



**STATISTICS DEPARTMENT
MEDIA RELEASE**

Tonga GDP growth steadies in 2011-12

Economic activity as measured by gross domestic product (GDP) was up 0.8 percent in the 2011-12 financial year, as reported by the Government Statistician. This growth follows revised growth of 2.9 percent in the 2010-11 year. The economy has recorded strong growth for the last five consecutive years, due in part to reconstruction of the Nuku'alofa central business district and donor-funded aid projects.

The estimated level of nominal GDP for 2011-12 was \$799.3 million, while GDP per capita now stands at \$7,738.

In 2011-12, growth in the construction industry slowed to 1.2 percent, after recording strong increases in the previous three years. The mining and quarrying industry was up 37.9 percent due to the commencement of new ADB and World Bank-funded roading projects. Agriculture was up 3.5 percent due to strong growth in domestically marketed produce and fruit and vegetable exports, while Public administration and services GDP increased by 0.8 percent.

Industries too record declines were Forestry (down 25.7 percent) and Fishing (down 9.6 percent) due to falls in export volumes; financial intermediation (down 4.1 percent) and Manufacturing (down 2.7 percent).

For the expenditure measure of GDP, final consumption expenditure was up 3.5 percent. Household consumption expenditure rose by 1.6 percent while the non-profit sector and Government sector rose 9.5 percent and 10.7 percent respectively.

Exports of goods and services declined by 0.8 percent, due to a 14.4 percent drop in goods export that was offset by a 2.3 percent increase in exports of services. Imports were up 2.6 percent, due to a 17.9 percent rise in services imports. However, merchandise goods imports were down 1.7 percent.

This is the first preliminary release of GDP for 2011-12 and provides a time series from 1993-94 to 2011-12. The release contains annual estimates for production and expenditure on GDP, gross national income and gross national disposable income. The full National Accounts bulletin, which will be released in April 2013, will contain estimates of gross savings and net worth and a full commentary on the results.

The data and commentary are available on the Department of Statistics website at www.spc.int/prism/tonga/

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