

# Guernsey Annual GVA and GDP Bulletin

2020 (First Estimates)

Issue date 19th November 2021

This bulletin presents estimates of the size of Guernsey's economy and growth compared to previous years, using (revised method) Gross Domestic Product (GDP) as the aggregate measure and (new method) Gross Value Added (GVA) for analysis by sector.



States of Guernsey  
Data and Analysis

## 1.1 Introduction

This bulletin is the fifth to present estimates of the size of Guernsey's economy using the method introduced in 2017. It includes a time series for Gross Domestic Product (GDP) from 2009 to 2020 and information on Gross Value Added (GVA) and factor income by economic sector.

Guernsey (like many other small jurisdictions) measures its economy using an 'income' approach, and has done so since 1965. The income approach used in Guernsey was revised in 2017 to better align it with the international standard. The revised method was audited by Gross Domestic Product statisticians from the Office for National Statistics in early November 2017. They confirmed that the revised methodology represents "a significant improvement in data quality", but that "the use of only the Income approach to measuring GDP will always leave room for further improvements". This year sees the inclusion of more detailed information on Gross operating surplus to enhance our understanding of this relatively volatile component of GDP and provide a baseline for further improvements. Appendix 1 provides more detail on the plans for further improvements to the methodology.

Economic output, using the income approach, is calculated as the sum of:

- Compensation of employees (which includes remuneration in the form of wages paid to employees plus estimates of pension and social security contributions paid on their behalf by their employer)
- Gross operating surplus (which is equated to company trading profits and public sector trading body surpluses)
- Mixed income (the remuneration and profits of sole traders)
- Income of households (rental income and owner occupied imputed rents, net of maintenance costs and borrowing costs)

Most components change very little between first estimates and being finalised two years later, such as Compensation of Employees, Mixed Income and the Income of Households. However, Gross Operating Surplus of corporations, which typically constitutes 36% to 42% of GVA (and is the most unpredictable component) is an area where revisions can be significant. To reflect this, upper and lower estimates are used to indicate the most likely range for figures once finalised and percentage changes are presented rounded to the nearest whole number. For ease of use, only the central estimate (CE) is shown in the more detailed breakdowns in the report (such as GVA by sector and factor incomes per worker per sector), but the same level of uncertainty applies throughout.

On 25th March 2020, the first COVID-19 lockdown began. Government subsidies (on production) such as payroll co-funding and the business support scheme were introduced. Restrictions were lifted in phases from 25th April to 20th June 2020, after which, the only remaining restrictions related to travel outside the Bailiwick. 2020 is the first year in which subsidies on production have needed to be accounted for within GDP calculations.

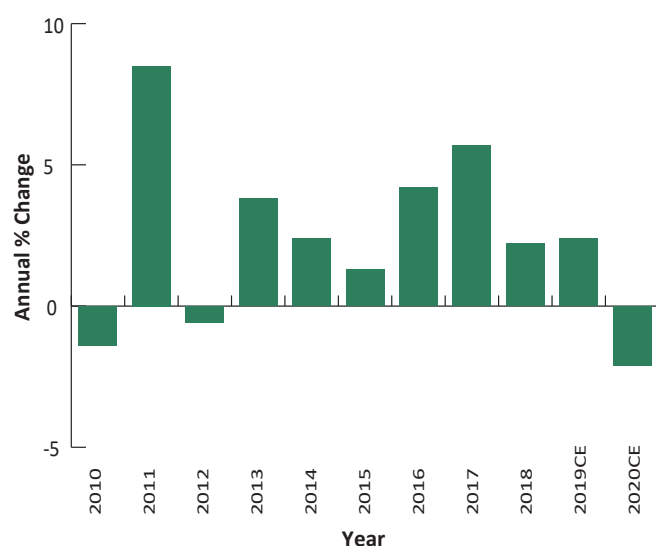
This year, the analysis by sector is presented as close to "market prices" as possible i.e. with all tax payments included and all subsidies excluded by sector (as far as possible) to better show the contribution of each sector to the overall GDP. GDP equals GVA at market prices. Previously the sector analysis had been presented at "basic prices" (and adjustments for taxes and subsidies on products were made at whole economy level). This change is purely presentational and not methodological. The figures at basic prices (comparable with those previously published, without subsidies on production deducted) are included in [Section 3.6 and 3.7](#) for transparency.

## 1.2 Headlines

- Guernsey's total GDP (also known as GVA at market prices) for 2020 is estimated at £3,178 million, which is 2% lower than the estimate for 2019 in nominal terms and 3% lower in real terms.
- During 2020, measures were put in place to slow the spread of COVID-19, which impacted on how businesses could operate. Government subsidies such as the payroll co-funding scheme and business support schemes totalled £44 million in Guernsey in 2020. These are included (as a negative figure) within GDP, contributing to the overall decrease in GDP between 2019 and 2020.
- Guernsey GDP per capita in 2020 is £50,353; 57% greater than in the UK in 2020 and 11% greater than Jersey GVA per capita in 2019\*. In nominal terms Guernsey's GDP per capita is 3% lower than the estimate for 2019 and 4% lower in real terms.
- The largest two components of GDP are: Compensation of employees, which represented 45% of total GDP in 2020, and Gross operating surplus, which represented 40%.
- The finance sector contributed the highest portion (£1,265 million); 40% of the total GDP or 44% the total Factor income in 2020. Factor income is the total for all industry sectors excluding the household sector. The GVA of the finance sector fell by 1% in nominal terms and 2% in real terms between 2019 and 2020.
- During 2020, the highest increase in GVA was within the Information and communication sector at 5% in nominal terms and 4% in real terms. This sector contributed 2% of 2020 GDP.
- GVA growth was lowest in the Hospitality sector in 2020, at -32% in nominal terms and -33% in real terms. The Hospitality sector received the most financial support in 2020, at over £11 million and this is included (as a negative figure) within the calculation of GVA at market prices. Hospitality contributed 1% of 2020 GDP.
- Guernsey's GVA at basic prices (which equates to GDP before the inclusion of taxes and removal of subsidies on products) is estimated at £3,145 million for 2020.

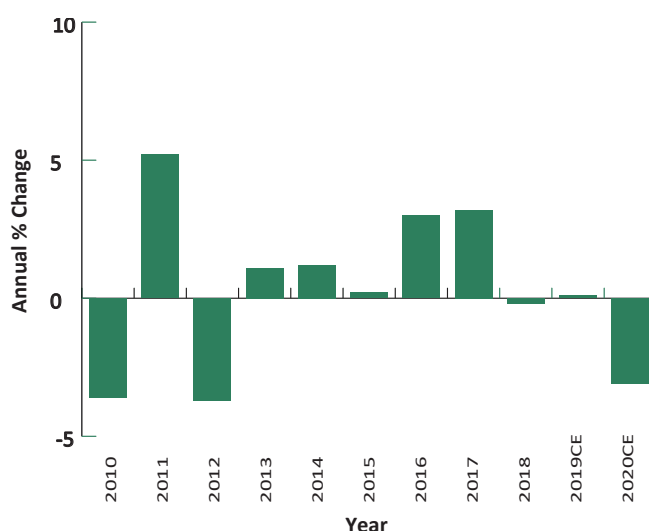
\*2020 GVA per capita figures for Jersey are awaiting updated population figures from Jersey's 2021 census, due to be published in 2022

**Figure 1.2.1 Annual percentage change in GDP (nominal)**



Note: CE is Central Estimate

**Figure 1.2.2 Annual percentage change in GDP (real)**



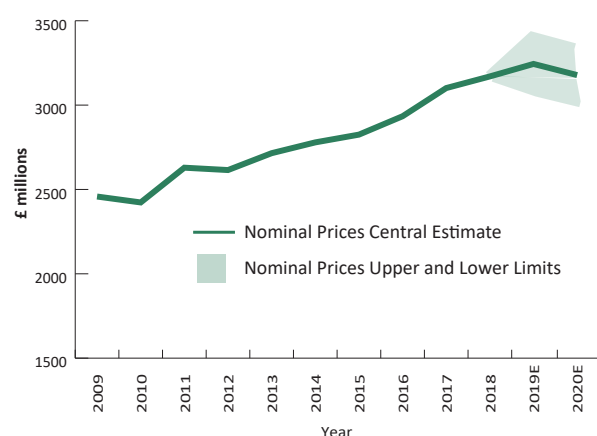
## 2.1 GDP

**Table 2.1.1 GDP**

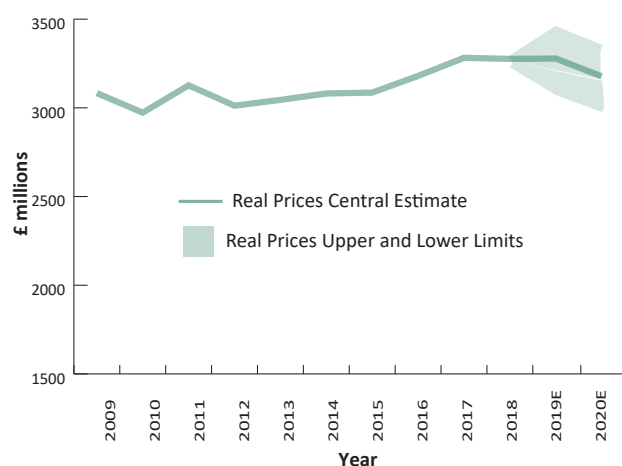
	GDP (£ millions, nominal)	Annual % change in nominal GDP	GDP (£ millions, real)	Annual % change in real GDP
2010	2,423	-1	2,973	-4
2011	2,629	9	3,127	5
2012	2,615	-1	3,012	-4
2013	2,715	4	3,045	1
2014	2,779	2	3,081	1
2015	2,816	1	3,086	0
2016	2,934	4	3,180	3
2017	3,101	6	3,282	3
2018	3,170	2	3,276	0
2019CE	3,244	2	3,278	0
2020CE	3,178	-2	3,178	-3

Note: CE is the Central Estimate. Upper and Lower Estimates for 2019 and 2020 are illustrated below to give the most likely outcome for GDP once finalised.

**Figure 2.1.1 GDP (nominal)**



**Figure 2.1.2 GDP (real)**



Estimated total GDP for 2020 in Guernsey is £3,178 million, which is 2% lower than 2019 in nominal terms, as shown in **Table 2.1.1**. The fall in Guernsey's GDP in 2020 represents the first decline in GDP in nominal terms since 2012. In nominal prices Guernsey's GDP in 2020 is slightly above the equivalent GDP figure for 2018.

Guernsey GDP is also calculated in real terms, as shown in **Table 2.1.1** and **Figure 2.1.2**. Estimates of GDP are reflatd using the all items Retail Price Index (RPI) in Guernsey at December 2020. This measure can be more informative when considering trends in economic performance through time, as it removes the effects of price inflation.

Estimated total GDP in Guernsey in 2020 is 3% lower than 2019 in real terms. The decline in GDP in real prices in 2020 is the largest since 2012. Guernsey's GDP in 2020 is equivalent to the GDP figure in real prices for 2016.

GDP for 2019 and 2020 are estimates only. The data presented in **Table 2.1.1** is the central estimate.

**Figure 2.1.1** and **Figure 2.1.2** provide upper and lower limits for the 2019 and 2020 estimates, as represented by the shaded portion of the graph, alongside the central estimate. The upper and lower limits provide an indication of the likely final outcome for GDP Market once finalised, in nominal and real prices (two years after figures first published).

## 2.2 GDP per capita

In 2020 GDP per capita (per head of population) was estimated to be £50,353, which was 3% lower than 2019 in nominal terms, as shown in **Table 2.2.1** and **Figure 2.2.1**.

In nominal terms, the fall in GDP per capita in Guernsey in 2020 was the first such decline since 2012.

Guernsey GDP per capita is also calculated in real terms, as shown in **Table 2.2.1** and **Figure 2.2.2**. This measure can be more informative when considering trends in economic performance through time, as it removes the effect of price inflation.

In 2020, estimated total GDP per capita was 4% lower than 2019 in real terms. An increase in population levels, combined with the decline in GDP was the reason for the fall in GDP per capita in 2020.

Until 2017 Guernsey's population was relatively stable, reaching a high of 63,085 in 2012 before declining to a low of 62,106 in 2017. Since 2017, Guernsey's population has been slowly increasing to reach 63,110 in 2020 as shown in **Figure 2.2.1** and **Figure 2.2.2**.

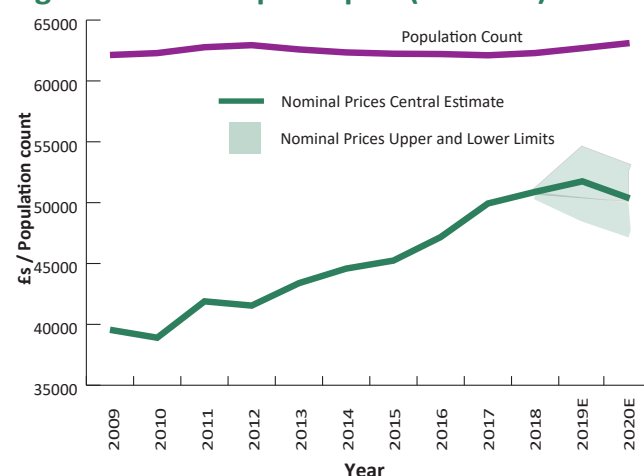
**Figure 2.2.1** and **Figure 2.2.2** provide upper and lower limits for the 2019 and 2020 estimates, as represented by the shaded portion of the graph, alongside the central estimate. The upper and lower limits provide an indication of the likely final outcome for GDP per capita once finalised, in nominal and real prices (two years after figures first published).

**Table 2.2.1 GDP per capita**

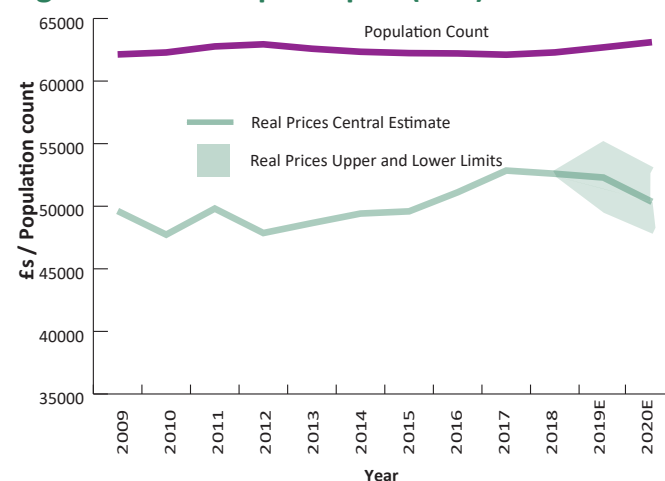
	GDP per capita (£s, nominal)	Annual % change in nominal GDP per capita	GDP per capita (£s, real)	Annual % change in real GDP per capita
2010	38,904	-2	47,729	-4
2011	41,891	8	49,812	4
2012	41,544	-1	47,860	-4
2013	43,385	4	48,653	2
2014	44,583	3	49,415	2
2015	45,241	1	49,592	0
2016	47,169	4	51,114	3
2017	49,930	6	52,850	3
2018	50,885	2	52,596	0
2019CE	51,750	2	52,293	-1
2020CE	50,353	-3	50,353	-4

Note: CE is the Central Estimate. Upper and Lower Estimates for 2019 and 2020 are illustrated below to give the most likely outcome for GDP once finalised.

**Figure 2.2.1 GDP per capita (nominal)**



**Figure 2.2.2 GDP per capita (real)**



## 2.3 GDP components

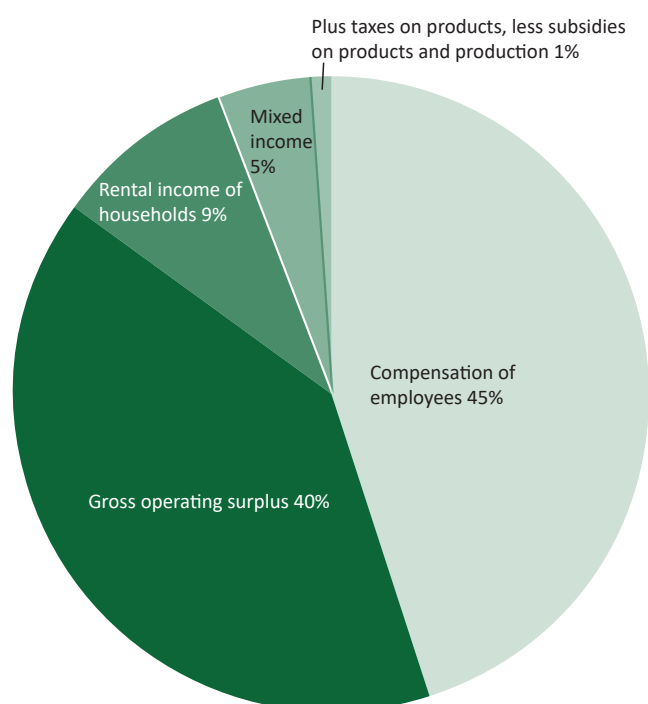
**Table 2.3.1 GDP components (£millions, nominal)**

	2015	2016	2017	2018	2019CE	2020CE	% change 2019-2020
Compensation of employees	1,261	1,294	1,344	1,389	1,435	1,435	0
Gross operating surplus	1,103	1,188	1,291	1,303	1,303	1,272	-2
Mixed income	151	147	148	145	152	144	-5
Rental income of households	244	242	251	261	282	294	4
GVA basic*	2,759	2,872	3,034	3,099	3,173	3,145	-1
Plus taxes on products	+62	+67	+71	+75	+78	+81	5
Less subsidies on products and subsidies on production	-5	-5	-5	-4	-6	-48	-779
GDP (equal to GVA market)	2,816	2,934	3,101	3,170	3,244	3,178	-2

\* For comparability with previous publications, GVA basic is presented in the table above (and in sections 3.6 and 3.7) before subsidies on production have been deducted. Prior to 2020 there were no subsidies on production to be deducted.

Note: CE is the Central Estimate. Data for 2019 and 2020 will be finalised two years after first published.

**Figure 2.3.1 GDP components 2020**



GDP comprises the following components; Compensation of employees (remuneration in the form of wages paid to employees plus estimates of pension and social security contributions paid on their behalf by their employer), Gross operating surplus (which is equated to company trading profits and public sector trading body surpluses), Mixed income (the remuneration and profits of sole traders), Income of households (generated from the ownership of property and including owner occupiers' imputed rent, net of maintenance and borrowing costs and rental income of private households) plus Taxes less Subsidies.

Guernsey's payroll co-funding and business support schemes, which provided financial support for businesses adversely affected by the pandemic, totalled £44 million in subsidies on production in 2020. Prior to 2020, there were no subsidies on production.

The largest components of GDP in 2020 were Compensation of employees (representing 45%, £1,435 million of total GDP) and Gross operating surplus (which represented 40%, £1,272 million). Other components included Mixed income at 5% (£144 million), Households, 9% (£294 million) and Taxes less subsidies, 1% (£33 million) as shown in **Table 2.3.1** and **Figure 2.3.1**.

Data presented for 2019 and 2020 in **Table 2.3.1** and **Figure 2.3.1** are based on the central estimate. Gross operating surplus is the area where revisions can be significant between first estimates and being finalised two years later.

## 3.1 Sector contributions (nominal) - all

This year the analysis by sector is presented at as close to “market prices” as possible i.e. with taxes included and subsidies excluded from the relevant sector as far as possible to better show the contribution of each sector to the overall GDP. GDP equals GVA at market prices. Previously the sector analysis had been presented at “basic prices”, which showed the contribution of each sector before all taxes were added on and subsidies were netted off (as some of these adjustments were made at whole economy level). This change is purely presentational and not methodological. The figures at basic prices (comparable with those previously published) are included in [Section 3.6](#) for transparency.

Thirteen of the nineteen economic sectors recorded a decrease in GVA between 2019 and 2020, as shown in [Table 3.1.1](#) and [Figure 3.1.1](#). The Finance sector, recorded the largest GVA in 2020, at £1,265 million, whilst the Water supply, sewerage, waste management and remediation sector recorded the lowest GVA in 2020 at £3 million.

Between 2019 and 2020, GVA increased most within the Information and communication sector, 5%. Second highest growth was within the Households sector, 4%, followed by Real estate activities, also 4%. The Hospitality sector recorded the largest decline in GVA between 2019 and 2020, at - 32%. The second largest drop in GVA between 2019 and 2020 was the Water supply, sewerage, waste management and remediation sector, -25%, followed by the Transport and Storage sector, -22%. The Finance sector saw a slight decline in GVA between 2019 and 2020, -1%.

**Table 3.1.1 GVA by sector (£millions, nominal)**

		2015	2016	2017	2018	2019CE	2020CE
1	Agriculture, horticulture, fishing and quarrying	11	12	13	12	12	12
2	Manufacturing	29	33	31	31	31	30
3	Electricity, gas, steam and air conditioning supply	15	15	17	15	24	24
4	Water supply, sewerage, waste management and remediation activities	3	4	4	4	5	3
5	Construction	113	107	112	119	125	116
6	Wholesale, retail and repairs	320	290	291	299	297	293
7	Hostelry	59	60	62	63	65	44
8	Transport and storage	55	59	58	61	60	47
9	Information and communication	58	62	62	62	65	68
10	Finance	1,080	1,135	1,250	1,256	1,273	1,265
11	Real estate activities	18	17	18	17	18	18
12	Professional, business, scientific and technical activities	216	311	337	349	354	333
13	Administrative and support service activities	115	113	114	122	125	116
14	Public administration and trading bodies	253	261	267	278	283	291
15	Education	15	15	16	16	17	16
16	Human health, social and charitable work activities	70	69	72	76	77	74
17	Arts, entertainment and recreation	29	21	13	16	15	13
18	Other service activities	19	17	17	17	17	14
19	Households	244	242	252	262	283	295
99	Uncoded*	95	90	95	96	99	104
	<b>GDP (equal to GVA market)</b>	<b>2,816</b>	<b>2,934</b>	<b>3,101</b>	<b>3,170</b>	<b>3,244</b>	<b>3,178</b>

\* Most GVA, taxes and subsidies can be allocated by sector. But where this has not been feasible they are included as "uncoded".



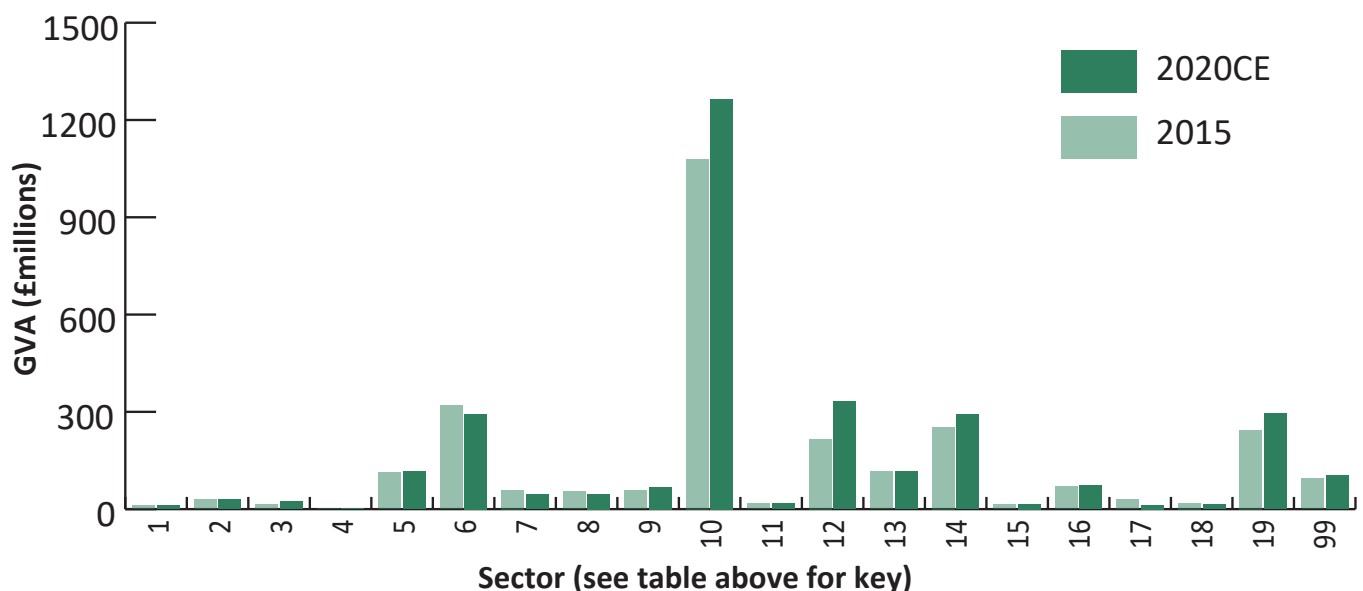
### 3.1 Sector contributions (nominal) - all

**Table 3.1.2 Annual percentage change in GVA by sector (% , nominal)**

		2016	2017	2018	2019CE	2020CE	Overall % change 2015 to 2020
1	Agriculture, horticulture, fishing and quarrying	9	8	-10	0	4	9
2	Manufacturing	14	-7	1	0	-2	4
3	Electricity, gas, steam and air conditioning supply	-1	15	-17	68	0	59
4	Water supply, sewerage, waste management and remediation activities	25	21	-1	6	-25	18
5	Construction	-5	4	6	5	-7	3
6	Wholesale, retail and repairs	-9	0	3	0	-1	-8
7	Hostelry	1	4	1	3	-32	-25
8	Transport and storage	7	-1	4	0	-22	-13
9	Information and communication	8	0	0	3	5	18
10	Finance	5	10	0	1	-1	17
11	Real estate activities	-5	7	-7	3	4	2
12	Professional, business, scientific and technical activities	44	8	4	2	-6	54
13	Administrative and support service activities	-2	1	6	2	-7	1
14	Public administration and trading bodies	3	2	4	2	2	15
15	Education	4	3	1	5	-4	9
16	Human health, social and charitable work activities	-1	4	6	1	-4	6
17	Arts, entertainment and recreation	-26	-39	22	-8	-16	-57
18	Other service activities	-11	2	2	-3	-17	-26
19	Households	-1	4	4	8	4	21
99	Uncoded	-5	5	0	4	5	9
	<b>GDP (equal to GVA market)</b>	<b>4</b>	<b>6</b>	<b>2</b>	<b>2</b>	<b>-2</b>	<b>13</b>

Note: CE is the Central Estimate. Data for 2019 and 2020 will be finalised two years after first published.

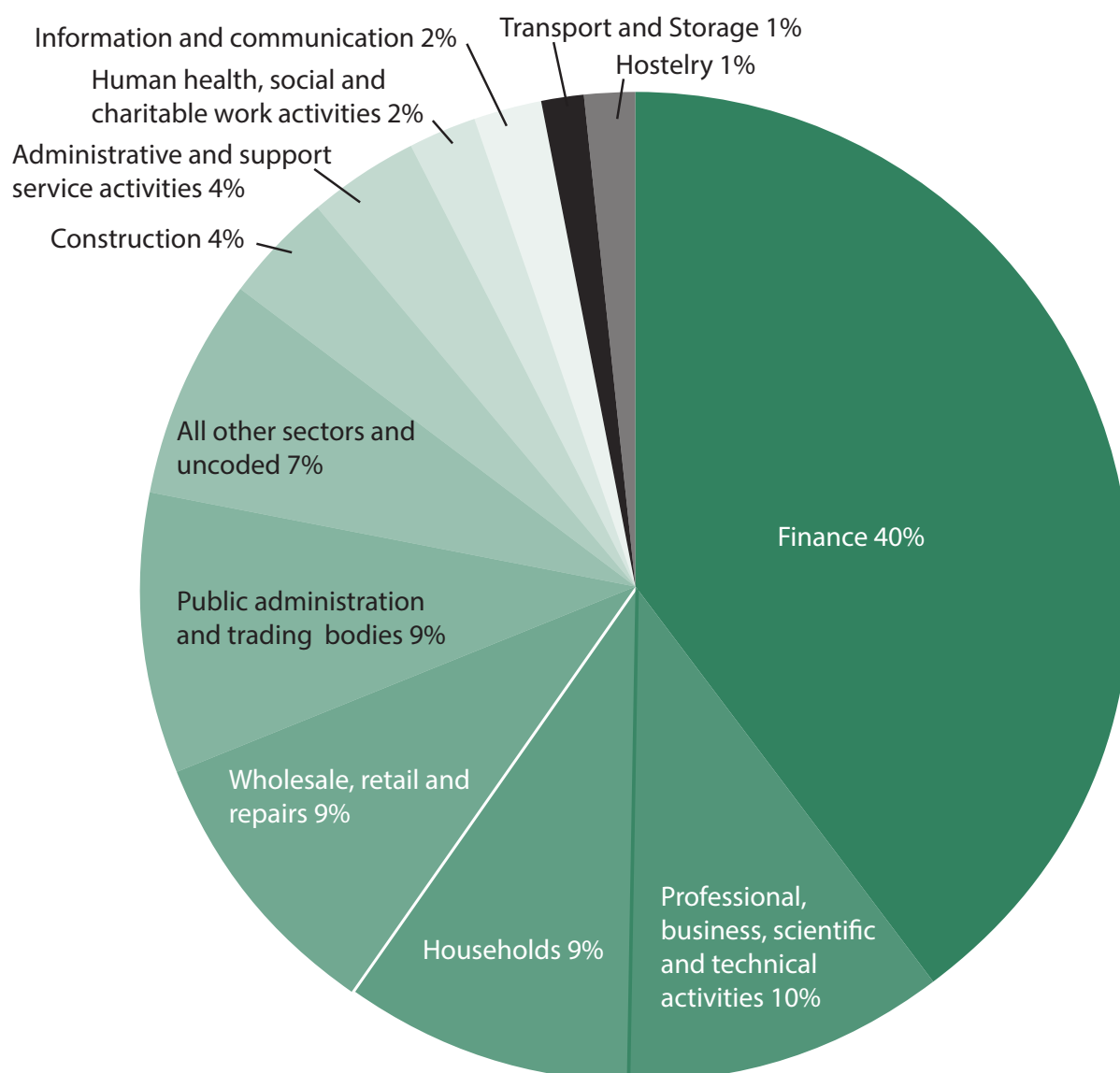
**Figure 3.1.1 GVA by sector (£millions, nominal)**





## 3.2 Sector contributions - largest contributors

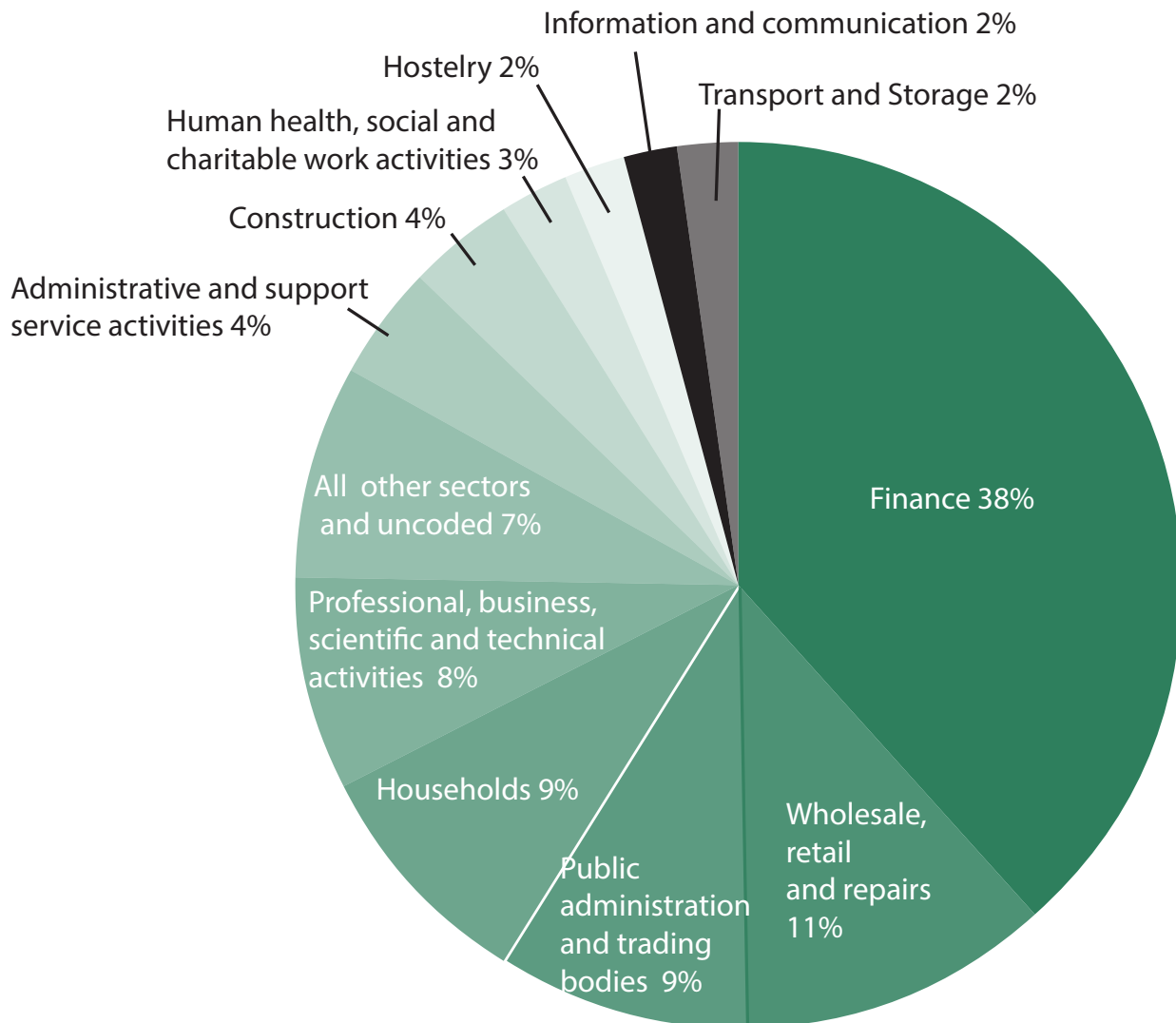
**Figure 3.2.1 GVA by sector in 2020**



**Figure 3.2.1** illustrates GVA in 2020 for Guernsey's largest sectors. The Finance sector was the largest component of GVA in 2020, accounting for 40% of GVA. Professional, business, scientific and technical activities and Households were the next largest sectors, accounting for 10% and 9% of GVA respectively. Wholesale, retail and repairs were the fourth largest sector in 2020, accounting for 9% of GVA. In previous publications Households were included within the 'Other' component, but were not presented as a sector. By presenting data specifically for Households this enables comparison with other jurisdictions. Sector data as presented in **Figure 3.2.1** relates to the central estimate for GVA in 2020 (see [page 2](#) for further details).

## 3.2 Sector contributions - largest contributors

Figure 3.2.2 GVA by sector 2015



**Figure 3.2.2** illustrates GVA for Guernsey's largest sectors five years ago, in 2015. The Finance sector was also the largest component of GVA in 2015, although it represented a smaller proportion of Guernsey's GVA than in 2020. In contrast, Wholesale, retail and repairs was the second largest sector in 2015, accounting for 11% of GVA. Public administration and Trading bodies was the third largest sector, accounting for 9% of GVA in 2015. Households was the fourth largest sector, accounting for 9% of GVA.

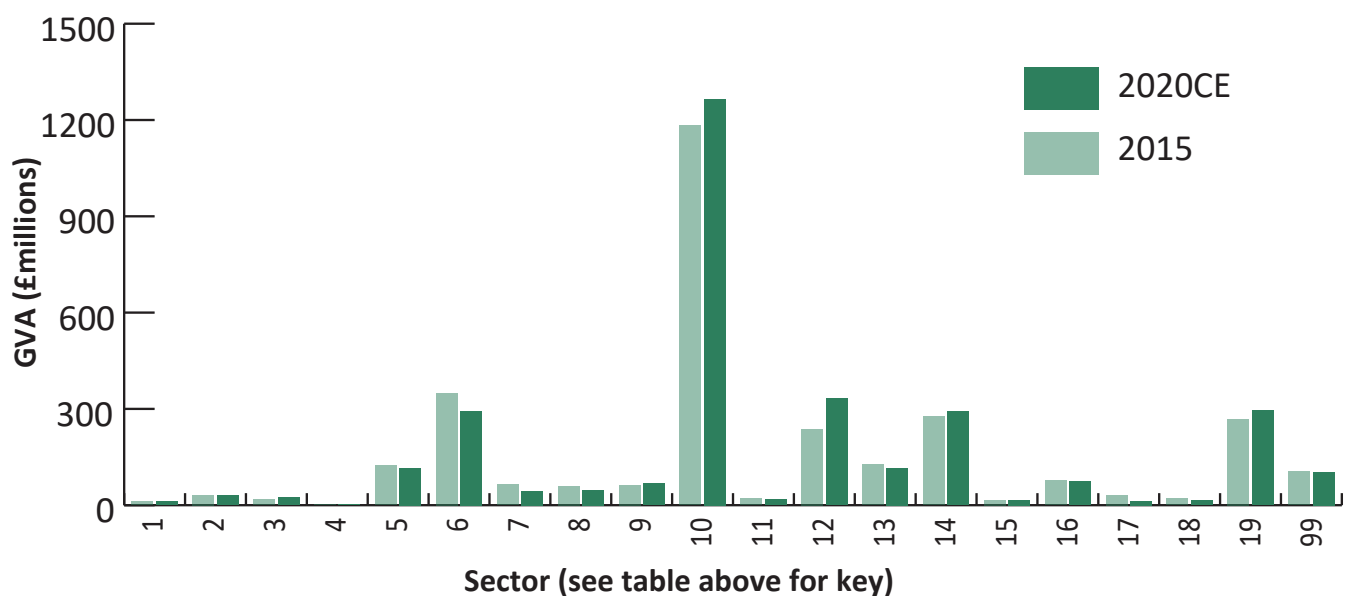
### 3.3 Sector contributions (real) - all

**Table 3.3.1 GVA by sector (£millions, real)**

		2015	2016	2017	2018	2019CE	2020CE
1	Agriculture, horticulture, fishing and quarrying	12	13	14	12	12	12
2	Manufacturing	32	36	32	32	31	30
3	Electricity, gas, steam and air conditioning supply	17	16	18	15	25	24
4	Water supply, sewerage, waste management and remediation activities	3	4	5	5	5	3
5	Construction	124	116	118	123	126	116
6	Wholesale, retail and repairs	350	315	308	309	300	293
7	Hostelry	65	65	66	65	66	44
8	Transport and storage	60	63	61	63	61	47
9	Information and communication	63	67	66	65	65	68
10	Finance	1,183	1,230	1,323	1,298	1,286	1,265
11	Real estate activities	20	19	19	18	18	18
12	Professional, business, scientific and technical activities	237	337	356	360	358	333
13	Administrative and support service activities	126	122	121	126	126	116
14	Public administration and trading bodies	277	283	282	288	286	291
15	Education	16	17	17	16	17	16
16	Human health, social and charitable work activities	77	75	76	79	78	74
17	Arts, entertainment and recreation	32	23	14	17	15	13
18	Other service activities	20	18	18	18	17	14
19	Households	268	263	266	271	286	295
99	Uncoded	105	98	101	99	101	104
	<b>GDP (equal to GVA market)</b>	<b>3,086</b>	<b>3,180</b>	<b>3,282</b>	<b>3,276</b>	<b>3,278</b>	<b>3,178</b>

Note: CE is the Central Estimate. Data for 2019 and 2020 will be finalised two years after first published.

**Figure 3.3.1 GVA by sector (£millions, real)**



### 3.3 Sector contributions (real) - all

**Table 3.3.2 Annual percentage change in GVA by sector (% , real)**

		2016	2017	2018	2019CE	2020CE	Overall % change 2015-2020
1	Agriculture, horticulture, fishing and quarrying	8	6	-12	-3	3	0
2	Manufacturing	12	-9	-1	-3	-3	-5
3	Electricity, gas, steam and air conditioning supply	-2	12	-19	64	-1	45
4	Water supply, sewerage, waste management and remediation activities	24	18	-4	3	-26	8
5	Construction	-6	2	4	3	-8	-6
6	Wholesale, retail and repairs	-10	-2	0	-3	-2	-16
7	Hostelry	0	2	-1	1	-33	-32
8	Transport and storage	6	-3	2	-2	-22	-21
9	Information and communication	7	-2	-2	1	4	7
10	Finance	4	8	-2	-1	-2	7
11	Real estate activities	-6	5	-9	1	3	-7
12	Professional, business, scientific and technical activities	42	6	1	-1	-7	41
13	Administrative and support service activities	-3	-1	4	0	-8	-8
14	Public administration and trading bodies	2	0	2	0	1	5
15	Education	3	0	-1	3	-5	0
16	Human health, social and charitable work activities	-2	1	4	-1	-5	-3
17	Arts, entertainment and recreation	-27	-40	20	-10	-17	-61
18	Other service activities	-12	-1	0	-6	-18	-32
19	Households	-2	1	2	6	3	10
99	Uncoded*	-6	3	-2	2	4	-1
	<b>GDP (equal to GVA market)</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>-3</b>	<b>3</b>

Note: CE is the Central Estimate. Data for 2019 and 2020 will be finalised two years after first published.

In real terms, fourteen of the nineteen economic sectors have recorded a decrease in GVA between 2019 and 2020, as shown in [Table 3.3.2](#) and [Figure 3.3.1](#).

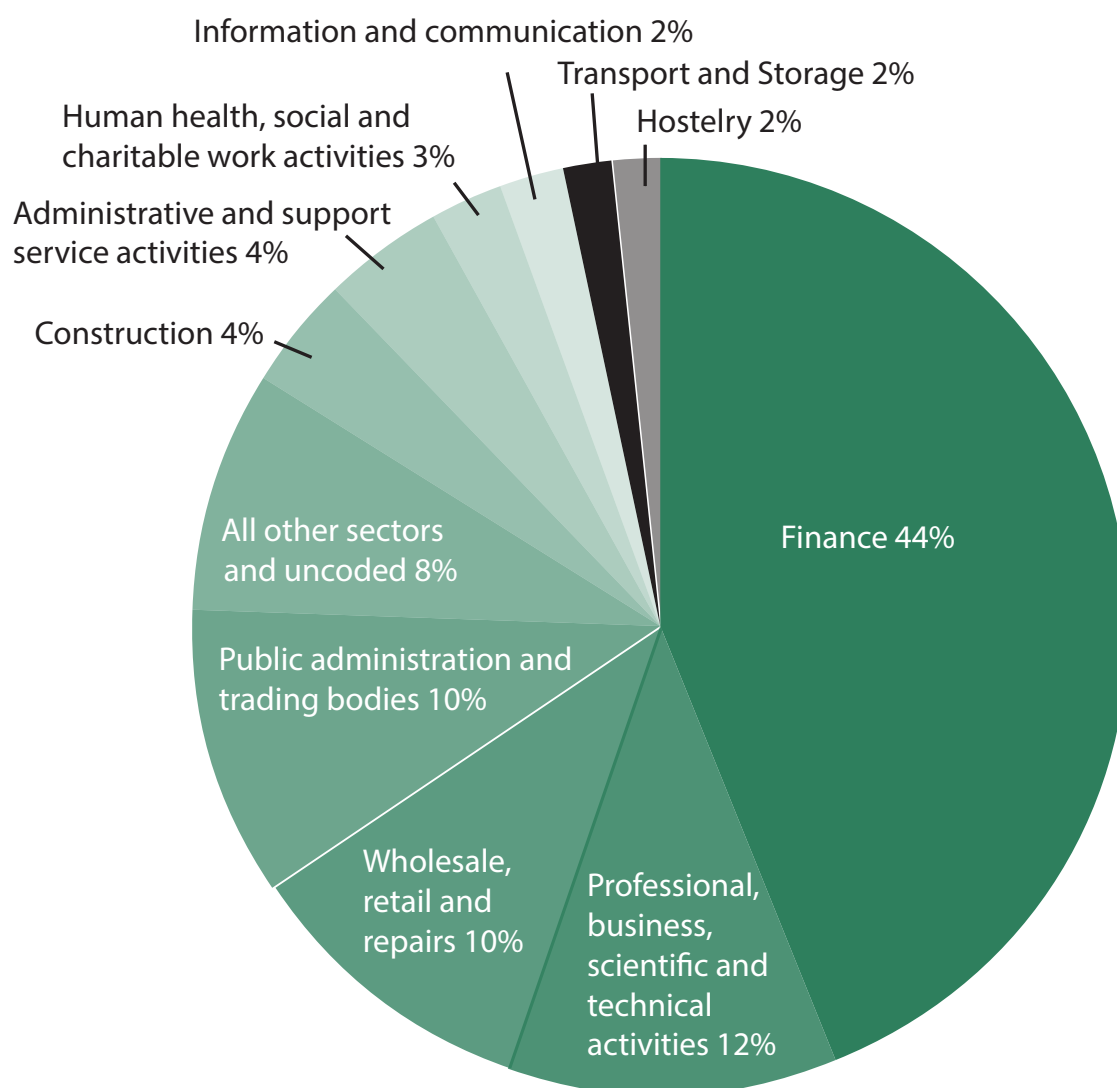
Between 2019 and 2020 overall increase in GVA in real terms was highest in the Information and communication sector at 4%, this sector accounts for 2% of GVA. Other sectors which saw an increase in GVA between 2019 and 2020 include the Households sector, 3%, Real estate activities, 3%, Agriculture, horticulture, fishing and quarrying, 3%, and Public administration and Trading bodies, 1%.

The largest decline in GVA, between 2019 and 2020 was the Hostelry sector at -33%, this sector accounts for 1% of GVA at market prices. Large declines in GVA between 2019 and 2020 were also seen within the Water supply, sewerage, waste management and remediation activities sector, -26% (albeit this is the smallest sector by GVA) and the Transport and storage sector, -22%. The finance sector saw a slight decline in GVA, -2%, between 2019 and 2020.

Over the past five years, 2015-2020, overall change in GVA in real terms was highest in the Electricity, gas, steam and air conditioning supply sector at 45% and lowest in the Arts, entertainment and recreation sector, -61%.

### 3.4 Factor income by sector - largest contributors

**Figure 3.4.1 Factor income by sector 2020**

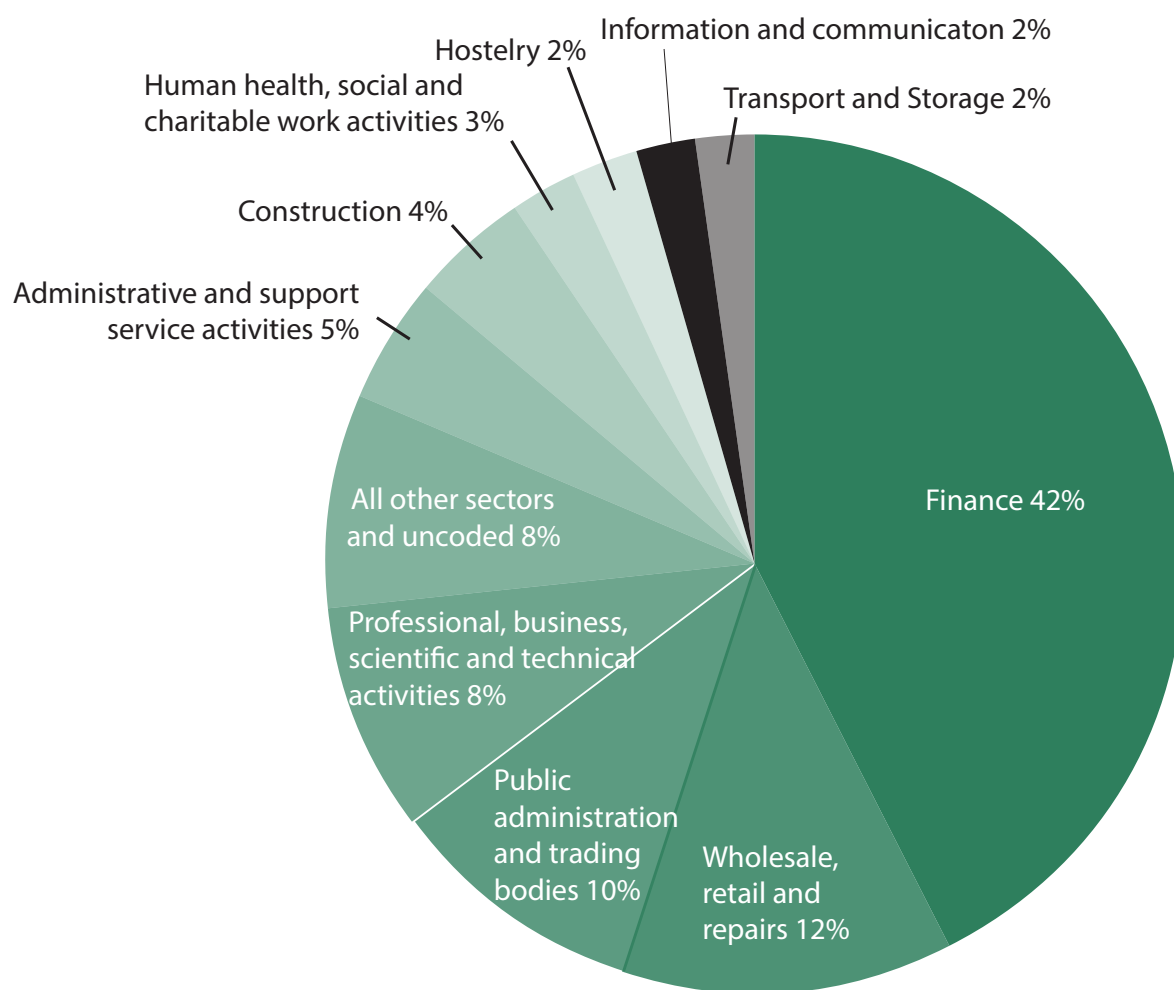


Factor income excludes the Households sector contribution to GVA and just includes industry sector contributions. This year, the analysis of Factor incomes by sector is presented at as close to “market prices” as possible i.e. with tax payments included and subsidies excluded within the relevant sector (as far as possible) to better show the contribution of each sector to the overall GDP. Previously the sector analysis had been presented at “basic prices” (see [section 3.6](#) for more information on basic prices). This change is purely presentational and not methodological. The figures at basic prices (comparable with those previously published) are included in [Section 3.7](#) for transparency.

**Figure 3.4.1** illustrates the largest contributors to Factor income by sector. The Finance sector made the largest contribution to Factor income in 2020, at 44%, followed by Professional, business, scientific and technical activities at 12% and Wholesale, retail and repairs at 10%. Factor income by sector data as presented in **Figure 3.4.1** relates to the central estimate for Factor incomes in 2020 (see [page 2](#) for further details).

### 3.4 Factor income by sector - largest contributors

**Figure 3.4.2 Factor income by sector 2015**



**Figure 3.4.2** illustrates the largest contributors to Factor incomes five years ago, in 2015. The Finance sector was also the largest component in 2015, although it represented a smaller proportion (42%) than in 2020. Wholesale, retail and repairs was the second largest sector, accounting for 12%, representing a larger proportion of factor income than in 2020. Public administration and Trading bodies was the third largest sector, accounting for 10% of Factor income, the same proportion as for 2020.

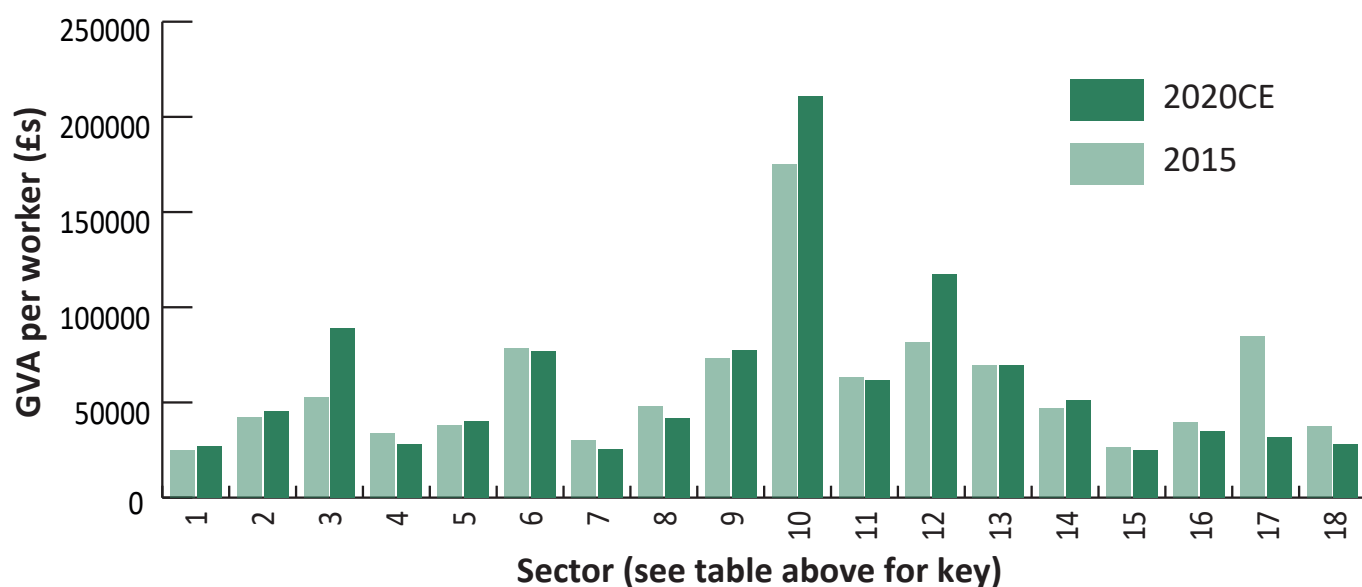
## 3.5 Factor income by sector - per worker

**Table 3.5.1 Factor income per worker by sector (£s, nominal)**

		2015	2016	2017	2018	2019CE	2020CE
1	Agriculture, horticulture, fishing and quarrying	25,097	27,761	30,981	27,438	28,115	27,170
2	Manufacturing	42,476	49,000	46,526	47,284	46,576	45,476
3	Electricity, gas, steam and air conditioning supply	52,783	53,836	60,168	48,175	84,651	89,183
4	Water supply, sewerage, waste management and remediation activities	33,712	37,987	39,466	39,957	41,087	27,970
5	Construction	37,995	38,033	40,810	42,928	44,886	40,042
6	Wholesale, retail and repairs	78,307	71,335	72,899	76,361	76,281	77,143
7	Hostelry	30,369	30,584	32,057	32,702	34,004	25,288
8	Transport and storage	48,027	46,513	50,242	51,786	52,883	41,647
9	Information and communication	73,482	80,748	79,435	80,571	80,068	77,629
10	Finance	175,113	181,899	201,030	200,960	201,817	210,682
11	Real estate activities	63,089	63,292	67,978	65,135	65,927	61,499
12	Professional, business, scientific and technical activities	81,617	114,089	121,072	123,443	125,280	117,223
13	Administrative and support service activities	69,559	70,150	67,666	70,115	72,936	69,488
14	Public administration and trading bodies	46,811	47,988	48,732	50,909	51,090	51,314
15	Education	26,770	26,493	25,805	26,230	25,903	24,785
16	Human health, social and charitable work activities	39,786	38,636	37,392	39,025	38,791	34,988
17	Arts, entertainment and recreation	85,001	59,881	35,478	44,868	42,178	32,019
18	Other service activities	37,319	33,828	33,459	33,562	33,685	28,109

Note: CE is the Central Estimate. Data for 2019 and 2020 will be finalised two years after first published.

**Figure 3.5.1 Factor income per worker by sector (£s, nominal)**





## 3.5 Factor income by sector - per worker

**Table 3.5.2 Annual percentage change in Factor income per worker by sector (% , nominal)**

		2016	2017	2018	2019CE	2020CE	Overall % change 2015-2020
1	Agriculture, horticulture, fishing and quarrying	11	12	-11	2	-3	8
2	Manufacturing	15	-5	2	-1	-2	7
3	Electricity, gas, steam and air conditioning supply	2	12	-20	76	5	69
4	Water supply, sewerage, waste management and remediation activities	13	4	1	3	-32	-17
5	Construction	0	7	5	5	-11	5
6	Wholesale, retail and repairs	-9	2	5	0	1	-1
7	Hostelry	1	5	2	4	-26	-17
8	Transport and storage	-3	8	3	2	-21	-13
9	Information and communication	10	-2	1	-1	-3	6
10	Finance	4	11	0	0	4	20
11	Real estate activities	0	7	-4	1	-7	-3
12	Professional, business, scientific and technical activities	40	6	2	1	-6	44
13	Administrative and support service activities	1	-4	4	4	-5	0
14	Public administration and trading bodies	3	2	4	0	0	10
15	Education	-1	-3	2	-1	-4	-7
16	Human health, social and charitable work activities	-3	-3	4	-1	-10	-12
17	Arts, entertainment and recreation	-30	-41	26	-6	-24	-62
18	Other service activities	-9	-1	0	0	-17	-25

Note: CE is the Central Estimate. Data for 2019 and 2020 will be finalised two years after first published.

Factor incomes per worker are a measure of the total GVA of each sector expressed in relation to the number of employees and self employees within each sector.

The Arts, entertainment and recreation and Other service activities sectors saw the largest decrease in factor incomes per worker between 2015 and 2020 by 62% and 25% respectively. By contrast Electricity, gas, steam and air conditioning supply and Professional, business, scientific and technical activities recorded the largest increase in factor incomes per worker in nominal terms between 2015 and 2020, at 69% and 44% respectively, as shown in **Table 3.5.2**. The Finance sector had the largest factor income per worker in 2020, at £210,682 per worker as shown in **Table 3.5.1** and **Figure 3.5.1**.

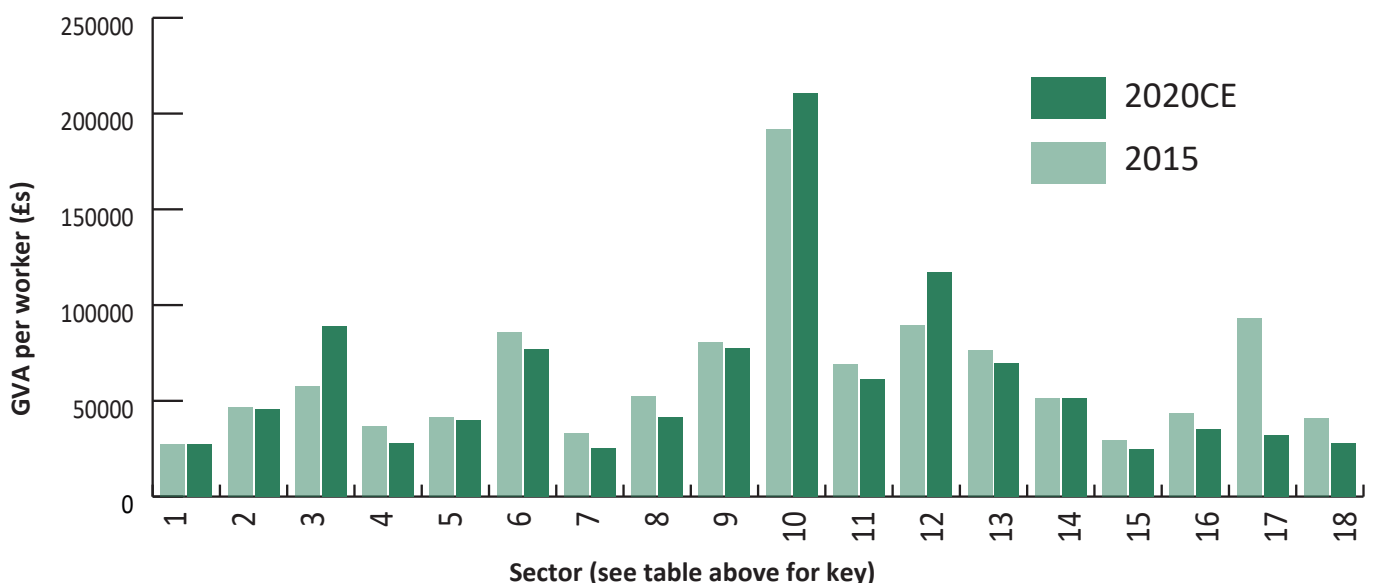
### 3.5 Factor income by sector - per worker

**Table 3.5.3 Factor income per worker by sector (£s, real)**

		2015	2016	2017	2018	2019CE	2020CE
1	Agriculture, horticulture, fishing and quarrying	27,511	30,082	32,793	28,361	28,410	27,170
2	Manufacturing	46,562	53,097	49,247	48,874	47,065	45,476
3	Electricity, gas, steam and air conditioning supply	57,860	58,337	63,687	49,795	85,540	89,183
4	Water supply, sewerage, waste management and remediation activities	36,954	41,163	41,774	41,301	41,519	27,970
5	Construction	41,649	41,213	43,196	44,372	45,358	40,042
6	Wholesale, retail and repairs	85,839	77,299	77,162	78,929	77,082	77,143
7	Hostelry	33,291	33,141	33,932	33,802	34,361	25,288
8	Transport and storage	52,646	50,402	53,180	53,527	53,438	41,647
9	Information and communication	80,549	87,499	84,080	83,280	80,909	77,629
10	Finance	191,956	197,107	212,786	207,717	203,936	210,682
11	Real estate activities	69,157	68,584	71,953	67,325	66,620	61,499
12	Professional, business, scientific and technical activities	89,467	123,628	128,152	127,594	126,595	117,223
13	Administrative and support service activities	76,249	76,015	71,623	72,473	73,702	69,488
14	Public administration and trading bodies	51,314	52,000	51,582	52,621	51,626	51,314
15	Education	29,344	28,708	27,314	27,112	26,175	24,785
16	Human health, social and charitable work activities	43,612	41,866	39,579	40,338	39,199	34,988
17	Arts, entertainment and recreation	93,177	64,887	37,553	46,377	42,621	32,019
18	Other service activities	40,908	36,657	35,416	34,690	34,038	28,109

Note: CE is the Central Estimate. Data for 2019 and 2020 will be finalised two years after first published.

**Figure 3.5.3 Factor incomes per worker by sector (£s, real)**



## 3.5 Factor income by sector - per worker

**Table 3.5.4 Annual percentage change in Factor income per worker by sector (% , real)**

		2016	2017	2018	2019CE	2020CE	Overall % change 2015-2020
1	Agriculture, horticulture, fishing and quarrying	9	9	-14	0	-4	-1
2	Manufacturing	14	-7	-1	-4	-3	-2
3	Electricity, gas, steam and air conditioning supply	1	9	-22	72	4	54
4	Water supply, sewerage, waste management and remediation activities	11	1	-1	1	-33	-24
5	Construction	-1	5	3	2	-12	-4
6	Wholesale, retail and repairs	-10	0	2	-2	0	-10
7	Hostelry	0	2	0	2	-26	-24
8	Transport and storage	-4	6	1	0	-22	-21
9	Information and communication	9	-4	-1	-3	-4	-4
10	Finance	3	8	-2	-2	3	10
11	Real estate activities	-1	5	-6	-1	-8	-11
12	Professional, business, scientific and technical activities	38	4	0	-1	-7	31
13	Administrative and support service activities	0	-6	1	2	-6	-9
14	Public administration and trading bodies	1	-1	2	-2	-1	0
15	Education	-2	-5	-1	-3	-5	-16
16	Human health, social and charitable work activities	-4	-5	2	-3	-11	-20
17	Arts, entertainment and recreation	-30	-42	23	-8	-25	-66
18	Other service activities	-10	-3	-2	-2	-17	-31

Note: CE is the Central Estimate. Data for 2019 and 2020 will be finalised two years after first published.

Factor incomes per worker are a measure of the total GVA of each sector expressed in relation to the number of employees and self employees within each sector. [Table 3.5.3](#), [Table 3.5.4](#) and [Figure 3.5.3](#) express these values in real terms, adjusted for price inflation.

Only four out of the eighteen industry sectors have recorded an increase in Factor incomes per worker in real terms between 2015 and 2020, as shown in [Table 3.5.3](#) and [Figure 3.5.3](#). The Finance sector, recorded the largest factor income per worker in 2020, at £210,682.

As shown in [Table 3.5.4](#), over the past five years, the Finance sector, the largest single sector in terms of contribution to GVA, recorded a 10% increase in factor income per worker in real terms. Between 2015 and 2020, the overall change in factor incomes in real terms was highest in the Electricity, gas, steam and air conditioning supply sector at 54% and lowest in Arts, entertainment and recreation at -66%.

## 3.6 GVA basic

GVA basic comprises the following components; Compensation of employees (remuneration in the form of wages paid to employees plus estimates of pension and social security contributions paid on their behalf by their employer), Gross operating surplus (which is equated to company trading profits and public sector trading body surpluses), Mixed income (the remuneration and profits of sole traders), Income of households (generated from the ownership of property).

GVA basic includes income taxes paid by employees, sole-traders and corporations. It also includes taxes on production. Until 2020, there were no subsidies on production, so for transparency and comparability with previously published figures, the 2020 GVA basic figures presented here also do not include subsidies on production (the payroll co-funding and business support provided during the COVID-19 pandemic).

On this basis, GVA basic is estimated to be £3,145 million in current prices which is 1% lower than the estimate for 2019 in nominal terms, as shown in **Table 3.6.1** and **Figure 3.6.1**. This is the first decline since 2012, and the largest decline since 2010 in nominal GVA basic.

Guernsey GVA basic is also calculated in real terms, as shown in **Table 3.6.1** and **Figure 3.6.2**. In 2020, estimated total GVA basic was 2% lower than 2019 in real terms. The decline in GVA basic in real terms was the largest since 2012.

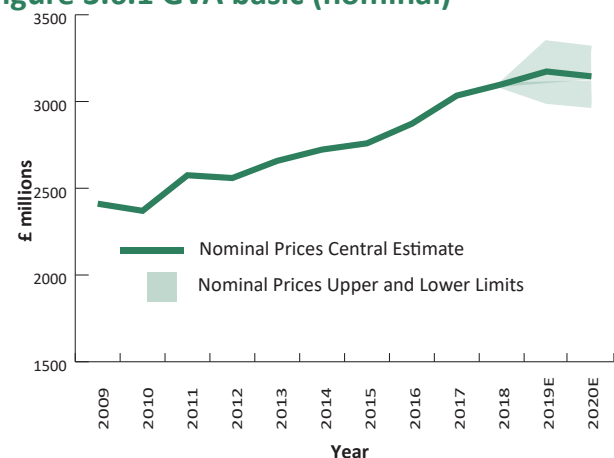
**Figure 3.6.1** and **Figure 3.6.2** provide upper and lower limits for the 2019 and 2020 estimates, as represented by the shaded portion of the graph, alongside the central estimate. The upper and lower limits provide an indication of the likely outcome for GVA basic once finalised, in nominal and real prices (two years after figures first published).

**Table 3.6.1 GVA basic**

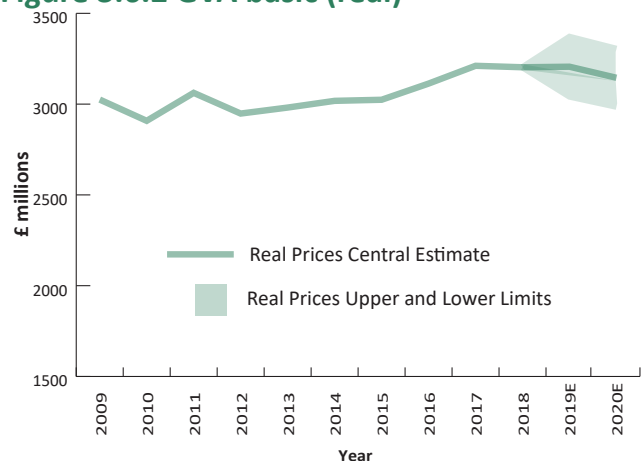
	GVA basic (£ millions, nominal)	Annual % change in nominal GVA basic	GVA basic (£ millions, real)	Annual % change in real GVA basic
2010	2,370	-2	2,908	-4
2011	2,575	9	3,062	5
2012	2,559	-1	2,948	-4
2013	2,658	4	2,981	1
2014	2,723	2	3,018	1
2015	2,759	1	3,024	0
2016	2,872	4	3,113	3
2017	3,034	6	3,211	3
2018	3,099	2	3,203	0
2019CE	3,173	2	3,206	0
2020CE	3,145	-1	3,145	-2

Note: CE is the Central Estimate. Upper and Lower Estimates for 2019 and 2020 are illustrated below to give the most likely outcome for GDP once finalised.

**Figure 3.6.1 GVA basic (nominal)**



**Figure 3.6.2 GVA basic (real)**



## 3.6 GVA basic by sector - all

For transparency and comparability with previous bulletins, where GVA by sector analysis was presented at basic prices, the table below shows the contribution of each sector before taxes on products have been added on and before any subsidies (on either products or production) have been netted off. Prior to 2020, there were no subsidies on production, so those figures equate to GVA at basic prices.

Based on these figures, twelve of the nineteen economic sectors recorded a decrease between 2019 and 2020, as shown in **Table 3.6.2**. The Finance sector, recorded the largest contribution in 2020, at £1,265 million, whilst the Water supply, sewerage, waste management and remediation sector recorded the lowest contribution in 2020 at £4 million.

**Table 3.6.2 GVA basic by sector (£millions, nominal)**

		2015	2016	2017	2018	2019CE	2020CE	% change 2019-2020
1	Agriculture, horticulture, fishing and quarrying	13	14	15	13	13	14	7
2	Manufacturing	29	33	31	31	31	32	3
3	Electricity, gas, steam and air conditioning supply	15	15	17	15	24	24	1
4	Water supply, sewerage, waste management and remediation activities	3	4	4	4	5	4	-17
5	Construction	113	107	112	119	125	124	-1
6	Wholesale, retail and repairs	289	255	256	261	260	257	-1
7	Hostelry	52	53	55	55	57	46	-19
8	Transport and storage	43	46	46	48	48	44	-9
9	Information and communication	58	62	62	62	65	68	6
10	Finance	1,080	1,135	1,250	1,256	1,273	1,265	-1
11	Real estate activities	18	17	18	17	18	19	6
12	Professional, business, scientific and technical activities	216	311	337	349	354	335	-5
13	Administrative and support service activities	115	113	114	122	125	119	-4
14	Public administration and trading bodies	253	261	267	278	283	291	2
15	Education	15	15	16	16	17	17	-1
16	Human health, social and charitable work activities	73	73	75	79	81	79	-2
17	Arts, entertainment and recreation	29	21	13	16	15	14	-9
18	Other service activities	19	17	17	17	17	15	-7
19	Households	244	242	252	262	283	295	4
99	Uncoded*	83	78	78	78	81	83	3
	<b>GVA basic</b>	<b>2,759</b>	<b>2,872</b>	<b>3,034</b>	<b>3,099</b>	<b>3,173</b>	<b>3,145</b>	<b>-1</b>
	Plus taxes on products	+62	+67	+71	+75	+78	+81	5
	Less subsidies on products and production	-5	-5	-5	-4	-6	-48	-779
	<b>GDP (equal to GVA market)</b>	<b>2,816</b>	<b>2,934</b>	<b>3,101</b>	<b>3,170</b>	<b>3,244</b>	<b>3,178</b>	<b>-2</b>

\* Most GVA basic can be allocated by sector. But where this has not been feasible it is included as "uncoded".

### 3.7 Factor income basic by sector - per worker

For comparability with previous bulletins Factor income by sector analysis are also presented before taxes on products have been added on and before any subsidies (on either products or production) have been netted off. Prior to 2020, there were no subsidies on production, so those figures equate to Factor income at basic prices.

**Table 3.7.1 Factor income basic per worker by sector (£s, nominal)**

		2015	2016	2017	2018	2019CE	2020CE	% change 2019-2020
1	Agriculture, horticulture, fishing and quarrying	29,189	31,463	34,334	30,287	30,567	30,374	-1
2	Manufacturing	42,476	49,000	46,526	47,284	46,576	47,831	3
3	Electricity, gas, steam and air conditioning supply	52,783	53,836	60,168	48,175	84,651	89,635	6
4	Water supply, sewerage, waste management and remediation activities	33,712	37,987	39,466	39,957	41,087	31,270	-24
5	Construction	37,995	38,033	40,810	42,928	44,886	42,574	-5
6	Wholesale, retail and repairs	70,724	62,748	64,133	66,765	66,614	67,770	2
7	Hostelry	27,021	27,099	28,325	28,683	29,811	26,373	-12
8	Transport and storage	37,569	36,763	39,547	41,232	42,356	38,905	-8
9	Information and communication	73,482	80,748	79,435	80,571	80,068	78,303	-2
10	Finance	175,113	181,899	201,030	200,960	201,817	210,709	4
11	Real estate activities	63,089	63,292	67,978	65,135	65,927	62,413	-5
12	Professional, business, scientific and technical activities	81,617	114,089	121,072	123,443	125,280	117,753	-6
13	Administrative and support service activities	69,559	70,150	67,666	70,115	72,936	71,633	-2
14	Public administration and trading bodies	46,811	47,988	48,732	50,909	51,090	51,314	0
15	Education	26,770	26,493	25,805	26,230	25,903	25,437	-2
16	Human health, social and charitable work activities	41,661	40,438	39,043	40,678	40,374	37,308	-8
17	Arts, entertainment and recreation	85,001	59,881	35,478	44,868	42,178	34,466	-18
18	Other service activities	37,319	33,828	33,459	33,562	33,685	31,434	-7

## 4.1 Appendix 1 - Methodology

As explained at the start of this bulletin, Guernsey (like many other small jurisdictions) measures its economy only using an 'income' approach (and has done so since 1965). Guernsey's GVA and GDP figures are used as targets within the fiscal framework and for overseas aid contributions, so it is important that the method follows best practice. Other larger jurisdictions use up to three approaches in order to produce full National Accounts and cross-check the total figures that are resultant.

The income approach method used in Guernsey was revised in 2017, to better align it with the international standard defined by the United Nations (as described by the framework known as the System of National Accounts). The Office for National Statistics audited the revised method in November 2017 and agreed that it is now better aligned, but that further improvements can always be made; both within the income approach method and by introducing an additional output approach as a cross check. Further details of the revisions and feedback from the Office for National Statistics are included within the 2016 and 2017 editions of the Guernsey Annual GVA and GDP Bulletin, available via <https://gov.gg/gdp>.

The Data & Analysis team have begun to introduce some further improvements to the income approach as part of a programme of improvements to the national statistics that are published and plan to investigate the feasibility and costs of introducing a second approach as well. In 2020, [The Economic-Statistics \(Guernsey and Alderney\) Law, 2019](#) was enacted. This allows controlled sharing of some of the data collected for Income Tax purposes with the Data & Analysis service, which (as mentioned in the introduction) was used to inform the 2019 and 2020 estimates. It has also highlighted inadequacies of using data collected for Income Tax purposes for the purpose of calculating GVA and GDP. Specifically around the Gross Operating Surplus of entities that are part of multi-national enterprises including those operating across more than one of the islands within the Channel Islands.

The Data & Analysis service piloted an economic activity return in May and June 2021; a form designed to collect data specifically to be used in the calculation and forecasting of GVA and GDP (see <https://gov.gg/economicactivityreturn>). The pilot was promoted via media releases, a paid advert in the Guernsey Press, by business groups and on social media, but was completed by only 33 enterprises. The feedback gathered was nonetheless valuable and the return form will be enhanced as a result.

The intention is for the revised return form to be made available for completion using MyGov (<https://my.gov.gg>) online accounts in 2022. A stratified sample of enterprises will be required to complete the return. It will predominantly gather information to inform the Gross Operating Surplus component of GVA and GDP calculations and forecasts.

Additionally, individuals and organisations that are employers will be required to provide some additional details via their employer returns, such as:

- Separation of information on wages paid to current employees from pensions paid to past employees
- The occupation of each employee (coded using <https://gov.gg/ocodes>)
- The number of hours worked by each employee (or the hours the employee is contracted to work)
- The value of employer contributions to occupational / secondary pension schemes

This information will be used both within GVA and GDP calculations and to improve measures of average earnings.



It is hoped that the planned improvements will enable greater accuracy and higher confidence in published figures, particularly first estimates, which currently tend to be subject to significant revisions following their first publication. This in turn will help improve Guernsey's international reputation (for example, in Standard & Poor reports)

The approach being taken is intended to be the least administratively burdensome approach to gathering the additional information needed to provide GVA and GDP figures with an acceptable degree of confidence.

If you are interested in being involved in the design of this process or would like any further information, please contact [dataandanalysis@gov.gg](mailto:dataandanalysis@gov.gg).

## 5.1 Contact details

You may also be interested in other publications from States of Guernsey Data and Analysis Services, which are all available online at [www.gov.gg/data](http://www.gov.gg/data). Please contact us for further information.

E-mail: [dataandanalysis@gov.gg](mailto:dataandanalysis@gov.gg)



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