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Press release

The Statistics National Office wishes to announce the release of its 2007 edition of the annual national accounts of Vanuatu report. **National Accounts of Vanuatu - 2007** is the fifth of the annual national accounts publications to be released by the NSO. The report contains gross domestic product (GDP) estimates for six years from 2002 to 2007, at current and constant prices. The comprehensive set of tables are given for sub sectors of GDP and more desegregation of the agriculture, industry and services value added are presented separately.

Copies of this publication are available and may be purchased from the National Statistics Office in Port Vila and the NSO branch in Luganville, Santo.

I hope this publication will meet the interest of the data users including policy makers, academics and researchers etc.

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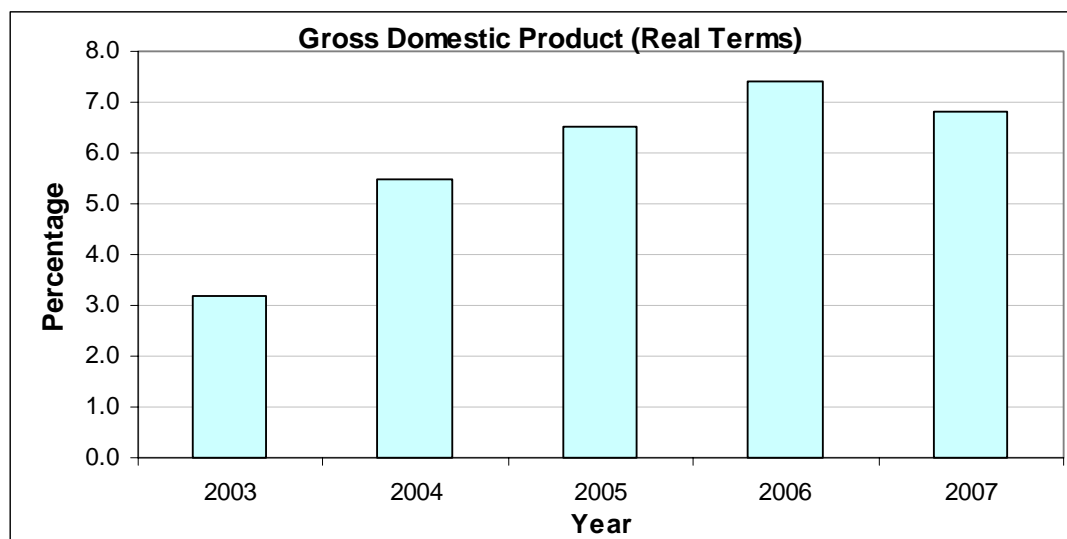
Vanuatu Economic growth:

A dream run continues, however at a lower growth

Following the robust growth in 2006, the economy dream run for Vanuatu continued in 2007, however with a lower gross domestic product (GDP) growth. According to the latest figures of economic growth released by the National Statistics Office, the GDP growth in real terms in 2007 was 6.8 per cent, falling below the 7.4 per cent (the revised) growth for 2006. The expansion remained broad based, with all sectors of the economy registering positive growth.

The growth was largely propelled by the wholesale and retail trade sector which grew by 7.5 per cent, the transport and telecommunication 13.1 per cent, the hotel and restaurants 13.4 per cent, and construction sector 18.3 per cent during the year.

Annual real GDP growth, 2003-2007



Source: National Statistics Office

The wholesales and retail trade sector's growth indicated a slow down following the previous year impressive growth. Cooperatives, petroleum and motor trade, and other general trade have indicated lower growth during the year.

The transport and communication sector performed better by registering a growth of 13.1 per cent in 2007 owing largely to robust expansion in the post and telecommunication services, sea and coastal transport, cargo handling and land transport activities. The telecommunication sub-sector expanded by 16.8 per cent in 2007, benefiting from recent developments in communication infrastructure by the telecommunication companies.

Tourism, which accounted for about 20 per cent of GDP and also one of the leading growth sectors in 2007, recorded a growth of 13.4 percent with 19.3 per cent increase in visitors' arrivals, registering another record number of 81 345 visitors.

Construction industry, which contributed more than one third of the industry sector, continued its impressive growth with 18.3 per cent, resulting in a five years of increase in a row. Private accommodations, hotels, commercial and infrastructure projects were the main drivers of the expansion in construction.

In the manufacturing sector, the outputs for food manufacturing and other manufacturing including coconut oil manufacturing accounted for about 75 per cent of manufacturing output. Food manufacturing and other manufacturing sub-sectors grew by 2.5 per cent and 26.5 per cent respectively in real terms.

Consumption expenditure which captures both the private and government sector consumption of the economy has expanded by 10.9 per cent. With the continued expansion of per capita income, private consumption expenditure grew by 11.5 per cent while government consumption expenditure increased by 9 per cent.

Over the past four years the average GDP growth rate surged to almost 6 per cent and the major growth drivers have been the higher consumption and investment demand, the robust growth in wholesale and retail trade, the healthy growth in construction and real estate, and the smart pick up in tourism.