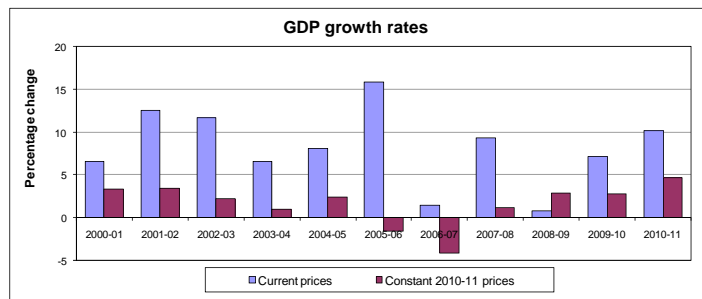


## GDP Highlights

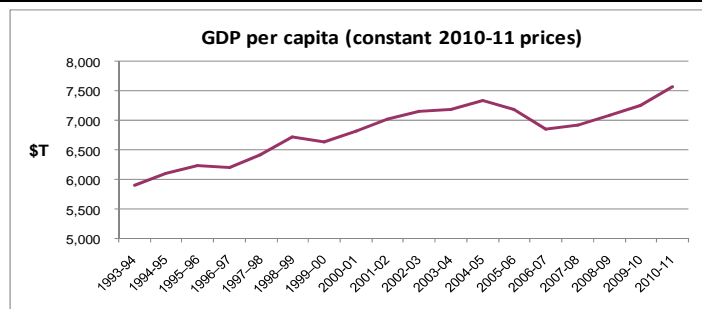
### Gross Domestic Product (GDP)

- Real GDP rose by 4.7 percent in 2010-11, after increasing 2.7 percent in 2009-10.
- Annual real GDP growth has risen for four consecutive years, due in part to reconstruction of the Nuku'alofa CBD and donor-funded projects.
- The estimated level of nominal GDP for 2010-11 was T\$784.3 million in current prices, up 10.1 percent compared to the revised 2009-10 estimate.
- Nominal GDP growth has averaged 8.2 percent per annum since 2000-01.



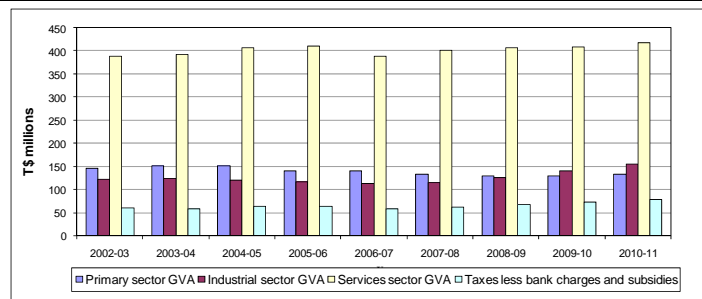
### GDP per capita

- GDP per capita has also increased since 2007-08 after declines in 2005-6 and 2006-07.
- In 2010-11, current price GDP per capita was \$7,553.
- Population growth is assumed to be 0.4 percent per annum.



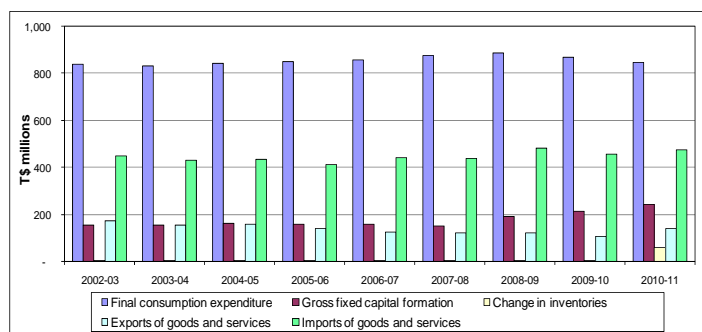
### Sectoral analysis

- Primary sector rose 3.7 percent due to increases in exports of fruit, vegetables, fish, and sandalwood.
- Industrial sector rose 11.1 percent due to continued growth in construction related industries.
- Services sector rose 2.1 percent with increases in most industries.



### Expenditure on GDP

- Final consumption expenditure declined by 2.5 percent, due to fall in household consumption.
- Gross fixed capital formation includes the \$25 million ferry *MV Otuanga'ofa*.
- Change in inventories includes unfinished Chinese loan financed projects.
- Exports of goods and services rose by 30.8 percent due to higher agriculture exports and tourism receipts.



## Background information

### 1. Compilation of the accounts

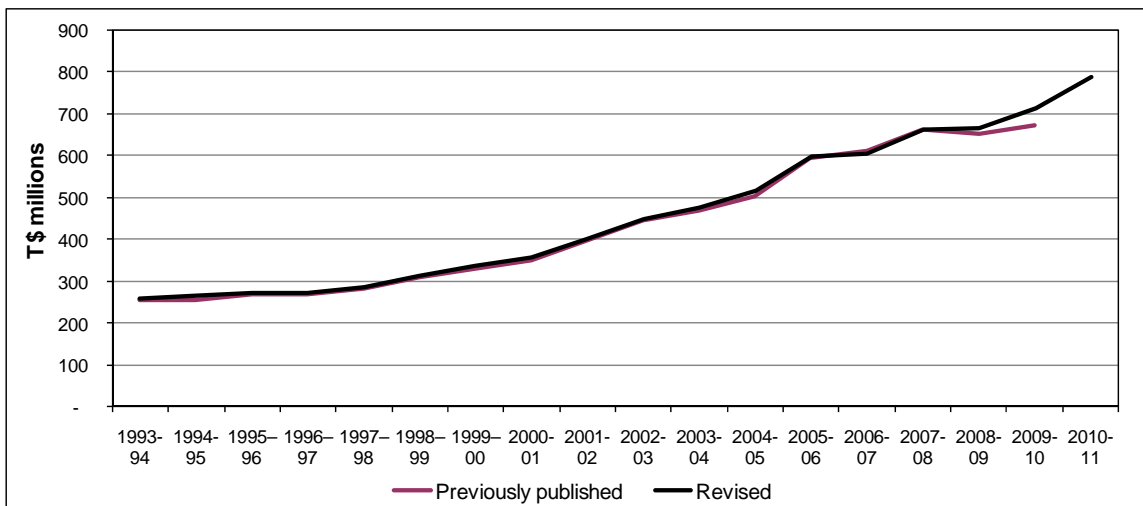
National Accounts bulletin provides analysis and data for the years 2010-03 to 2010-11. Data for earlier years from 1993-94 to 2001-02 is available on the Department's website. The estimates were prepared by Anne McAllister, resident economic statistics advisor, and Statistics Department staff.

### 2. Re-based constant price series

This is the first publication for real GDP expressed in the base-year prices for 2010-11, after updating the base year from 2001-02. The purpose of GDP revaluation by base-year prices (real GDP) is to eliminate the effects of price changes/inflation in time series of GDP, so that changes in the series represent the changes in the physical volume of goods and services. Inter-temporal comparisons of GDP or other related figures should be measured in real prices.

### 3. Revisions

There have been a number of revisions which, in total, have raised the level of GDP and GDP per capita. Revisions which have contributed most to the higher level of GDP are the inclusion of donor-funded in-kind capital projects in the GDP(P) construction and GDP(E) gross fixed capital formation estimates, and the inclusion of some major public and private enterprises not previously measured in the transport industry. These upward revisions have been partially offset by lower estimates for fishing and manufacturing industries. Additionally, estimates for durable equipment gross fixed capital formation have been revised downwards.



### 4. Acknowledgement

The Statistics Department wishes to thank the businesses and government departments who supplied data for use in these estimates.