

# NATIONAL ACCOUNTS

## STATISTICS REPORT 2005

Prepared by  
Statistics Department,  
Ministry of Finance and Economic Development, Investment, Commerce and Tourism

August 2006

## **PREFACE TO 2005 NATIONAL ACCOUNTS**

The National Accounts statistics report is published every year by the Statistics Department of the Ministry of Finance, Economic Development, Investment, Commerce and Tourism in collaboration with the Eastern Caribbean Central Bank. This publication is based on the reported returns of businesses within the various sectors of Anguilla from self-completed questionnaires distributed by the Statistics Department. Tables are prepared and revised each year by officers within the Statistics Department.

We would like to take this opportunity to thank all those business people who took time out to complete and return the survey questionnaires mailed to them. Without their co-operation it would be impossible to produce this publication. We would also like to thank the Eastern Caribbean Central Bank for their assistance in compiling these tables and to **all** the staff of the Statistics Department.

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 and public sectors to develop reliable and accurate data on the economy. The primary users of this information are the Eastern Caribbean Central Bank and planners within the public and private sectors. We hope that the information contained in this publication will benefit the economic and social planners as well as private sector individuals and businesses in their decision-making. Any suggestions that may assist us in improving the quality and content of future publications are welcome.

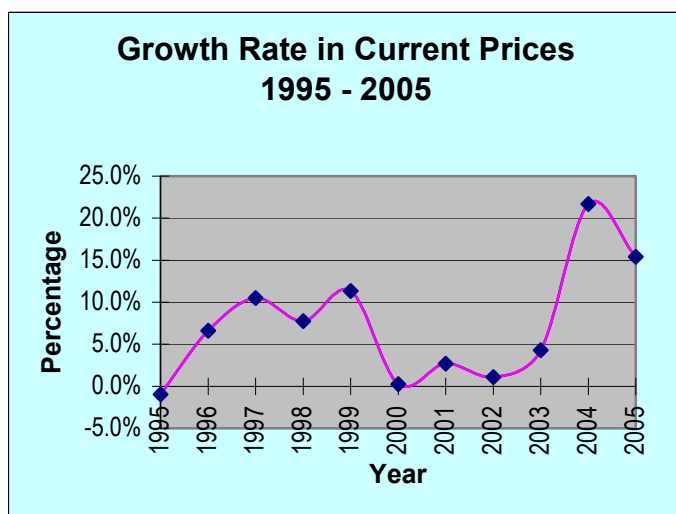
Lori-Rae Alleyne-Franklin  
Chief Statistician

# REVIEW OF ECONOMIC ACTIVITY IN ANGUILLA FOR 2005

## 1.0 OVERVIEW

Economic activity in 2005 totaled over EC\$354.94 million up from EC\$307.59 million in 2004 an increase of 15.4% over the 2004 figure.

The total economic activity, as measured by GDP at factor cost in current prices, was EC\$354.94 million compared to the revised EC\$307.59 million in 2004. In constant price, the economy activity increased by 10.9% over the 2004 figure compared to an increase of 16.4% in 2004 over the 2003 figure. Using the estimated year-end population of 13,638 the GDP per capita stood at EC\$ 26,025.88 or US\$9,711.15.



Consumers in Anguilla paid 1.8 percentage points more for good and services as measured by the change in Anguilla Consumer Price Index (AXACPI) between 2005/2004.

The Government sector, contributed 15.1% of the overall GDP, which demonstrated a decline of 1.4 percentage points from its 2004 contribution. The rate of growth in 2005 for current price was 5.5% compared to 11.4% in 2004.

## 2.0 HOTELS AND RESTAURANTS

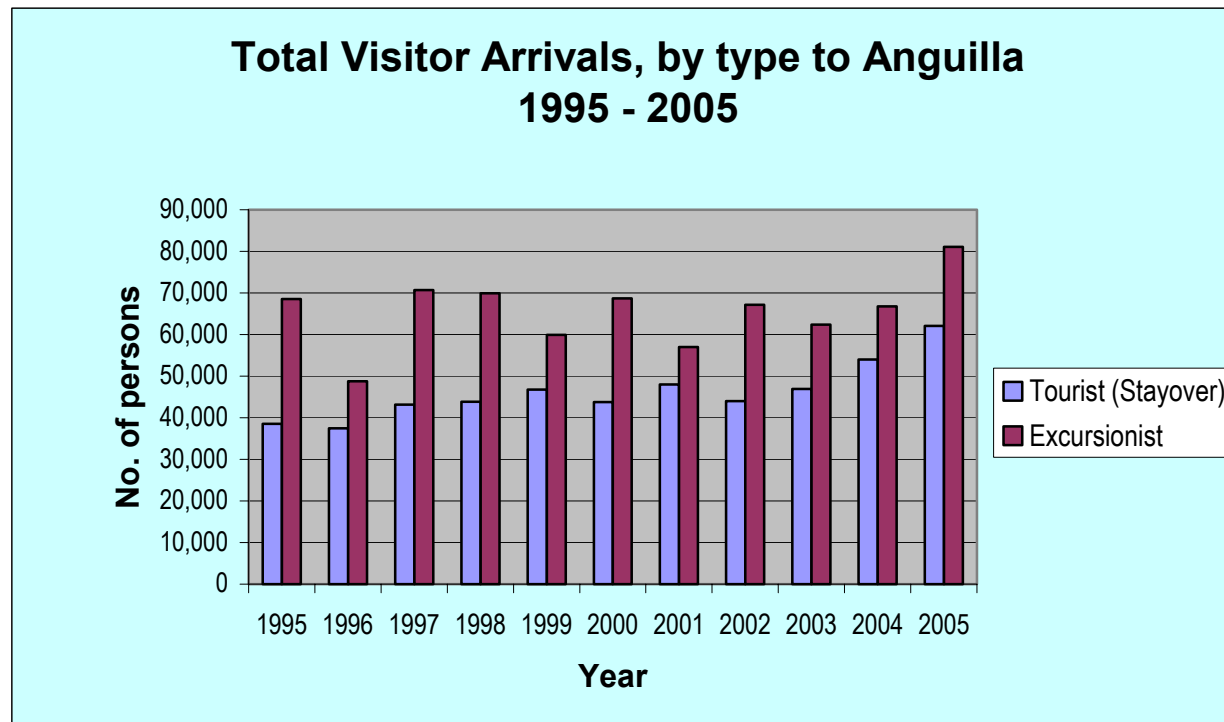
The Hotel and Restaurants sectors for many years has been the dominant sector within Anguilla's economy; and in 2005 it has continued to be the highest ranking sector in terms of overall economic activity contributing EC\$ 101.74 million, a contribution of 28.7% to the overall GDP.

Total visitor arrivals to Anguilla, the driving force of this sector, increased by 18.5% to 143,186 visitors in 2005 over its 2004 corresponding figure, see Table 2.1 and Figure 2.1. This increase in visitor arrivals was particularly due to a 21.4 % increase in excursionist coming to the island either to partake in the island cultural activities, which included the Annual Jazz Festival, Moonsplash and Summer Festival. The majority of excursionists came from Canada, U.K and USA. The number of stay-over visitors increased 15.0% in 2005 over 2004. Persons, who stayed over whether in hotels or villas, will usually make a greater contribution to the economy than day-trippers, cruise ship visitors or yachters. In 2005 the average visitor to the island spent 4-7 days.

**Table 2.1 – Number of Visitors to Anguilla, by type 1995 – 2005**

<b>Year</b>	<b>Excursionists</b>	<b>Stay over Visitors</b>	<b>Total Visitors</b>
1995	68,555	38,531	<b>107,086</b>
1996	48,741	37,498	<b>86,239</b>
1997	70,684	43,181	<b>113,865</b>
1998	69,922	43,874	<b>113,796</b>
1999	59,947	46,782	<b>106,729</b>
2000	68,680	43,789	<b>112,469</b>
2001	56,243	47,965	<b>104,208</b>
2002	67,149	43,969	<b>111,118</b>
2003	62,367	46,915	<b>109,282</b>
2004	66,801	53,987	<b>120,788</b>
2005	81,102	62,084	<b>143,186</b>

**Figure 2.1 – Total Number of Visitors to Anguilla, by type 1995 – 2005**



### **3.0 BANKS AND INSURANCE**

The financial sector had the fourth largest industry ranking in terms of its contribution to the overall economic activity within the island. It contributed EC\$ 46.83 million or 13.2% to GDP in 2005. However, in constant dollars the financial sector contributed EC\$ 45.49 million or 18.5% in 2005. This was an increase of EC\$1.5million or 3.4% over its 2004 value.

There are four commercial banks and one development bank operating in Anguilla. There is also a Central Bank office on the island. There are a number of companies that operate as insurance agents and brokers representing a number of overseas insurance companies and other businesses that carry out activities auxiliary to financial intermediation.

## **4.0 CONSTRUCTION**

The importance of the construction sector to the economy in 2005 “leveled off” from the activities in 2004 and increased in its ranking with respect to its contribution to GDP, moving from 4<sup>th</sup> to 3<sup>rd</sup> in 2005. There was a 12.4% increase in constant prices over the 2004 figure.

This increase could be attributed to the major accommodation construction projects on the island. The Construction sector contributed EC\$50.09 million or 14.1% to GDP in 2005.

## **5.0 GOVERNMENT SERVICES**

Government Services, after revisions to previous years, has maintained the second largest ranking in the industry, contributing EC\$ 53.60 million or 15.1% to GDP in 2005.

Government current expenditures according to the System of National Accounts definitions, grew by 12.9% over its 2004 figure where government spent EC\$92.3 million of which EC\$41.4 million was spent on personal emoluments, benefits, pensions and gratuities. Revenues on the other hand showed a change of 8.1% over its 2004 figure.

## **6.0 COMMUNICATIONS**

Activity within the communications sector grew in 2005 by 15.9% in current terms or 13.0% in constant prices. Given the market liberalization of this sector, there has been a gradual increase after the decline it experienced in 2003. The communications sector represented EC\$32.21 million or 9.1% of GDP and ranked number 5 in terms of sectoral contribution.

## **7.0 WHOLESALE AND RETAIL**

The Wholesale and Retail sector maintained its seventh place ranking in terms of its contribution to GDP. Activity within this sector, as it relates to GDP contribution, declined in 2005 to 6.7% compared to an increase of 6.8% in 2004.

The total economic activity within this sector totalled EC\$23.67 million in the year 2005, which was an increase of 13.5% over its 2004 corresponding value of EC\$20.86. The productivity of returns received in the retail sector was mostly a result of the activity of food and automobile retailers.

## 8.0 OTHER SECTORS

Output in Mining & Quarrying sector is usually an input to the Construction sector, and likewise, this sector experienced a relatively good performance as a “spin-off” from the strength of the Construction sector in 2005, as this sector provides much of the raw materials used in construction here in Anguilla. Thus, in light of the construction activity, the mining and quarrying sector experienced an increase of 1.6% in current prices of the total GDP.

The Transportation sector includes all modes of transportation modes on Road, Sea and Air for passengers or other materials. The real rate of growth was 9.0% and its contribution to the overall GDP was 4.87%.

Electricity & Water continued to demonstrate positive growth in 2005, growing by 15.3% in real terms.

The Agriculture sector, which covers all related areas such as crops, livestock and fishing, increased overall in its contribution to GDP in 2005 over that for 2004.

All other industry sectors experienced positive economic growth in 2005.