



Solomon Islands Chamber of Commerce and Industry

# Wages and Benefits Survey 2010

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# Wages and Benefits Survey 2010

## 2010 Major Sponsors



## OVERVIEW

The Solomon Islands Chamber of Commerce and Industry (“**SICCI**”) is pleased to release the ‘2010 Wages and Benefits Survey Report’ which is the annual survey on the wages and benefits paid by members of SICCI. The 2010 Survey is the third annual survey conducted by SICCI to assess the wages and benefits. The Survey was first developed in 2008 and designed to acquire consistent comparable data over a number of years. The survey seeks to provide members with statistical data on wages and benefits, enabling them to set their own remuneration policies with a clear idea of the current and past labour market conditions.

The Survey was intentionally brief and broad but concentrated on basic remuneration indicators such as; pay periods, wages and salaries, pay increases, working hours, annual leave, maternity leave and non-cash benefits. The findings are intended to provide a useful gauge for assessing wages and benefits, with survey data from a total of 23 per cent of membership and the employee categories in this Survey have been grouped into casual, unskilled, skilled, clerical and management.

The most common were companies with had less than 20 employees (47%), followed by companies with more than 100 employees (26%), and then companies with more than 20 but less than 50 employees (15%).

The most common industry represented was Financial and Professional Services (37%), followed by Transport (15%) and Retail and Wholesale (10%) and the remaining per cent representing ICT, Agriculture, Tourism, Communication, Energy and Manufacturing.

## ACKNOWLEDGEMENT

SICCI is grateful to all companies who willingly participated in the Survey. We understand the difficulty in getting companies to participate in the Survey was not the lack of interest, but rather the lack of time. The opportunity granted to SICCI staff by your companies to meet with you on this Survey is greatly appreciated. SICCI looks forward to an increase number of responses next year.

## KEY FINDINGS

### PAY SCALE AND PERIOD

The Survey indicated that 60% of companies surveyed paid their employees fortnightly, 10% paid employees monthly and another 20% paid their managers and employees separately (monthly and fortnightly respectively). Ten per cent of the companies however did not provide details.

Tables 1 and 2 summarise the pay range for each employee category.

Employee Category	2010 Average in SBD per hour
Casual	5.96
Unskilled	5.91
Skilled	12.11
Clerical	9.23
Management	31.8

**Table 1: Average of lowest wage per employee**

Employee Category	Average in SBD per hour 2010
Casual	12.50
Unskilled	8.78
Skilled	28.04
Clerical	14.70
Management	54.00

**Table 2: Average of average wage per employee**

The Survey also revealed that in terms of wages paid by companies the majority were paid to skilled employees (32%), followed by clerical (23%), casual (21%), management (16%) and then unskilled labour (8%).

### PAY INCREASE

In 2010 wages significantly increased with all companies making pay increases one way or another. Forty-two per cent of the companies surveyed increased casual wages whilst 68.4% increased unskilled wages, 78.9% increased skilled salaries, 78.9% increased clerical wages and 47.3% increased Management salaries. The pay increases for all employees ranged from 2% to 25%.

Employee Category	Average Percentage (%) increase in 2010
Casual	5.1
Unskilled	12.4
Skilled	14
Clerical	13
Management	6.8

Table 3: Average pay increase per employee by percentage

## WORKING HOURS

For all companies surveyed, 37% of their employees worked 7 hours per day, with 63% working 8 hours per day. Casual employees were expected to work for the length of time required to complete their duties. The table below summarizes the results, which have not changed with results from previous years.

% of Companies	2010 Number of working hours per day
37	7.0
42	8.0
21	8.0 (All employees)
	8.0 (Managers)

Table 4: Number of working hours for companies

## LUNCH HOUR

All companies surveyed provided lunch break for employees as summarised in below.

% of Companies	Minutes per day
95	60
5	< 60

Table 5: Lunch break by number of companies

Of the 95% of companies that provided 60 minutes lunch per day, 4.99% stated that their managers only took lunch when needed. None of the respondents had lunch that exceeded 60 minutes per day.

## ANNUAL LEAVE

The findings revealed that the number of days per annual leave ranged between 14 days and 32 days per annum. However, most number of days per annual leave was observed between 20 days and 25 days per annum. The average number of days for annual leave as observed in category of employees is summarised in the table below.

Employee Category	Average days for annual leave per employee
Casual	21
Unskilled	19
Skilled	19
Clerical	20
Management	22

Table 6: Average days for annual leave per employee

## HOUSING AND RENTAL

Housing and rental accounted for a major part of benefits paid to employees with all companies indicating significant increases generally across the employee categories. The Survey revealed that 80% of companies provided housing assistance to the employees, while 20% either did not provide housing or gave no information related to housing. Of the companies that did provide housing assistance, 60% factored housing assistance into pay packages; 20% provided either free housing or paid housing rental, but to different categories of employees.

Forty-seven per cent of companies surveyed provided free housing to managers, followed by skilled (37%), clerical (21%), unskilled (16%) and then casual (5%). Casual employees who received free housing however were housemaids and security guards.

The Survey asked companies to also indicate housing allowance paid to single and married employees. The table below is the average housing allowance paid by the companies surveyed. The amounts are over and above wages.

Employee Category	Average SBD per Monthly 2010	
	Single	Married
Casual	480.00	427.20
Unskilled	312.00	428.00
Skilled	3,105.40	3,197.00
Clerical	1,192.00	984.00
Management	5,257.90	8,970.30

Table 7: Average SBD per month with housing provided.

The Survey showed that in comparison to 2009, there was a decrease of 3.89% of housing to single employees in 2010, whilst rentals for married employees increased by 26.6%.

## TRANSPORT

The Survey revealed that 31% of companies provided free pick up for employees. Only 36.8% indicated that transport was provided for managers and 35% provided transport allowance. Transport Allowances ranged from SBD 42 per fortnight to SBD 133 per fortnight with an average of SBD 140 per fortnight. On daily basis this was SBD 4 per day to SBD 13 per day with an average of SBD 8 per day.

The table below illustrates the percentage of companies that pay allowance average transport

allowance The amount of transport assistance offered to category of employees was determined from the 31% of companies that offered transport allowance. The average amount of daily and fortnight transport allowance for companies that completed the survey is noted in Table 8.

Employee Category	Average transport allowance in SBD	
	% Allowance provided	Fortnightly Average
Casual	10.5	42.00
Unskilled	15.7	61.00
Skilled	26.3	79.25
Clerical	31.5	84.00
Management	26.3	190.21

Table 8: Average transport allowance per employee

## HEALTH AND SICK LEAVE

The average number of days for sick leave in companies surveyed ranged from 19.06 days per annum to 21.66 days per annum with an average of 20.02 days per annum. Table 9 shows the summary of companies with the number of sick days offered per annum.

Companies	Number sick days per annum	Average sick days per annum
84	20 - 22	21
16	5 - 12	8.5

Table 9: Number sick days per annum

From the 89% of companies that provided health assistance to employees, 63% paid for health insurance, 52% paid for medical costs and medical treatment, while only 42% provided health assistance for management.

## ADDITIONAL WORK RELATED ALLOWANCE

Findings from the survey showed that employees of some companies do receive allowance extra to daily wages. As determined by the survey, 40% of companies surveyed engaged in paying of allowance to employees who performed duties out of official working hours.

The following summarised tables showed the average allowance earned by each employee per hour for employee category. Please note that very little information was provided on Dirty Allowance, Rubbish Collection, Hygiene, Height and Container Allowance. The majority of companies that did provide work related allowance only indicated amounts for Night and Weekend Day Shift. Table 10 therefore merely provides the percentage of companies paying the specific allowances.

Percentage (%) of Companies					
Allowance Type	Casual	Unskilled	Skilled	Clerical	Management
Dirty Allowance	15.7	21	15.7	15.7	5.2
Rubbish Collection	15.7	15.7	21	26.3	5.2
Hygiene	10.5	21	15.7	15.7	5.2
Height	15.7	15.7	21	15.7	10.5
Container Allowance	15.7	5.2	36.8	5.2	10.5
Night Shift	21	21	31.5	26.3	15.7
Weekend Day Shift	26	26.3	31.5	21	21

Table 10: Percent of companies paying specific allowances

Employee Category	Allowance in SBD per hour
Casual	8.88
Unskilled	17.80
Skilled	41.00
Clerical	41.82
Management	126.00

Table 11: Hourly allowance paid for Weekend Day Shift

Employee Category	Allowance in SBD per hour
Unskilled	8.88
Skilled	10.00
Clerical	10.00
Management	13.32
Unskilled	50.20

Table 12: Hourly allowance paid for Night Shift

## MATERNITY LEAVE

A total of 58% of the companies surveyed offered 12 weeks maternity leave but generally the findings revealed that 63% of companies offered maternity leave with some form of payment. 26% companies either did not indicate anything on maternity leave or stated that it was not applicable to their company when the Survey was carried.

A tabulated summary on the percentage of companies that engaged in payments for maternity leave was noted in Table 13.

% of Companies	No of paid weeks	% of normal rate of pay
26	12	100
21	12	25 - 50
11	12	75
5	6	25

Table 13: Maternity leave payments by percentage

## ANNUAL LEAVE FARE ASSISTANCE

The annual leave fare given to employees for trips to their home island is dependent on the distance and cost from Honiara. From the findings, 36.8% of companies provided assistance for employees with an average of SBD 2,417.6 per employee. This cost appears to be constant and consistent with past Surveys, increasing only by \$78.93 from 2009. Sixty-three per cent of companies only indicated an approximate range of this allowance.

## CONCLUSION

On the basis of the data collected from the Survey, wage inflation for 2010 was approximately 15%. This is a significant increase from 2008 and 2009.

Non-cash benefits remain a significant proportion of remuneration across the board, with housing allowances or housing provision a major part of employees' remuneration package.

Except for Night and Weekend Shift, additional allowances have however decreased in 2010 with more companies moving away from historical labour practices of paying allowances separately, and adopting more contemporary labour practices of all inclusive salaries.

Working hours remain around the normal 8 hours working day. Average annual leave is shown to be well above the legal minimum required.

Medical assistance is provided for by 89% of companies in some form or another, pointing to the impact that private companies are having on reduced health care burden on the state but more so the value companies are placing on a healthy workforce.

A major issue concerning companies, although not asked in this Survey is the mandatory annual fare assistance. As indicated above, this allowance remains constant over the years, but aside from the cost it is having on businesses, the relevance is arguably obsolete in modern workplace context. Lobbying on this and other changes to Labour Law will be a priority for SICCI.





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