

NATIONAL ACCOUNTS

STATISTICS

2003

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PREFACE TO 2003 NATIONAL ACCOUNTS

The National Accounts Statistics is produced every year by the Statistics Department of the Ministry of Finance, Economic Development, Investment and Commerce in collaboration with the Eastern Caribbean Central Bank. It is based on the results of questionnaires mailed to businesses with employees within relevant sectors. Tables are prepared and revised every year by officers within the Statistics Department with technical assistance from the Eastern Caribbean Central Bank.

I would like to take this opportunity to thank all those business people who took time out to complete the survey questionnaires mailed to them. Without their cooperation it would be impossible to produce this publication. I would also like to thank the Eastern Caribbean Central Bank for their technical advice and assistance in compiling these tables and also Deavene Guishard and Rhina Meade of the Statistics Department for their dedication in ensuring that survey responses were received and verified.

As the economy of Anguilla develops, there is a greater need for more reliable, accurate and timely economic statistics. These statistics can only be prepared with the support of the private sectors. The primary users of this information are the Eastern Caribbean Central Bank and planners within the public and sector. We hope that the information contained in this publication will benefit the economic and social planners as well as the private sector. Any suggestions that may assist us in improving the quality and content of future publications are welcome.

Lori-Rae Alleyne-Franklin
Chief Statistician

REVIEW OF ECONOMIC ACTIVITY IN ANGUILLA IN 2003

1.0 OVERVIEW

Economic activity, in 2003, increased in real terms by 3.3% after a decline of 3.1% in 2002. In current prices the percentage growth in 2003 was 4.5% and in 2002 it was 0.9%. Total economic activity, as measured by gross domestic product (GDP) at factor cost and current prices was EC\$253 million compared to EC\$242 million in 2002. With an estimated year-end population of 12,200 the GDP per capita stood at EC\$20,733 or US\$7,736.

Inflation, as measured by the change in the Consumer Price Index (CPI) ¹ in 2003 was 6.9%, and in 2002 there was deflation of consumer prices of -1.4%.

The increase in economic growth in 2003 was mainly due to the above average performance of the mining and quarrying, manufacturing, financial, tourism, government, wholesale and retail trade, and utilities industries.

The government sector, which contribute 18.7 percent of the economy showed the slowest rate of growth of the sector since 1995 at 4.6% in real terms and 4.6% nominally but this was still above the overall economic rate of growth.

¹ Further information of the Consumer Price Index (CPI), please visit our weblink.

2.0 HOTELS AND RESTAURANTS

Hotels & Restaurants continued to be the largest contributing sector and highest ranked in terms of overall economic activity at EC\$70.95 million, or 28.1%. This was in spite of a 1.7% decline in total visitors arrivals. This decrease in visitors was due to a reduction in day-tripper rather than stay over visitors. The number staying over actually increased 6.7% in 2003 compared to a declined of 8.3% in 2002. People who stay over in hotels and villas make a greater contribution to the economy than day-trippers, cruise ship visitors or yachters.

Visitors to Anguilla, 1993 - 2003

Year	Excursionists	Stay over Visitors	Total Visitors
1993	73,692	37,658	111,350
1994	82,075	43,705	125,780
1995	68,555	38,531	107,086
1996	48,741	37,498	86,239
1997	70,684	43,181	113,865
1998	69,922	43,874	113,796
1999	59,947	46,782	106,729
2000	68,680	43,789	112,469
2001	56,243	47,965	104,208
2002	67,149	43,969	111,118
2003	62,367	46,915	109,282

3.0 GOVERNMENT SERVICES

Government services ranked the third largest industry sector contributing EC\$45.59 million or 15.2% to GDP in 2003. This represents a nominal increase of 4.6% in 2003.

The current expenditures of Government according to the National Accounts definitions grew in 2003 by 4.7%, while revenues increased 5.9%. This resulted in a small surplus on the current account according to National Accounts definitions of EC\$1.6 for the second time since 1999. The main

contributors to the increase in government revenues were indirect taxes excluding import duties and property taxes.

4.0 BANKS AND INSURANCE

The financial sector ranking as the second largest contributing sector to the economic activity within the island. The financial sector contributed in constant dollars EC\$35.75 million or 18.7% to GDP in 2003 and in current dollars contributed EC\$36.37 million or 14.4% to GDP in 2003. There are four commercial banks, one development bank, a Central Bank and ten insurance companies with their own offices, operating in Anguilla. There are a number of companies that operate as insurance agents and brokers and these represent a number of companies from overseas.

Banks and insurance companies' output increased 8.7% in constant prices, after a decline in 2002 of 10.5%, the first decline since 1997.

5.0 CONSTRUCTION

The construction sector ranked fifth in terms of its contribution to the economy. Extensive construction work was done to the roads and housing projects were undertaken in 2003 in order to commence the extension of the airport runway in the following year 2004. Construction contributed EC\$29.71 million or 11.7% to GDP in 2003. This sector continued to decline in terms of its percentage contribution to GDP after a peak growth rate of 17% in 1999.

6.0 COMMUNICATIONS

Activity within the communications sector declined in 2003 by 5.6% in current terms or 5.2% in real terms after an increase of 9.0% in current and 7.5% in constant prices last year. The communications sector represents EC\$21.24 million or 8.4% of GDP. This decrease could be attributed to the restructuring of this sector.

7.0 WHOLESALE AND RETAIL TRADE

In 2003 wholesale and retail ranked sixth in terms of its contribution to economic activity. Activity within this sector as it relates to its GDP contribution increased from 7.5% in 2003 compared to 7.2% in 2002.

Total economic activity of this industry was EC\$19.02 million in the year 2003, which was an increase of 9.9% after declining 8.8% in 2002. The retail sector is comprised mainly of 4 large supermarkets and car sales. There are many smaller retailers and shops catering to the tourist sector.

8.0 OTHER SECTORS

The Mining & Quarrying industry's good performance was a result of the strength of the construction industry in 2003, as the quarry provides much of the raw materials used in construction. In 2003 Mining & Quarrying showed a strong rate of growth of 32.5%, which is the highest, increase over the years but only contributed 1.1% to the overall economic activity.

The Transport sector is broken down into road, sea and air. The real rate of growth was 2.9% and its contribution was 4.8% to the overall GDP by economic activity. Air Transportation was affected by the tendency of tourists to fly to St. Martin from which they can take the ferry to Anguilla.

Electricity & Water continued to show positive growth in 2003 growing by 3.9% in real terms. All other industry sectors experienced positive economic growth in 2003.