

The Growth Rate of GDP in Constant Prices

This is the statistic that is usually quoted when one speaks about the economic performance of the country as a whole; i.e. the total value of all that is produced by all sector together.

If this value continuously declines, then economists start talking about the economy going into recession. At this stage the number of people without jobs increases, and consumers have less money to purchase goods and services produced by businesses; businesses have to lay off more people, and so the cycle continues, unless there is a change in some sector of the economy.

However, when the value is increasing the economy is expanding and entrepreneurs seek business opportunities they feel will provide healthy benefits, they invest in them, and employ more people. As a result, incomes rise and people have more money to spend.

Who are the Users?

The users are governments, non-governmental organizations, researchers, business enterprises, investors, students and local, regional and international organizations.

Who are the Providers?

National Accounts estimates is dependent on a large set of data gathered from specially designed surveys and administrative records, all of which involves the participation of a myriad number of persons and institutions. Thus the main

myriad number of persons and institutions. Thus the main providers of information are the business enterprises and government departments. It is essential that when the National Accounts Questionnaires are received they are filled out accurately and returned to the Statistics Office as soon as possible.

This ensures that the estimates are very reliable and timely.

Confidentiality

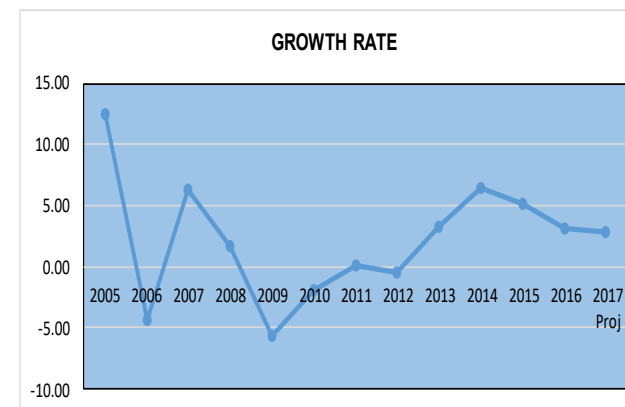
The information collected in surveys are used for statistical purposes only and is protected by the terms of the Statistics Act of each member of state. No data on an individual company may be published, released to anyone or disclosed in such a way as to reveal any part of the data of an individual company. Where one or two large companies dominate a sector, data relating to that sector are combined with other sectors so as to maintain the confidentiality rule.

Availability

The respective national accounts information/tables are available from the Central Statistics Office and the Eastern Caribbean Central Bank that publishes an annual National Accounts Digest with both individual country of the O.E.C.S and regional tables.

NATIONAL ACCOUNTS

GROSS DOMESTIC PRODUCT			
YEAR	CURRENT PRICES	CONSTANT PRICES	GROWTH RATE
	EC\$'M	EC\$'M	%
2005	1,620.57	1,696.05	12.49
2006	1,621.72	1,621.72	-4.38
2007	1,763.61	1,723.63	6.28
2008	1,934.09	1,752.71	1.69
2009	1,824.95	1,653.96	-5.63
2010	1,797.27	1,621.10	-1.99
2011	1,803.88	1,623.43	0.14
2012	1,863.92	1,614.07	-0.58
2013	1,979.36	1,665.47	3.18
2014	2,124.35	1,773.46	6.48
2015	2,270.20	1,865.03	5.16
2016	2,395.40	1,921.57	3.03
2017 Proj	2,516.43	1,975.27	2.79



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WHAT IS NATIONAL ACCOUNTS?

National Accounts is a statistical procedure, which aims at providing a numerical summary of the many transactions taking place in an economy, during a given period of time. These transactions relate, in particular, to the production and use of goods and services, and to the transfer of income or capital between sectors of the economy.

National Accounts provides information on the Gross Domestic Product (GDP), and its aggregates.

What is GDP?

GDP is the total value of all goods and services produced in an economy during a given period of time, usually one year.

How is GDP Classified?

It is classified according to economic activities, as outlined by the United Nations International Standard Industrial Classification (ISIC) under the following heads: Agriculture; Mining & Quarrying; Manufacturing; Electricity & Water; Construction; Wholesale & Retail Trade; Hotels & Restaurants; Transport; Communication; Banks & Insurance;

Real Estate & Housing; Government Services and Other Services. It can also be classified by expenditure categories.

How is GDP Measured?

There are three methods of measuring GDP. The Income Approach, which can be viewed as the sum of all incomes earned from the production of goods and services; including profits made by companies and interest payments.

The Expenditure Approach, which consists of adding up the value of all “final products” i.e. all goods and services that are not used up in the production of some other good or service and deducting from this the expenditure on imports.

The Production Approach, which is derived by deducting the value of goods and services produced.

How can the data be used?

The uses of GDP data are numerous. Perhaps the best known and most often used is to find out the annual economic growth of a country.

From the output side it is possible to analyze the performance of specific sectors of the economy; how quickly these sectors are growing and how large are these sectors compared with the other sectors of the economy.

The data on the expenditure side can be used to analyze how much is being invested in capital goods; goods which can be used to sustain or increase production of goods and services in the future.

The GDP data is also used along with data from other sources to prepare a number of related aggregates. These include Gross National Income (formerly Gross National Product), Gross disposable Income, Per Capita Income and Saving.

GDP in Current and Constant Prices

Gross Domestic Product at current or nominal

prices is the total value added for all economic activities in the given or current period and reflects not only changes in actual output but also changes in prices. It therefore includes the combined effect of changes in quantity and price over time and, thus, represents the “dollar value” of economic activity.

For example, the value of retail sales of shoes includes the number of pairs of shoes sold multiplied by their current unit price.

Gross Domestic Product at constant or real prices is the total value added for all economic activities in the given or current period expressed at the base year prices, i.e. the current period quantities are revalued at base year prices.

Constant prices only includes the effects of changes in quantity over time and, thus, represents the “physical volume” of economic activity.

