	82	0	86
\$4.06 - \$4.15	0	19	0	70	0	74	0	78	0	82	0	86
\$4.16 - \$4.25	0	19	0	70	0	74	0	78	0	82	0	86
\$4.26 - \$4.35	0	19	0	70	0	74	0	78	0	82	0	86
\$4.36 - \$4.45	0	19	0	70	0	74	0	78	0	82	0	86
\$4.46 - \$4.55	0	19	0	70	0	74	0	78	0	82	0	86
\$4.56 - \$4.65	0	19	0	70	0	74	0	78	0	82	0	86
\$4.66 - \$4.75	0	19	0	70	0	74	0	78	0	82	0	86
\$4.76 - \$4.85	0	19	0	70	0	74	0	78	0	82	0	86
\$4.86 - \$4.95	0	19	0	70	0	74	0	78	0	82	0	86
\$4.96 - \$5.05	0	19	0	70	0	74	0	78	0	82	0	86
\$5.06 - \$5.15	3	22	11	81	15	90	15	94	15	97	15	101
\$5.16 - \$5.25	1	23	4	85	5	95	5	99	5	102	5	106
\$5.26 - \$5.35	0	23	0	85	0	95	0	99	0	102	0	106
\$5.36 - \$5.45	0	23	0	85	0	95	0	99	0	102	0	106
\$5.46 - \$5.55	0	23	0	85	0	95	0	99	0	102	0	106
\$5.56 - \$5.65	0	23	0	85	0	95	0	99	0	102	0	106
\$5.66 - \$5.75	0	23	0	85	0	95	0	99	0	102	0	106
\$5.76 - \$5.85	0	23	0	85	0	95	0	99	0	102	0	106
\$5.86 - \$5.95	0	23	0	85	0	95	0	99	0	102	0	106
\$5.96 - \$6.05	0	23	0	85	0	95	0	99	0	102	0	106
\$6.06 - \$6.15	0	23	0	85	0	95	0	99	0	102	0	106
\$6.16 - \$6.25	0	23	0	85	0	95	0	99	0	102	0	106
> \$6.25	4	27	15	100	36	131	36	134	36	138	36	142

SHIPPING AND TRANSPORTATION 'C' INDUSTRY

Hourly Wages	Employees	Cumulative		Current Minimum		Minimum \$4.07		Minimum \$4.27		Minimum \$4.46	
		Number	Percent	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$3.86 - \$3.95	5	5	7	20	20	20	20	21	21	22	22
\$3.96 - \$4.05	1	6	1	4	24	4	24	4	26	4	27
\$4.06 - \$4.15	0	6	0	0	24	0	24	0	26	0	27
\$4.16 - \$4.25	0	6	0	0	24	0	24	0	26	0	27
\$4.26 - \$4.35	0	6	0	0	24	0	24	0	26	0	27
\$4.36 - \$4.45	0	6	0	0	24	0	24	0	26	0	27
\$4.46 - \$4.55	5	11	7	23	46	23	47	23	48	23	49
\$4.56 - \$4.65	0	11	0	0	46	0	47	0	48	0	49
\$4.66 - \$4.75	0	11	0	0	46	0	47	0	48	0	49
\$4.76 - \$4.85	1	12	1	5	51	5	52	5	53	5	54
\$4.86 - \$4.95	3	15	4	15	66	15	66	15	68	15	69
\$4.96 - \$5.05	7	22	10	35	101	35	101	35	103	35	104
\$5.06 - \$5.15	1	23	1	5	106	5	107	5	108	5	109
\$5.16 - \$5.25	0	23	0	0	106	0	107	0	108	0	109
\$5.26 - \$5.35	2	25	3	11	116	11	117	11	118	11	120
\$5.36 - \$5.45	0	25	0	0	116	0	117	0	118	0	120
\$5.46 - \$5.55	3	28	4	17	133	17	134	17	135	17	136
\$5.56 - \$5.65	1	29	1	6	138	6	139	6	141	6	142
\$5.66 - \$5.75	34	63	49	196	334	196	335	196	336	196	337
\$5.76 - \$5.85	0	63	0	0	334	0	335	0	336	0	337
\$5.86 - \$5.95	0	63	0	0	334	0	335	0	336	0	337
\$5.96 - \$6.05	1	64	1	6	340	6	341	6	342	6	343
\$6.06 - \$6.15	0	64	0	0	340	0	341	0	342	0	343
\$6.16 - \$6.25	0	64	0	0	340	0	341	0	342	0	343
\$6.26 - \$6.35	0	64	0	0	340	0	341	0	342	0	343
\$6.36 - \$6.45	0	64	0	0	340	0	341	0	342	0	343
\$6.46 - \$6.55	0	64	0	0	340	0	341	0	342	0	343
\$6.56 - \$6.65	0	64	0	0	340	0	341	0	342	0	343
> \$6.65	5	69	7	50.75	391	50.75	392	50.75	393	50.75	394

TOUR AND TRAVEL SERVICE INDUSTRY

Hourly Wages	Employees	Cumulative		Cumulative Percent	Current Minimum		Minimum \$3.65		Minimum \$3.83		Minimum \$4.00	
		Number	Percent		Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income	Hourly Income	Cumulative Income
\$3.46 - \$3.55	0	0	0	0	0	0	0	0	0	0	0	0
\$3.56 - \$3.65	0	0	0	0	0	0	0	0	0	0	0	0
\$3.66 - \$3.75	0	0	0	0	0	0	0	0	0	0	0	0
\$3.76 - \$3.85	0	0	0	0	0	0	0	0	0	0	0	0
\$3.86 - \$3.95	0	0	0	0	0	0	0	0	0	0	0	0
\$3.96 - \$4.05	2	2	33	33	8	8	8	8	8	8	8	8
\$4.06 - \$4.15	0	2	0	33	0	8	0	8	0	8	0	8
\$4.16 - \$4.25	0	2	0	33	0	8	0	8	0	8	0	8
\$4.26 - \$4.35	0	2	0	33	0	8	0	8	0	8	0	8
\$4.36 - \$4.45	0	2	0	33	0	8	0	8	0	8	0	8
\$4.46 - \$4.55	2	4	33	67	9	17	9	17	9	17	9	17
\$4.56 - \$4.65	0	4	0	67	0	17	0	17	0	17	0	17
\$4.66 - \$4.75	0	4	0	67	0	17	0	17	0	17	0	17
\$4.76 - \$4.85	0	4	0	67	0	17	0	17	0	17	0	17
\$4.86 - \$4.95	0	4	0	67	0	17	0	17	0	17	0	17
\$4.96 - \$5.05	0	4	0	67	0	17	0	17	0	17	0	17
\$5.06 - \$5.15	0	4	0	67	0	17	0	17	0	17	0	17
\$5.16 - \$5.25	0	4	0	67	0	17	0	17	0	17	0	17
\$5.26 - \$5.35	0	4	0	67	0	17	0	17	0	17	0	17
\$5.36 - \$5.45	0	4	0	67	0	17	0	17	0	17	0	17
\$5.46 - \$5.55	1	5	17	83	6	23	6	23	6	23	6	23
\$5.56 - \$5.65	0	5	0	83	0	23	0	23	0	23	0	23
\$5.66 - \$5.75	0	5	0	83	0	23	0	23	0	23	0	23
\$5.76 - \$5.85	0	5	0	83	0	23	0	23	0	23	0	23
\$5.86 - \$5.95	0	5	0	83	0	23	0	23	0	23	0	23
\$5.96 - \$6.05	0	5	0	83	0	23	0	23	0	23	0	23
\$6.06 - \$6.15	0	5	0	83	0	23	0	23	0	23	0	23
\$6.16 - \$6.25	1	6	17	100	6	29	6	29	6	29	6	29
> \$6.25	0	6	0	100	0	29	0	29	0	29	0	29

Appendix E.
Recommendations of Industry
Committee Numbers 18-26
for Wage Minimums, 1987-
2005

**Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa
Industry Committees 18 - 26**

Industry	Hourly rate	Effective date
<u>Recommended by Industry Committee No. 18:</u>		
Fish canning and processing	No increase recommended, \$2.82 rate remained in effect.	
Petroleum marketing	No increase recommended, \$2.80 rate remained in effect.	
Shipping and transportation		
Classification A - Stevedoring, lighterage and maritime shipping agency	2.90 3.00	October 7, 1987 October 7, 1988
Classification B - All other activities	2.75 2.85	October 7, 1987 October 7, 1988
Construction	2.50 2.60	October 7, 1987 October 7, 1988
Retailing, wholesaling and warehousing	2.15 2.25	October 7, 1987 October 7, 1988
Bottling and dairy products	2.15 2.25	October 7, 1987 October 7, 1988
Printing and publishing	2.40 2.50	October 7, 1987 October 7, 1988
Finance and insurance	2.61 2.71	October 7, 1987 October 7, 1988
Ship maintenance (a new classification)	2.50	October 7, 1987
Laundry and dry cleaning	Classification eliminated - put into miscellaneous activities.	
Tour and travel services	No increase recommended, \$2.35 rate remained in effect.	
Hotel	1.85	October 7, 1987
Miscellaneous activities (includes traditional government employment)	No increase recommended, \$1.85 rate remained in effect.	
Private hospitals and educational institutions	No increase recommended, \$1.84 rate remained in effect.	
Government employees (Nontraditional)	No increase recommended, \$1.97 rate remained in effect.	

**Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa
Industry Committees 18 - 26**

Industry	Hourly rate	Effective date	
<u>Recommended by Industry Committee No. 19:</u>			
Fish canning and processing	2.87	March 1, 1991	
	2.92	March 1, 1992	
Petroleum marketing	2.91	March 1, 1991	
	3.03	March 1, 1992	
Shipping and transportation			
	Classification A - Stevedoring, lighterage and maritime shipping agency	3.12	March 1, 1991
		3.24	March 1, 1992
Classification B - All other activities	2.96	March 1, 1991	
	3.08	March 1, 1992	
Construction	2.70	March 1, 1991	
	2.81	March 1, 1992	
Retailing, wholesaling and warehousing	2.34	March 1, 1991	
	2.43	March 1, 1992	
Bottling, brewing and dairy products	2.34	March 1, 1991	
	2.43	March 1, 1992	
Printing and publishing	2.60	March 1, 1991	
	2.70	March 1, 1992	
Finance and insurance	2.82	March 1, 1991	
	2.93	March 1, 1992	
Ship maintenance	2.60	March 1, 1991	
	2.70	March 1, 1992	
Tour and travel services	2.44	March 1, 1991	
	2.54	March 1, 1992	
Hotel	2.03	March 1, 1991	
	2.11	March 1, 1992	
Miscellaneous activities	1.92	March 1, 1991	
	2.00	March 1, 1992	
Private hospitals and educational institutions	2.34	March 1, 1991	
	2.43	March 1, 1992	
Government employees (Now includes all American Samoa Government employees)	2.17	March 1, 1991	

**Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa
Industry Committees 18 - 26**

Industry	Hourly rate	Effective date
<u>Recommended by Industry Committee No. 20:</u>		
Fish canning and processing	3.00	September 1, 1993
	3.05	September 1, 1994
Petroleum marketing	3.15	September 1, 1993
	3.30	September 1, 1994
Shipping and transportation		
Classification A - Stevedoring, lighterage and maritime shipping agency	3.35	September 1, 1993
	3.50	September 1, 1994
Classification B - All other activities	3.20	September 1, 1993
	3.35	September 1, 1994
Construction	2.90	September 1, 1993
	3.00	September 1, 1994
Retailing, wholesaling and warehousing	2.50	September 1, 1993
	2.60	September 1, 1994
Bottling, brewing and dairy products	2.55	September 1, 1993
	2.75	September 1, 1994
Printing and publishing	2.80	September 1, 1993
	2.95	September 1, 1994
Finance and insurance	3.05	September 1, 1993
	3.25	September 1, 1994
Ship maintenance	2.80	September 1, 1993
	2.95	September 1, 1994
Tour and travel services	2.65	September 1, 1993
	2.85	September 1, 1994
Hotel	2.20	September 1, 1993
	2.35	September 1, 1994
Miscellaneous activities	2.10	September 1, 1993
	2.25	September 1, 1994
Private hospitals and educational institutions	2.55	September 1, 1993
	2.75	September 1, 1994
Government employees (Now includes all American Samoa Government employees)	2.37	October 1, 1994

**Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa
Industry Committees 18 - 26**

Industry	Hourly rate	Effective date
<u>Recommended by Industry Committee No. 21:</u>		
Fish canning and processing	3.10	July 1, 1996
Petroleum marketing	3.45 3.55	Sept. 28, 1995 July 1, 1996
Shipping and transportation		
Classification A - Stevedoring, lighterage and maritime shipping agency	3.65 3.75	Sept. 28, 1995 July 1, 1996
Classification B - Unloading of fish (a new classification)	3.60 3.70	Sept. 28, 1995 July 1, 1996
Classification C - All other activities	3.50 3.62	Sept. 28, 1995 July 1, 1996
Construction	3.05 3.20	Sept. 28, 1995 July 1, 1996
Retailing, wholesaling and warehousing	2.70 2.80	Sept. 28, 1995 July 1, 1996
Bottling, brewing and dairy products	2.85 2.95	Sept. 28, 1995 July 1, 1996
Printing and publishing	3.05 3.20	Sept. 28, 1995 July 1, 1996
Finance and insurance	3.45 3.60	Sept. 28, 1995 July 1, 1996
Ship maintenance	3.00 3.10	Sept. 28, 1995 July 1, 1996
Tour and travel services	3.00 3.10	Sept. 28, 1995 July 1, 1996
Hotel	2.45 2.60	Sept. 28, 1995 July 1, 1996
Miscellaneous activities	2.35 2.45	Sept. 28, 1995 July 1, 1996
Private hospitals and educational institutions	3.00 3.10	Sept. 28, 1995 July 1, 1996
Government employees (Now includes all American Samoa Government employees)	2.45	October 1, 1996

Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa Industry Committees 18 - 26

Industry	Hourly rate	Effective date
<u>Recommended by Industry Committee No. 22:</u>		
Fish canning and processing	3.17	October 27, 1998
Petroleum marketing	3.60 3.73	October 27, 1997 October 27, 1998
Shipping and transportation		
Classification A - Stevedoring, lighterage and maritime shipping agency	3.87	October 27, 1998
Classification B - Unloading of fish	3.76	October 27, 1998
Classification C - All other activities	3.72	October 27, 1998
Construction	3.30 3.40	October 27, 1997 October 27, 1998
Retailing, wholesaling and warehousing	2.87 2.94	October 27, 1997 October 27, 1998
Bottling, brewing and dairy products	3.01 3.07	October 27, 1997 October 27, 1998
Printing ⁸⁵	3.25 3.35	October 27, 1997 October 27, 1998
Publishing	3.30 3.45	October 27, 1997 October 27, 1998
Finance and insurance	3.69 3.78	October 27, 1997 October 27, 1998
Ship maintenance	3.15 3.20	October 27, 1997 October 27, 1998
Tour and travel services	3.16 3.22	October 27, 1997 October 27, 1998
Hotel	2.70 2.78	October 27, 1997 October 27, 1998
Garment manufacturing ⁸⁶	2.45 2.55	October 27, 1997 October 27, 1998
Miscellaneous activities	No increase recommended, \$2.45 rate remained in effect	

⁸⁵ The previously combined printing and publishing industry was separated into two distinct industries by this Committee.

⁸⁶ This Committee identified a separate garment manufacturing industry.

**Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa
Industry Committees 18 - 26**

Industry	Hourly rate	Effective date
<u>Recommended by Industry Committee No. 22:</u>		
Private hospitals and educational institutions	3.17	October 27, 1997
	3.24	October 27, 1998
Government employees (Now includes all American Samoa Government employees)	2.45	October 1, 1996
	2.57	October 27, 1998

**Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa
Industry Committees 18 - 26**

Industry	Hourly rate	Effective date
<u>Recommended by Industry Committee No. 23:</u>		
Fish canning and processing	3.20	September 20, 2000
Petroleum marketing	3.78	September 20, 2000
Shipping and transportation		
Classification A – Stevedoring, lighterage and maritime shipping	3.92 3.97	September 20, 1999 September 20, 2000
Classification B – Unloading of fish	3.81	September 20, 2000
Classification C – All other activities	3.77	September 20, 2000
Construction	3.45 3.50	September 20, 1999 September 20, 2000
Retailing, wholesaling and warehousing	2.97 3.01	September 20, 1999 September 20, 2000
Bottling, brewing and dairy products	3.10	September 20, 2000
Printing	3.37 3.40	September 20, 1999 September 20, 2000
Publishing	3.48 3.53	September 20, 1999 September 20, 2000
Finance and insurance	3.83 3.88	September 20, 1999 September 20, 2000
Ship maintenance	3.25	September 20, 2000
Miscellaneous activities	2.50	September 20, 2000
Government employees		
(Now includes all American Samoa Government employees)	2.63 2.69	September 20, 1999 September 20, 2000

**Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa
Industry Committees 18 - 26**

Industry	Hourly rate	Effective date
<u>Recommended by Industry Committee No. 24:</u>		
Fish canning and processing	3.26	September 11, 2001
Petroleum marketing	3.82 3.85	October 1, 2001 October 1, 2002
Shipping and transportation		
Classification A – Stevedoring, lighterage and maritime shipping	4.03 4.09	October 1, 2001 October 1, 2002
Classification B – Unloading of fish	3.87 3.92	October 1, 2001 October 1, 2002
Classification C – All other activities	3.83 3.88	October 1, 2001 October 1, 2002
Construction	3.55 3.60	October 1, 2001 October 1, 2002
Retailing, wholesaling and warehousing	3.06 3.10	October 1, 2001 October 1, 2002
Bottling, brewing and dairy products	3.15 3.19	October 1, 2001 October 1, 2002
Printing	3.45 3.50	October 1, 2001 October 1, 2002
Publishing	3.58 3.63	October 1, 2001 October 1, 2002
Finance and insurance	3.94 3.99	October 1, 2001 October 1, 2002
Ship maintenance	3.30 3.34	October 1, 2001 October 1, 2002
Miscellaneous activities	2.54 2.57	October 1, 2001 October 1, 2002
Government employees (Now includes all American Samoa Government employees)	2.73 2.77	October 1, 2001 October 1, 2002
Tour and travel services	3.27 3.31	October 1, 2001 October 1, 2002
Hotel	2.82 2.86	October 1, 2001 October 1, 2002

**Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa
Industry Committees 18 - 26**

Industry	Hourly rate	Effective date
<u>Recommended by Industry Committee No. 24:</u>		
Private hospitals and educational institutions	3.29	October 1, 2001
	3.33	October 1, 2002
Garment manufacturing	2.64	October 1, 2001
	2.68	October 1, 2002

**Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa
Industry Committees 18 - 26**

Industry	Hourly rate	Effective date
<u>Recommended by Industry Committee No. 25:</u>		
Fish canning and processing	3.26	October 1, 2003
Petroleum marketing	3.85	October 1, 2003
Shipping and transportation		
Classification A – Stevedoring, lighterage and maritime shipping	4.09	October 1, 2003
Classification B – Unloading of fish	3.92	October 1, 2003
Classification C – All other activities	3.88	October 1, 2003
Construction	3.60	October 1, 2003
Retailing, wholesaling and warehousing	3.10	October 1, 2003
Bottling, brewing and dairy products	3.19	October 1, 2003
Printing	3.50	October 1, 2003
Publishing	3.63	October 1, 2003
Finance and insurance	3.99	October 1, 2003
Ship maintenance	3.34	October 1, 2003
Miscellaneous activities	2.57	October 1, 2003
Hotel	2.86	October 1, 2003
Tour and travel services	3.31	October 1, 2003
Private hospitals and educational institutions	3.33	October 1, 2003
Garment manufacturing	2.68	October 1, 2003
Government employees (Now includes all American Samoa Government employees)	2.77	October 1, 2003

Minimum Hourly Wage Rates Established under the Fair Labor Standards Act for American Samoa Industry Committees 18 - 26

Industry	Hourly rate	Effective date
<u>Recommended by Industry Committee No. 26:</u>		
Fish canning and processing	3.26	October 1, 2006
Petroleum marketing	3.85	October 1, 2006
Shipping and transportation		
Classification A – Stevedoring, lighterage and maritime shipping	4.09	October 1, 2006
Classification B – Unloading of fish	3.92	October 1, 2006
Classification C – All other activities	3.88	October 1, 2006
Construction	3.60	October 1, 2006
Retailing, wholesaling and warehousing	3.10	October 1, 2006
Bottling, brewing and dairy products	3.19	October 1, 2006
Printing	3.50	October 1, 2006
Publishing	3.63	October 1, 2006
Finance and insurance	3.99	October 1, 2006
Ship maintenance	3.42 3.51	October 1, 2005 October 1, 2006
Miscellaneous activities	2.63 2.70	October 1, 2005 October 1, 2006
Hotel	2.93 3.00	October 1, 2005 October 1, 2006
Tour and travel services	3.39 3.48	October 1, 2005 October 1, 2006
Private hospitals and educational institutions	3.33	October 1, 2006
Garment manufacturing	2.68	October 1, 2006
Government employees		
(Now includes all American Samoa Government employees)	2.84 2.91	October 1, 2005 October 1, 2006