

Labour Force Survey

Spring and Fall 2004

Part 1 -Introduction

The Labour Force Survey is conducted bi-annually, in the spring and late fall of each year. The spring 2004 survey, conducted in April, was based on a thorough review of administrative procedures and statistical concepts as well as an expanded sample size. This differed from previous Labour Force Surveys as one of the key objectives was to test the accuracy of the survey results. The spring 2004 survey results were prepared but not released due to the timing of hurricane Ivan.

The fall 2004 Labour Force Survey, conducted during the first two weeks of December, was based on a smaller than usual sample size and was restricted to Grand Cayman. The fall survey occurred in the aftermath of hurricane Ivan and the intent was to take a snapshot of Grand Cayman post Ivan, compare this to the pre-Ivan situation and release the results in a timely manner. The fall 2004 survey was restricted to Grand Cayman as the storm impacted Grand Cayman most severely of the three islands comprising the country, and in addition, affected the availability of survey interviewers and increased the difficulty of conducting interviews.

More information on the methodologies of both surveys and on the spring 2004 results for the country can be obtained from the Economic and Statistics Office or can be found on their website at www.eso.ky. This includes the full reports for the spring 2004 Labour Force News, Population News and related statistical tables.

The information presented below is based on a comparison of the spring and fall survey results for Grand Cayman and illustrates the pre- and post-Ivan situation on the Island.

Part 2 – Labour Force News

Summary: Results of the fall 2004 Labour Force Survey indicate that during the reference period, 20 to 27 November 2004, 23,453 persons were in the labour force. Of this total, 22,420 were actually employed, while 1,034 were unemployed, resulting in an unemployment rate of 4.4 percent.

Compared to spring 2004, the number of people in the labour force dropped by 5,715 or 20 percent. This sharp decline in the labour force is the result of the category five hurricane that struck the Island on 12th September. The spring unemployment rate of 4.4 percent was comparable to the fall rate.

Table 1 – Labour Force Status, Grand Cayman

Status	Spring 2004	Fall 2004
Labour Force	29,168	23,453
Employed	27,886	22,420
Unemployed	1,283	1,034
Not in Labour Force	5,182	4,097
Unemployment Rate	4.4%	4.4%

The Labour Force: The labour force refers to those persons residing in Grand Cayman who are of suitable working age—namely, aged 15 years and older—and were employed or actively seeking work during the reference period. It excludes persons attending school full time who were not engaged in part time employment. It also excludes those attending school full time who did not actively seek work during the survey time frame.

- Whereas male workers comprised 50 percent of the Grand Cayman labour force in the spring, this rose to 53 percent in the fall. The proportion of females in the labour force fell from 51 percent in the spring to 47 percent in the fall.

Table 2 – Labour Force by Sex

	Spring 2004	Fall 2004
Male	14,434	12,432
	49.5%	53.0%
Female	14,734	11,021
	50.5%	47.0%
Total	29,168	23,453
	100%	100%

- The fall labour force age breakdown was as follows, (with comparative estimates for spring shown in brackets): 9 percent (10%) aged 15-24 years old; 31 percent (31%) aged 25-34 years old; 40 percent (42%) aged 35-49 years; 15 percent (17%) aged 50-64 years; and 3.0 percent (3%) aged 65 and over. The change in the age composition of the labour force of Grand Cayman between spring and fall is minimal, with a small reduction in the proportion of people aged 35-49 years and a small increase in the proportion aged 50-64 years.

Table 3 – The Labour Force by Age

Age	Spring 2004	Fall 2004
15-19	678	300
	2.3%	1.3%
20-24	2,093	1,882
	7.2%	8.0%
25-34	9,005	7,257
	31.0%	30.9%
35-49	12,248	9,396
	42.0%	40.1%
50-64	4,346	3,902
	14.9%	16.6%
65 & older	796	718
	2.7%	3.1%
Total	29,168	23,453
	100%	100%

Participation Rate

- During the fall 2004 reference period, the labour force participation rate was 85 percent, which is not significantly different from the spring 2004 participation rate. The participation rate represents the total labour force expressed as a percentage of the population aged 15 years and older. These rates are similar to the participation rates of recent years and it should be noted that participation rates in Grand Cayman and the country as a whole are significantly higher than that experienced in developed countries.
- Participation rates for males were significantly higher than those for females in both the spring and fall of 2004.

Table 4 – Participation Rates by Sex

	Spring 2004	Fall 2004
Male	88.2%	89.9%
Female	81.9%	80.3%
Total	84.9%	85.1%

- Participation rates in the fall varied from a low of 26 percent for those aged 15-19 years old to a high of 96 percent for those aged 45-49 years old. Participation rates of over 90 percent were reached for all age groups between 20 and 49 years old. After age 49, the participation rates drop, with rates of 85 percent for the 50 to 54 years; 78 percent for 55 to 59 years; 71 percent for the 60 to 64 year group; and 42 percent for those older than 65 years.
- Rates in the fall varied from those in the spring of 2004, with significant drops in the participation rates of those aged 15 to 19 years old (from 40% to 26%) and those aged 55 to 59 years (from 85% to 78%). On the other hand, significant increases in participation rates were evidenced in the 20 to 24 year age group, the 60 to 64 year age group and the 65 and older age group.

Table 5 – Participation Rates by Age

Age Group	Spring 2004	Fall 2004
15-19 years	39.7%	26.3%
20-24	87.0%	91.6%
25-29	94.2%	94.1%
30-34	95.7%	93.3%
35-39	95.1%	94.1%
40-44	92.5%	93.9%
45-49	92.7%	96.2%
50-54	87.2%	84.8%

55-59	84.5%	78.0%
60-64	57.3%	70.6%
65 and older	34.8%	41.9%

The Employed

An employed person is one who works for pay, profit or family gain for at least one hour during the reference week for which the survey was conducted.

- In a breakdown by age, 9 percent of the 22,420 persons employed in the labour force in fall 2004 were persons between the ages of 15 and 24 years. The breakdown of the employed by other age groups was as follows: 30 percent aged 25-34 years; 40 percent aged 35-49 years; 17 percent aged 50-64 years; and 3 percent aged 65 years and over. Changes in the age composition of the employed workforce between spring and fall were minor.
- In the fall, the total number of Caymanians employed within the labour force equalled 11,444 — or 51.0 percent of the total—while non-Caymanians accounted for 10,976. Although the overall number of people employed has dropped, the proportion of Caymanian versus non-Caymanian has not changed between the fall and spring reference periods.
- Caymanians make up the majority of the employed labour force in the following age categories: 15 to 24 years old, 40 to 44 years old, and 55 years and older. There were more non-Caymanians in the 25 to 39 and the 45 to 54 years old age groups.

Table 6 – Employment by Status and Age

Age	Total	Total	Caymanian	Caymanian	Non-Caymanian	Non-Caymanian
	Spring 2004	Fall 2004	Spring 2004	Fall 2004	Spring 2004	Fall 2004
15-19	546	263	441	263	105	0
%	2.0%	1.2%	3.1%	2.3%	0.8%	0.0%
20-24	1,901	1,814	1,147	1,111	754	703
%	6.8%	8.1%	8.2%	9.7%	5.4%	6.4%
25-29	3,580	2,519	1,482	1,068	2,098	1,451
%	12.8%	11.2%	10.5%	9.3%	15.2%	13.2%
30-34	5,064	4,470	2,012	1,838	3,052	2,632
%	18.2%	19.9%	14.3%	16.1%	22.1%	24.0%
35-39	5,121	3,579	2,327	1,596	2,794	1,983
%	18.4%	16.0%	16.6%	13.9%	20.2%	18.1%
40-44	3,829	2,989	1,902	1,721	1,927	1,268
%	13.7%	13.3%	13.5%	15.0%	13.9%	11.6%
45-49	2,937	2,368	1,496	1,040	1,441	1,328
%	10.5%	10.6%	10.6%	9.1%	10.4%	12.1%
50-54	2,162	1,671	1,355	789	807	882
%	7.8%	7.5%	9.6%	6.9%	5.8%	8.0%
55-59	1,445	1,250	818	833	627	417
%	5.2%	5.6%	5.8%	7.3%	4.5%	3.8%
60-64	570	779	445	602	125	177
%	2.0%	3.5%	3.2%	5.3%	0.9%	1.6%
65+	732	718	627	583	105	135
%	2.6%	3.2%	4.5%	5.1%	0.8%	1.2%
Total	27,887	22,420	14,052	11,444	13,835	10,976
	100%	100%	100%	100%	100%	100%

- Of the fall 2004 Caymanian labour force, the percentage of female workers employed within the labour force was 51 percent while the percentage of male workers was 49 percent. This is similar to the spring survey results. The total number of employed Caymanians has decreased.
- For non-Caymanians, the employed workforce has also gone down. The fall non-Caymanian workforce comprised significantly more males than females, at 59 percent males versus 41 percent females. During the spring, the ratio of males to females was close to even. This indicates that non-Caymanian female workers were more likely to leave than their male counterparts.
- In the post-Ivan period, one of the significant changes in the employed labour force overall is that the proportion of females has fallen from about 50 percent in the spring to 46 percent in the fall.

Table 7 – Employment by Status and Sex

	Spring 2004	Fall 2004
Caymanian	14,051	11,444
Male	49.6%	49.2%
Female	50.4%	50.8%
Non-Caymanian	13,835	10,976
Male	50.6%	58.6%
Female	49.4%	41.4%
Total	27,886	22,420
Male	50.1	53.8%
Female	49.9	46.2%

The Unemployed

An individual is defined as being unemployed if he/she is without work but was available to work and had actively sought work during the reference period.

- Whereas the fall unemployment rate for males was 3 percent, for females this rate was 6 percent. This was similar to the spring reference period.
- The fall 2004 unemployment rates for Caymanians and non-Caymanians were 4 percent and 5 percent, respectively. These figures have shown improvement for Caymanians and a worsening situation for non-Caymanian

compared to the spring of 2004 when the unemployment rate for Caymanians was 6 percent and for non-Caymanians was 3 percent.

- The rates demonstrate the continuing trend of lower unemployment rates for Caymanians. Typically, unemployment rates are lower for non-Caymanians as this group of workers is normally required to be employed while residing on the Island. Of note is that among non-Caymanians, the overwhelming majority who are unemployed are women, at 87 percent compared to 13 percent of non-Caymanian males. High unemployment is more likely among the partners of employed non-Caymanians and non-Caymanian spouses.
- Table 9 illustrates the actual number of unemployed underlying the unemployment rates. While the number of Caymanians who were unemployed in the spring were double the number of non-Caymanians, the situation had reversed in the fall. In absolute numbers, unemployed non-Caymanians exceeded unemployed Caymanians by 30 percent by the fall.
- Although both Caymanian sexes benefited from the reductions in unemployment, females were more likely to benefit than males.
- Among non-Caymanians, the absolute number of unemployed males declined while the number of females that were unemployed increased by close to 60 percent.

Table 8 – Unemployment Rates by Status and Sex

Rates	Spring 2004	Fall 2004
Caymanian	5.8%	3.8%
Non-Caymanian	2.9%	5.1%
Male	3.2%	3.0%
Female	5.6%	6.0%
Total	4.4%	4.4%

Table 9 – Unemployed by Sex and Status

	Total	Caymanian	%	Non-Caymanian	%
Total					
-Spring	1,282	864	67.4%	418	32.6%
-Fall	1,034	448	43.3%	586	56.7%
Males					
-Spring	456	360	78.9%	96	21.1%
%	35.6%	41.7%		23.0%	
-Fall	368	294	79.9%	74	20.1%
%	35.6%	65.6%		12.6%	
Females					
-Spring	826	504	61.0%	322	39.0%
%	64.4%	58.3%		77.0%	
-Fall	666	154	23.1%	512	76.9%
%	64.4%	34.4%		87.4%	

- The fall unemployed labour force stood at 1,034, down from the 1,282 people during the spring reference period.
- As noted earlier, unemployment rates reflect those without work who are available for work and actively seeking work. Hurricane Ivan will have influenced people's decisions about whether to seek work and will have also resulted in unemployment among some groups of people. This is evident in the reductions in unemployment rates and reductions in participation rates for youth, likely reflecting a greater focus on school as the school term was disrupted by the storm. Although unemployment rates for the 25 to 29 and the 35 to 39 year age groups have increased, there is no significant change in participation rates, indicating that members of these age groups were likely to have lost their jobs. At the other end of the continuum are those aged 60 to 64 years – a group with a very high unemployment rate coupled with a large increase in the participation rate. The members of this group therefore include a significant number of people who are newly drawn into the labour force and are unemployed.

Table 10 – Unemployment Rates by Age

Age	Spring 2004	Fall 2004
15-19 years	19.6%	12.2%
20-24	9.2%	3.6%
25-29	2.0%	8.4%
30-34	5.4%	0.8%
35-39	3.0%	5.3%
40-44	4.0%	4.1%
45-49	1.4%	5.2%
50-54	3.3%	2.1%
55-59	3.7%	0.0%
60-64	6.7%	17.5%
65+ years	8.1%	0.0

The Underemployed

Under-employment refers to persons available to work longer hours but who worked for less than 35 hours during the survey period and were actively seeking to work additional hours.

- 196 persons, or less than one percent of the fall labour force, were underemployed at the time that the survey was conducted. The underemployment rate in spring 2004 was also under 1 percent.
- Of this total, Caymanians represented 50 percent in the fall and 22 percent in the spring. Whereas non-Caymanians represented 78 percent of the total underemployed in the spring, they accounted for only half in the fall.

Table 11 – Underemployment by Status

	Total	Caymanian	%	Non-Caymanian	%
Total					
-Spring	194	43	<i>22.2%</i>	151	<i>77.8%</i>
-Fall	196	98	<i>50.0%</i>	98	<i>50.0%</i>

Multiple Job Holders

Multiple job holders are those who are employed and have more than one job or business during the reference week.

- The number of multiple jobholders has almost dropped by half between the spring and fall of 2004, dropping from an estimated 711 multiple job holders to 392. About 90 percent of these are Caymanian and of this number almost 60 percent are Caymanian females.
- Of the 37 non-Caymanians with multiple jobs in the fall survey, all were female. In the spring slightly more of the non-Caymanian multiple job holders were males (54 percent male compared to 47 percent female).

Part 3 – Population News

The spring 2004 population of Grand Cayman stood at 42,397, with 48 percent of this population male and 52 percent female. By the fall of the year, the population fell to 33,853, and the proportion of males had risen to 51 percent and females dropped to 49 percent. The post-Ivan population of Grand Cayman declined by 20 percent

- The distribution of population between those that were Caymanian versus those that were non-Caymanian pre- and post-Ivan was not significantly different, indicating that about the same proportion of both groups left the Island. Prior to the storm, the proportion of those who were Caymanian stood at 60 percent, and after the storm it remained at 60 percent.

Table 12- Population, Sex and Status – Grand Cayman

	Population Spring 2004	Population Fall 2004	% change
Male	20,393	17,302	-15%
%	48.1%	51.1%	
Female	22,004	16,551	-25%
%	51.9%	48.9%	
Total	42,397	33,853	-20%
Caymanian	25,426	20,331	-20%
%	60.0%	60.1%	
Non-Caymanian	16,971	13,522	-20%
%	40.0%	39.9%	

- After hurricane Ivan, women were more likely to leave than men. The group most likely to leave was non-Caymanian women, who showed a 27 percent reduction in population. Non-Caymanian men were the group most likely to remain, showing a population reduction of only 13 percent post-Ivan. Caymanian women were also more likely than Caymanian males to leave the island, with population decreases of 23 percent compared to 17 percent. See Table 13.

Table 13 - Population Change by Sex and Status

Sex	Caymanian Spring 2004	Caymanian Fall 2004	Non- Caymanian Spring 2004	Non- Caymanian Fall 2004
Female	13,310	10,247	8,694	6,304
% change		-23%		-27%
Male	12,116	10,084	8,277	7,219
% change		-17%		-13%
Total	25,426	20,331	16,971	13,523

- The age distribution of the population of Grand Cayman in both the spring and fall is shown in the second and third column of Table 14. In general, compared to most developed countries, the proportion of seniors in the population is low at 5 percent and the Island's population is comparatively young, with 23 percent under the age of 20 years.
- A look at the population change between the spring and fall of 2004 shows that some people from all age groups left the Island. Those most likely to have left Grand Cayman are children under 14 years old or youth aged 15 to 19 years old who are not in the labour force. This population includes the bulk of the school-aged youth. Those most likely to have remained on the Island are in the age group 50 to 64 years, a group that typically tends to be less mobile and have fewer employment options. A significant drop in population among those people aged 65 and older also occurred.

Table 14 - Population Age Distribution

Age Range	Population Spring 2004	Population Fall 2004	% change Spring/Fall
0 – 14 years	8,047 19%	6,302 19%	-22%
15 - 19	1,708 4%	1,139 4%	-33%
20 - 24	2,405 6%	2,053 6%	-15%
25 - 34	9,469 22%	7,755 23%	-18%
35 - 49	13,080 31%	9,936 29%	-24%
50 - 64	5,405 13%	4,952 15%	-8%
65 + years	2,284 5%	1,715 5%	-25%
Total	42,398 100%	33,853 100%	-20%

- Table 15 shows the highest academic level achieved by the Grand Cayman population aged 15 years and older. About 18 percent of this population has not completed high school. Post-secondary

qualifications have been attained by about 40 percent of the population.

- The differences between the spring and the fall 2004 education levels indicate that hurricane Ivan did not result in a brain drain from Grand Cayman. In fact, whereas 20 percent of the population had a college or university degree in the spring, 25 percent had these qualifications in the fall.

Table 15 – Highest Academic Level Achieved

Highest Academic Level	Spring 2005	Fall 2004
Incomplete Primary	2%	0%
Incomplete High School	16%	17%
Complete High School	43%	40%
Vocational/Technical Diploma	10%	13%
Associate Degree	5%	5%
Bachelor Degree	11%	15%
Graduate Degree	4%	5%
Professional	6%	5%
Other	2%	0%
Total	100%	100%

Households: Two questions on the fall survey related to the degree of household dislocation in the aftermath of hurricane Ivan. The information provided here is an underestimate of the degree of dislocation as the fall survey could not account for households where all members have left the Island.

- Results from both of questions on dislocation are summarized in Table 16. When asked whether the dwelling unit the household currently occupied was the same unit that was lived in prior to the storm, almost 1 in 5 households stated they were not in the same dwelling unit. In other words of those households that remained on the Island, about 20 percent had moved from their homes after the storm.
- The survey respondents were also asked whether there were any additional households living in the unit as a result of hurricane Ivan.

Nearly one in ten, or 9 percent of households, indicated that there were additional households living in the dwelling unit they currently occupied, well over two months after the storm occurred.

Table 16 - Household Dislocation, Spring to Fall 2004

	Same Dwelling	Additional Households In Dwelling Unit
Yes	81%	9%
No	19%	91%
Total	100%	100%

- In addition to this dislocation, 6 percent of households remaining in Grand Cayman reported that some family members had left the household in the post-Ivan period.
- Other household questions on the survey were asked in both the spring and the fall survey. Estimates for spring 2004 show 48 percent of households resided in detached houses while 42 percent lived in apartments or condominiums. The remaining 11 percent of households lived in one-room or other types of dwelling units. There was very limited change in the percentages of households residing in the different types of dwelling units in the fall of 2004.

Table 17 – Household Dwelling Type

Dwelling Type	Spring 2004	Fall 2004
Detached House	48%	47%
Apartment/Condo	42%	41%
One-room	11%	12%
Total	100%	100%

- In spring 2004, 27 percent of households in Grand Cayman owned their home with a mortgage, 21 percent owned their home outright and 46 percent rented. Six percent had accommodation provided rent-free. As outlined in Table 18, home ownership status changed by the fall of 2004. Those who owned a home with a mortgage were more likely to have left the Island after the storm. It should be noted that people with mortgages tend to be at a stage in their

life cycle where they have school-aged children. Those most likely to stay post-Ivan were households with rent-free accommodation.

Table 18 - Home Ownership Status

Ownership	Spring 2004	Fall 2004
Owned with Mortgage	27%	22%
Owned- no mortgage	21%	19%
Provided Rent-free	6%	10%
Rented	46%	49%
Total	100%	100%

- The spring survey showed that of the Caymanian population, three-quarters own their homes and one-quarter rent. Among non-Caymanians, home ownership is significantly different: only 14 percent own their homes while 86 percent rent.
- The costs associated with housing are provided below. "Rent equivalent" refers to the household's estimate of rent equivalency for households with dwelling units that are owned or are provided rent free. Of note is that 40 percent of renters pay \$500 or less per month for housing and 70 percent of renters pay \$1000 or less per month for housing. On the other hand, only about 30 percent of those household in the "rent equivalent" dwelling units live in units where the monthly cost would be less than \$1000.
- In the post-Ivan period, households paying \$2000 per month or more for housing have increased from 3 percent of the population to 11 percent of the population. This is indicative of a significant increase in rental rates. In the other hand, the proportion of households who own or have rent free accommodation valued at \$2000 per month or more in the post-Ivan period has dropped from 25 percent to 17 percent. This may indicate that those who lived in high value "rent equivalent" accommodation were more likely to have left the Island, or that a higher proportion of these types of dwelling units were considered uninhabitable or damaged by their residents.

Table 19 – Rent Equivalents and Rental Costs

Cost	Rent Equivalent Spring 2004	Rent Equivalent Fall 2004	Rent Spring 2004	Rent Fall 2004
\$1-500	9%	7%	40%	41%
\$501-1000	20%	25%	31%	30%
\$1001-1500	27%	35%	17%	13%
\$1501-2000	19%	13%	8%	5%
\$2001-2500	8%	5%	2%	4%
\$2500-3500	10%	12%	1%	4%
\$3500 plus	7%	3%	0%	3%
Total	100%	100%	100%	100%

Part 4 - Hurricane Ivan Damage

It needs to be stated at the outset of this section that these estimates of damage are not an entirely accurate reflection of the damages faced by households in Grand Cayman as they do not reflect damages faced by households who left the Island post-Ivan. As such, they likely understate damage.

- Most of the damage from Hurricane Ivan was under \$50,000 per dwelling unit (see Table 20); although only 4 percent of households stated that they experienced no damage to their homes. About one quarter of households sustained damage greater than \$50,000, and 11 percent had \$100,000 or more damage to their homes. Given the survey question wording, this does not cover total damage faced by Grand Cayman households (e.g. damage to house contents, vehicles).

Table 20- Damage to Pre-Ivan Dwelling Units

Estimated Damage	Percent
0	4%
\$1-50,000	72%
\$50,001-100,000	13%
\$100,001-150,000	5%
\$150,000-300,000	4%
\$300,000 plus	2%
Total	100%

- Insurance coverage is shown in Table 21. About one in five respondents were uncertain about insurance coverage for buildings, furniture and appliances. It is likely renters that account for this degree of uncertainty concerning insurance coverage. Nonetheless, there is a high percentage of households who do not have insurance coverage for building or furniture and appliances.
- Certainty of coverage for building insurance is 55 percent; for furniture and appliance insurance, it is 41 percent. Only 33 percent of households stated they have contents coverage. Given the timing of the survey, two and a half months post-Ivan, the need for tenants to provide their own contents insurance coverage, and insurance claim deadlines, those who responded they "don't know" whether they have contents insurance coverage likely do not have this coverage. This means upward of 67 percent of households had no contents insurance coverage.

Table 21 - Insurance Coverage

Response	Building Insurance	Furniture & Appliances	Contents
Yes	55%	41%	33%
No	25%	39%	58%
Don't Know	19%	20%	9%
Total	100%	100%	100%

- Among those who were insured, 34 percent indicated that they were underinsured while the remaining two thirds felt they had adequate coverage.

Table 22 – Adequacy of Insurance Coverage, Among Those Insured

	% Under-Insured
Yes	34%
No	66%
Total	100%

- Car ownership, prior to hurricane Ivan, for households is shown in Table 23. One in ten households did not have a car. Just over 40 percent of households had one car, 35 percent had two cars and 13 percent had three or more cars.

Table 23 - Household Car Ownership, Prior to Ivan

No. of Cars	%
0	10%
1	42%
2	35%
3 or more	13%
Total	100%

- One half of households who owned cars prior to Ivan experienced damage or had cars destroyed as a result of the hurricane. Of those households who sustained damage or had their vehicles destroyed, less than half were insured with comprehensive insurance (see table 24).

Table 24 - Damaged, Destroyed and Insured Cars

	Damaged/ Destroyed Cars	Damaged & Insured Cars
Yes	49%	45%
No	51%	55%
Total	100%	100%