

ECONOMIC SURVEYS SERIES

Reference Year 2010

Introduction

The Singapore Department of Statistics conducts an annual survey on the services industries to collect a wide range of data for studies and analyses. The first survey on the services industries was conducted in 1968 for the reference year 1967 and subsequently at regular intervals. Since 1984, the inquiry was carried out on an annual basis.

The latest survey was carried out in 2011 for reference year 2010. This year, the reports will focus on several services industries of importance to the Singapore economy. This report on *Transport and Storage Services* is the Department's third issue in the series. A final consolidated report on *The Services Sector* will provide a performance overview of the services sector.

28 December 2011

TRANSPORT & STORAGE SERVICES

Key Indicators of Transport & Storage Services

	<i>% Change</i>	<i>2009</i>	<i>2010</i>
<i>Establishments (No.)</i>	↑ 5.1 %	9,114	9,576
<i>Employment (No.)</i>	↑ 3.6 %	160,907	166,632
<i>Operating Receipts</i>	↑ 16.2 %	\$72.1 bil	\$83.8 bil
<i>Operating Expenditure</i>	↑ 12.1 %	\$66.6 bil	\$74.7 bil
<i>Operating Surplus</i>	↑ 25.9 %	\$11.7 bil	\$14.7 bil
<i>Value Added</i>	↑ 18.0 %	\$20.2 bil	\$23.9 bil

In 2010, the transport & storage services industry comprised about 9,580 establishments. The industry employed some 166,600 workers. This represented an average of 17 workers per establishment.

I. ECONOMIC PERFORMANCE

Total operating receipts generated by the transport & storage services industry went up by 16.2 per cent, from \$72.1 billion in 2009 to \$83.8 billion in 2010. Within the industry, all segments, namely, land¹ transport, water² transport, air³ transport, warehousing & storage, other support activities for transportation and post & courier services recorded growths. On a per establishment basis, operating receipts rose by 10.6 per cent to \$8.7 million in 2010.

Total operating expenditure amounted to \$74.7 billion in 2010, an increase of 12.1 per cent over 2009. On a per establishment basis, operating expenditure also increased by 6.7 per cent to \$7.8 million in 2010.

Total operating surplus increased by 25.9 per cent from \$11.7 billion in 2009 to \$14.7 billion in 2010. Operating surplus per establishment grew by 19.8 per cent to \$1.5 million in 2010.

¹ Includes supporting services to land transport

² Includes supporting services to water transport

³ Includes supporting services to air transport

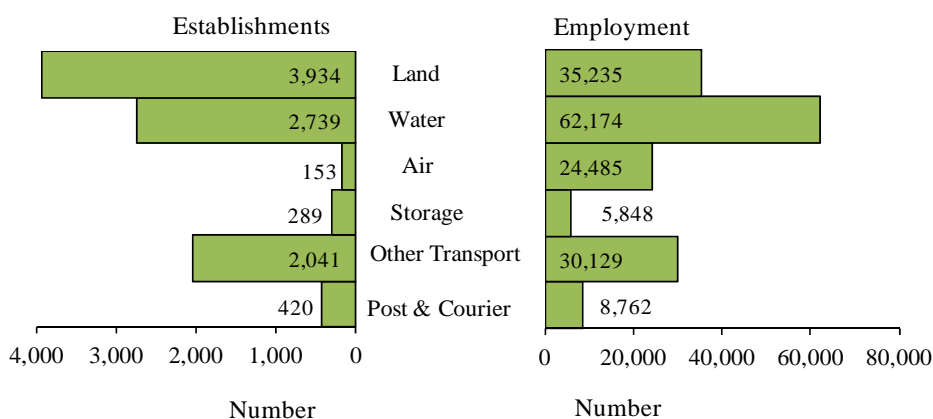
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Total value added recorded by the transport & storage services industry was \$23.9 billion in 2010, representing an increase of 18.0 per cent over 2009. The strong growth was mainly attributed to double-digit increase in the value added of the water and air transport services as they recovered from the global economic downturn in 2009. On a per establishment basis, value added grew by 12.3 per cent to \$2.5 million in 2010.

II . MAIN ACTIVITIES IN TRANSPORT & STORAGE SERVICES

Water transport firms made up 28.6 per cent of total establishments in transport & storage services industry in 2010 (Chart 1). They employed some 62,200 workers⁴, which accounted for 37.3 per cent of overall transport & storage services industry’s employment. On a per establishment basis, however, the air transport group was the largest employer, hiring an average of 160 workers per establishment.

Chart 1 - Establishments & Employment, 2010

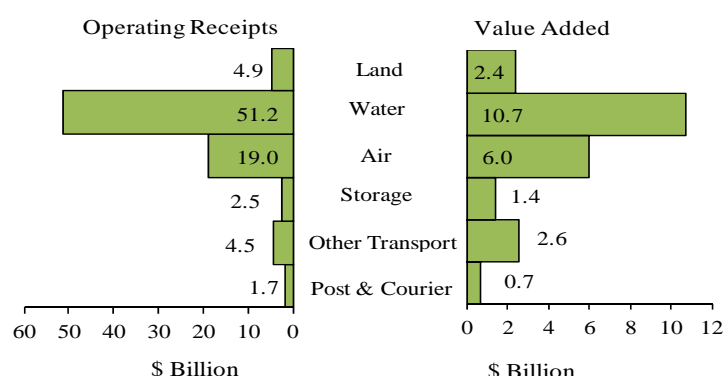


In terms of operating receipts and value added, the water transport group was the largest contributor, followed by air transport services. Together, they accounted for 83.9 per cent and 70.1 per cent of the overall industry’s operating receipts and total value added respectively in 2010 (Chart 2).

⁴ Includes crew on board vessels

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Chart 2 - Operating Receipts & Value Added, 2010



In 2010, remuneration was the top business cost item for the “land transport”, “other transport” and “post & courier” groups, accounting for 25-39 per cent of the respective group’s operating expenditure (Table 1). For water transport services, charter fees on vessels & other transport equipment was the most significant business cost item in 2010, constituting 30.5 per cent of the group’s operating expenditure. Fuel expenses was the top business cost item for air transport services, accounting for 28.8 per cent of the group’s operating expenditure.

Table 1 : Main Business Costs, 2010

Transport & Storage	Cost Type and % Share				
	1 st	2 nd	3 rd	4 th	5 th
Land Transport	Rem 25.4	Dep 11.8	Contract 9.7	Repairs 9.0	Fuel 7.1
Water Transport	Charter 30.5	Cargo 20.3	Fuel 16.4	Rem 7.3	Dep 6.0
Air Transport	Fuel 28.8	Cargo 22.2	Rem 12.7	Dep 11.2	Repairs 4.2
Warehousing & Storage	Rental 21.5	Rem 18.6	Dep 13.7	Cargo 11.1	Pur 4.6
Other Transport	Rem 39.2	Pur 14.8	Rental 8.8	Admin 4.8	Cargo 4.7
Post & Courier	Rem 26.2	Cargo 14.7	Contract 7.0	Advert 5.3	Admin 3.5

Notation

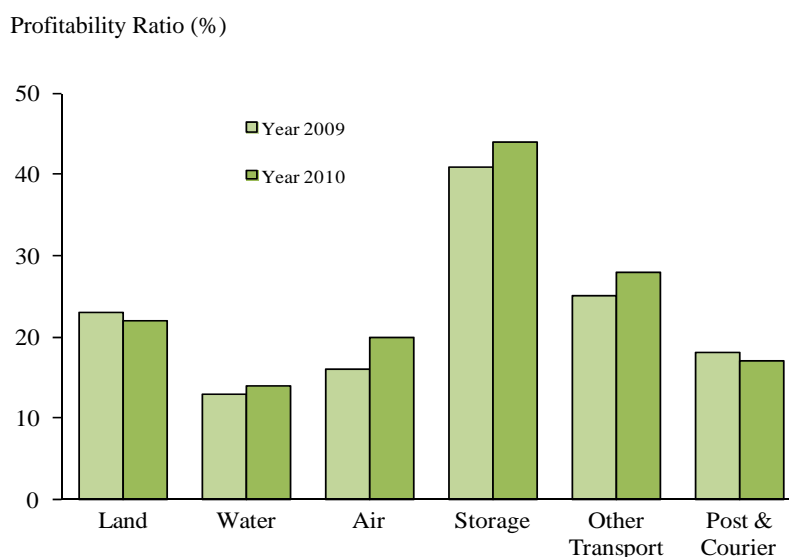
Advert:	Advertisement	Fuel:	Fuel, diesel & lubricating oil
Admin:	Administrative & management fees	Pur:	Purchases of goods & materials
Cargo:	Cargo handling, airport & port charges	Rem:	Remuneration
Charter:	Charter fees	Rental:	Renting of offices, shops & other premises
Contract:	Subcontract charges / work given out	Repairs:	Maintenance & repairs of machinery, vehicles, ships & aircraft
Dep:	Depreciation		

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III . KEY PERFORMANCE RATIOS

Profitability Ratio⁵ remained the highest for firms in warehousing & storage services, at 43.7 per cent in 2010 (Chart 3), due to their relatively higher operating receipts to operating expenditure ratio compared with the firms in other segments within the transport & storage industry. On the other hand, water transport services registered the lowest profitability ratio at 14.1 per cent, albeit an improvement from the 13.4 per cent recorded in 2009.

Chart 3 - Profitability Ratio, 2009 & 2010



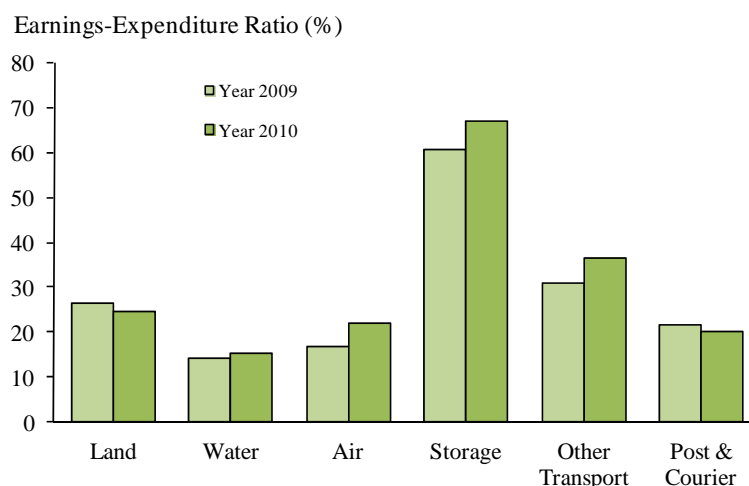
Earnings-Expenditure Ratio⁶ of the transport & storage services industry increased from 17.5 per cent in 2009 to 19.7 per cent in 2010. Within the industry, warehousing & storage registered the highest earning-expenditure ratio of 66.9 per cent in 2010, while the ratios for the remaining groups ranged from 15.5 per cent (water transport) to 36.5 per cent (other transport) (Chart 4).

⁵ Defined as the ratio of operating surplus to operating receipts

⁶ Defined as the ratio of operating surplus to operating expenditure

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Chart 4 - Earnings-Expenditure Ratio³, 2009 & 2010



Average Annual Remuneration per Employee was \$53,400 for employees working in the transport & storage services industry in 2010, higher than the \$52,800 received in 2009. Within the industry, employees in air transport services received the highest average annual remuneration of \$89,000 (Table 2).

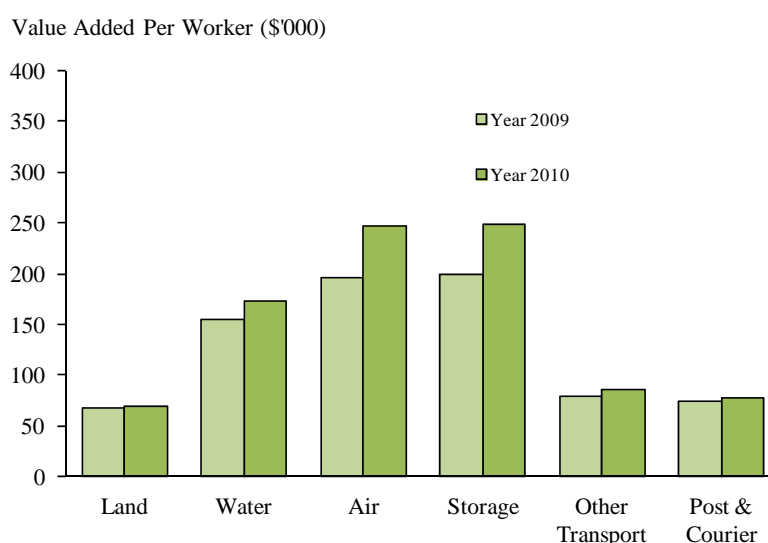
Table 2 : Average Annual Remuneration per Employee, 2009 & 2010

Transport & Storage Services	2009 (\$'000)	2010 (\$'000)	Change (%)
Land	33.9	34.1	0.4
Water	56.0	55.0	-1.8
Air	83.9	89.0	6.0
Warehousing & Storage	51.3	51.7	0.7
Other Transport	45.1	44.7	-0.8
Post & Courier	44.3	44.4	0.2

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Value Added per Worker for the transport & storage services industry was \$143,400 in 2010, higher than the \$125,800 registered in 2009. Within the industry, warehousing & storage services continued to record the highest average value added of \$247,800 per worker (Chart 5). On the other hand, value added per worker for land transport was the lowest at \$68,800.

Chart 5 - Value Added per Worker, 2009 & 2010



IV . PERFORMANCE BY FIRM SIZE

Firms with less than 10 workers formed the majority (84.4 per cent) in the transport & storage services industry in 2010 (Table 3). However, firms with 100 workers and above, which constituted only 2.2 per cent of total industry’s establishments, contributed the largest share of the industry’s total operating receipts and total value added at 61.6 per cent and 72.3 per cent respectively.

Table 3 : Establishments & Operating Receipts by Employment Size, 2010

Employment Size	Establishments (Number)	Operating Receipts (\$ Million)	Value Added (\$ Million)
Less than 10	8,080	11,450	2,259
10 – 99	1,288	20,726	4,365
100 & above	208	51,574	17,267

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Summary Tables

Key Indicators of Transport & Storage Services, 2008-2010

Transport & Storage Services	Establishments (Number)			Employment (Number)			Operating Receipts (\$ Million)		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
Transport & Storage	9,720	9,114	9,576	159,204	160,907	166,632	85,100	72,063	83,750
Land Transport	3,918	3,685	3,934	32,999	34,954	35,235	4,590	4,654	4,856
Water Transport	2,674	2,572	2,739	56,460	58,611	62,174	51,853	43,420	51,185
Air Transport	138	139	153	25,321	23,502	24,485	21,547	16,239	19,036
Warehousing & Storage	309	314	289	6,401	6,073	5,848	1,889	2,119	2,473
Other Transport	2,105	1,973	2,041	29,191	29,119	30,129	3,720	4,119	4,503
Post & Courier	577	430	420	8,832	8,648	8,762	1,500	1,511	1,697

Transport & Storage Services	Operating Expenditure (\$ Million)			Operating Surplus (\$ Million)			Value Added (\$ Million)		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
Transport & Storage	75,013	66,639	74,700	15,646	11,660	14,681	24,242	20,247	23,891
Land Transport	4,017	4,075	4,305	1,059	1,080	1,059	2,310	2,366	2,424
Water Transport	44,951	41,073	46,730	9,596	5,816	7,241	12,711	9,108	10,712
Air Transport	20,331	15,507	17,202	3,204	2,599	3,765	5,503	4,621	6,035
Warehousing & Storage	1,308	1,450	1,613	810	878	1,080	1,129	1,215	1,449
Other Transport	3,167	3,254	3,406	672	1,012	1,242	1,912	2,299	2,592
Post & Courier	1,239	1,279	1,444	304	275	294	677	637	680

Key Indicators of Transport & Storage Services by Employment Size of Firm, 2010

Employment Size	Establishments (Number)	Employment (Number)	Operating Receipts (\$ Million)
All Categories	9,576	166,632	83,750
Less than 10 persons	8,080	19,106	11,450
10 to 99 persons	1,288	34,737	20,726
100 persons & above	208	112,789	51,574

Employment Size	Operating Expenditure (\$ Million)	Operating Surplus (\$ Million)	Value Added (\$ Million)
All Categories	74,700	14,681	23,891
Less than 10 persons	10,558	1,586	2,259
10 to 99 persons	18,895	2,616	4,365
100 persons & above	45,248	10,479	17,267

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Key Indicators of Transport & Storage Services by Size of Operating Receipts of Firm, 2010

Size of Operating Receipts	Establishments (Number)	Employment (Number)	Operating Receipts (\$ Million)
All Categories	9,576	166,632	83,750
Less than \$200,000	4,492	6,034	293
\$200,000 to \$999,999	2,928	14,941	1,490
\$1,000,000 & above	2,156	145,658	81,968

Size of Operating Receipts	Operating Expenditure (\$ Million)	Operating Surplus (\$ Million)	Value Added (\$ Million)
All Categories	74,700	14,681	23,891
Less than \$200,000	243	60	141
\$200,000 to \$999,999	1,346	206	698
\$1,000,000 & above	73,111	14,415	23,051

Note:

- 1 Data for 2010 are preliminary.
- 2 Industries are classified according to the Singapore Standard Industrial Classification (SSIC) 2010.
- 3 Figures may not add up to the total due to rounding.

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Explanatory Note

Objective

The data presented in this report are compiled from the results of the Annual Survey of Services 2010. The objective of the survey is to gather information on the services sector for studying the structure and performance of the various activities in the sector. The data are also used for the compilation of national accounts, input-output tables and other related studies. In addition, the results are used by policy makers, economic planners, academicians, the business community and other interested users in their work.

Scope & Coverage

The transport & storage services industry comprises 6 broad groups, namely, land transportation & supporting services to land transport, water transportation & supporting services to water transport, air transportation & supporting services to air transport, warehousing & storage, other support activities for transportation as well as post & courier services. The detailed activities for each group are presented below:

Land Transport*

- Mass rapid transit systems (including light rail)
- Public bus services
- Chartered bus services
- School bus services
- Taxi services
- Passenger transport by road nec
- Aerial cableways (including cable car services)
- Freight transport by road
- Moving services
- Freight land transport by road nec¹
- Carpark management and operation services
- Taxi booking services
- Towing services
- Supporting services to land transport nec

Water Transport*

- International cruise services
- Other sight-seeing cruise services (eg harbor and river cruises)
- Passenger ferry services
- Chartering of ships and boats with crew (passenger)
- Passenger water transport nec
- Shipping lines
- Branches of foreign shipping lines
- Operators of barges, tugboats and bumboats (freight)
- Chartering of ships and boats with crew (freight)
- Freight water transport nec
- Representative offices of foreign shipping lines
- Shipping agencies (freight)
- Port operators
- Stevedoring and lighterage services
- Salvaging of distressed vessels and cargo
- Ship management services
- Ship brokering services
- Supporting services to water transport nec
- Classification societies
- Marine surveying services other than classification societies

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Air Transport*

Airlines (passengers)
Airlines (freight)
Branches of foreign airlines (passengers)
Branches of foreign airlines (freight)
Aircraft chartering with operator
Representative offices of foreign airlines
Airline agencies (freight)
Airport operation services
Airport terminal services
Supporting services to air transport nec

Warehousing & Storage

General warehousing
Cold storage
Storage for class cargo
Specialized storage

* Including supporting services

¹ Not elsewhere classified

Other Support Activities for Transportation

Cargo surveying services
Container services (excluding rental of containers)
Crane services (loading and unloading of cargo)
Value added transport providers
Freight forwarding, packing and crating services
Other transportation support activities nec

Post & Courier Activities

National post activities (eg postal services)
Courier activities other than national post activities

The data include all establishments and statutory boards engaged in transport & storage services but exclude government ministries and departments. Own account workers such as taxi drivers are also excluded.

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Definition of Terms

Establishment	Defined as a business or organisation unit engaged in one activity and operating in a single location.
Employment	Refers to paid employees, working directors, working proprietors/partners and unpaid family workers. It includes those temporarily away on medical or casual leave. For water and air transport firms operating vessels and aircraft respectively, crew onboard vessels and aircraft are also included.
Employees	Employment excluding working proprietors and partners.
Operating Receipts	Includes those arising from services rendered, commission charges, sale of goods and rental of premises, machinery and equipment. For local branches of foreign airlines and foreign shipping lines, operating receipts refers to the reimbursement from their head offices for the operating expenditure they incurred.
Operating Expenditure	Refers to all current expenses (except capital expenditure) connected to the business operations such as purchases of goods and services and remuneration. It includes depreciation. However, for local branches of foreign airlines and foreign shipping lines, operating expenditure refers only to expenses incurred by the branch offices in providing support services to their head offices (i.e. foreign airlines and foreign shipping lines) and expenses paid by them on behalf of their head offices.
Operating Surplus	Refers to the amount of operating receipts less operating expenditure plus depreciation of fixed assets.
Value Added (At Basic Prices)	Comprises operating surplus, remuneration and taxes (less subsidies) on production.
Remuneration	Comprises wages and salaries, employers' contribution to Central Provident Fund/pension funds and other benefits of all employees as well as fees paid to non-working directors.
Depreciation	The value, at current replacement cost, of reproducible fixed assets such as buildings, plants and machinery used during a period of time as a result of normal wear and tear, foreseen obsolescence and the normal rate of accidental damage.
Profitability Ratio	Defined as the ratio of operating surplus to operating receipts. It shows the proportion of operating receipts that was converted to profits.
Earnings-Expenditure Ratio	Defined as the ratio of operating surplus to operating expenditure.