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OIA-BEA ANNOUNCE RELEASE OF GROSS DOMESTIC PRODUCT (GDP) ESTIMATES FOR AMERICAN SAMOA FOR 2008 AND 2009

WASHINGTON, D.C. – The Department of the Interior’s Office of Insular Affairs (OIA) and the Department of Commerce’s Bureau of Economic Analysis (BEA) are pleased to announce the release of the gross domestic product (GDP) estimates for 2008 and 2009 for American Samoa. These estimates follow the initial GDP estimates for American Samoa for 2002-2007 which were released in May 2010.

The release of GDP estimates for American Samoa by the BEA, the federal agency responsible for national economic accounts, is the product of a technical assistance agreement between OIA and the BEA. As currently formulated, the BEA’s mandate for GDP calculations, release and updates covers the 50 states and the District of Columbia (DC) but does not include the U.S. insular areas. To produce GDP data for the territories in the same manner it does for the 50 states and DC, OIA entered into a technical assistance agreement with the BEA that covers the cost of its technical expertise and field work in the territories.

Over the course of the last year, the BEA has worked closely with local island staff to develop the first-ever, comprehensive mechanisms for calculating the GDP data for American Samoa and the remaining insular areas.

The BEA relies heavily on the federal government’s current research and data to estimate the GDP for the 50 states, DC and the United States as a whole. Presently, ongoing initiatives to conduct such research do not include the insular areas. The recent OIA–BEA agreement is the only vehicle to generate these basic economic data that are readily available for the 50 states and DC. GDP estimates produced by the BEA are essential to better understand the territorial economies and how they evolve over time.

“I think this is a necessary step in the right direction and I believe strongly that once we formalize the collection of data and provide our insular governments with a sound sense of the economic activity that is generated on each island, governments will be better equipped to make informed decisions about their economic growth and development policies,” said Assistant Secretary Babauta.

“Going forward, our objective is to formalize the scope of the BEA’s mandate to include the territories. This inclusion is critical as island leaders are increasingly asked to do more with less in the face of stringent budget cuts. The goal is to provide data that is current, accessible and employable,” added Babauta.

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NEWS RELEASE



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THE BUREAU OF ECONOMIC ANALYSIS (BEA) RELEASES ESTIMATES OF GROSS DOMESTIC PRODUCT FOR AMERICAN SAMOA

UTULEI, AMERICAN SAMOA (May 31, 2011) -- Today, the Bureau of Economic Analysis (BEA) is releasing estimates of gross domestic product (GDP) for American Samoa for 2008 and 2009.¹ This release also includes revised estimates for 2002 to 2007.² These estimates were developed under the Statistical Improvement Program funded by the Office of Insular Affairs (OIA) of the U.S. Department of the Interior.

The estimates for American Samoa show that real GDP -- GDP adjusted to remove price changes -- decreased 4.7 percent in 2009 after decreasing 2.1 percent in 2008 (see Table 3). For comparison, real GDP for the U.S. (excluding the territories) decreased 2.6 percent in 2009 after remaining unchanged in 2008.

For 2008, the decrease in real GDP reflected a decrease in inventory investment that was partly offset by an increase in territorial government spending.³ For 2009, the main contributor to the decrease in real GDP was a decrease in exports of goods, primarily of canned tuna.⁴ This decrease was partly offset by a decrease in imports of goods and increases in government spending and in inventory investment. The larger decrease in real GDP in 2009 reflected a significantly larger decrease in exports of goods that was partly offset by a large downturn in imports of goods and an upturn in inventory investment.

The estimates of real GDP for 2008 and 2009 highlight the impact that the tuna canning industry and the government sector had on American Samoa's economy. In 2009, one of the territory's two canneries closed, significantly affecting economic growth. However, the canning industry continued to be a major private employer during both years, while the territorial government continued to be the largest single employer.

¹ These estimates are based on limited source data and are subject to revision.

² On May 5, 2010, BEA released estimates of GDP for the period 2002 to 2007 for American Samoa, as well as for the Commonwealth of the Northern Mariana Islands, Guam, and the U.S. Virgin Islands.

³ In this news release, "consumer spending" refers to "personal consumption expenditures," "inventory investment" refers to "change in private inventories," and "government spending" refers to "government consumption expenditures and gross investment."

⁴ For 2008 and 2009, cannery exports represented the vast majority of total exports of goods and services.

The accompanying tables present estimates for GDP and its major components, including consumer spending, private fixed investment, inventory investment, net exports, and government spending. Also included in this release are estimates for the major components of gross domestic income.

Revisions

Estimates for 2002 to 2007 that were released on May 5, 2010 have been revised in order to incorporate improvements to source data and estimation methodologies; these improvements include the following:

- Incorporating an improved price measure for imports of landed fish that was based on market prices of albacore and skipjack tuna and the volume of each used in canned tuna production.
- Incorporating a price measure for imports and inventory investment for tin plates used in canned tuna production to better reflect changes in market prices of tin-plated rolled steel.
- Incorporating improved source data for government spending, including federal military compensation and territorial government construction spending.

The pattern of growth in the revised estimates is similar to that of the previously published estimates. In both the revised and the published estimates, real GDP increased in all years except 2006, and the overall growth over the period was low. From 2002 to 2007, real GDP increased at an average annual rate of 0.1 percent; in the previously published estimates, the rate of change was +0.4 percent. Percent changes in real GDP from the preceding year -- revised and as published in last year's release -- are shown in Table 7.

Methodology

In constructing the estimates for American Samoa, BEA used methodologies consistent with the methods used to estimate U.S. GDP. Information from the Economic Census of Island Areas was used to establish benchmark levels of GDP for the years 2002 and 2007. For other years, annual series were developed and used to estimate GDP. Because American Samoa is not included in most of the major surveys used by BEA to estimate U.S. GDP, the support of government leaders in American Samoa and the assistance provided by the American Samoa Department of Commerce were critical to the successful production of the estimates presented in this release.

Future directions

Moving forward, an agreement between OIA and BEA will extend and improve the estimates of GDP for American Samoa. BEA currently plans to release estimates for 2010 in the spring of 2012.

BEA's national, international, regional, and industry statistics; the *Survey of Current Business*; and BEA news releases are available without charge on BEA's Web site at www.bea.gov. By visiting the site, you can also subscribe to receive free e-mail summaries of BEA releases and announcements.

American Samoa

Table 1. Gross Domestic Product

| | Line | [Millions of dollars] | | | | | | | |
|---|------|-----------------------|------------|------------|------------|------------|------------|------------|------------|
| | | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Gross domestic product | 1 | 546 | 558 | 543 | 548 | 545 | 572 | 605 | 703 |
| Personal consumption expenditures | 2 | 309 | 329 | 354 | 365 | 372 | 379 | 404 | 403 |
| Private fixed investment | 3 | 12 | 12 | 17 | 21 | 20 | 21 | 20 | 17 |
| Change in private inventories | 4 | 5 | 28 | 13 | -6 | -3 | -8 | -35 | -10 |
| Net exports | 5 | -18 | -60 | -91 | -81 | -95 | -65 | -53 | -1 |
| Exports | 6 | 527 | 522 | 470 | 507 | 504 | 512 | 647 | 536 |
| Goods | 7 | 503 | 495 | 442 | 480 | 477 | 488 | 621 | 510 |
| Services | 8 | 25 | 27 | 28 | 27 | 26 | 24 | 25 | 27 |
| Imports | 9 | 545 | 582 | 560 | 589 | 598 | 577 | 700 | 537 |
| Goods | 10 | 487 | 513 | 493 | 525 | 532 | 515 | 630 | 476 |
| Services | 11 | 58 | 69 | 68 | 64 | 66 | 62 | 70 | 61 |
| Government consumption expenditures and gross investment | 12 | 238 | 249 | 250 | 250 | 250 | 245 | 269 | 293 |
| Federal | 13 | 10 | 20 | 26 | 24 | 19 | 18 | 21 | 29 |
| Territorial | 14 | 227 | 229 | 224 | 225 | 231 | 228 | 247 | 264 |

NOTE. Detail may not add to total because of rounding.

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Table 2. Real Gross Domestic Product, Chained Dollars

| | Line | [Millions of chained (2005) dollars] | | | | | | | |
|---|------|--------------------------------------|-------|-------|-------|-------|-------|-------|-------|
| | | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Gross domestic product | 1 | 539 | 542 | 545 | 548 | 531 | 540 | 529 | 504 |
| Personal consumption expenditures | 2 | 341 | 350 | 367 | 365 | 363 | 359 | 358 | 357 |
| Private fixed investment | 3 | 14 | 14 | 18 | 21 | 20 | 20 | 20 | 17 |
| Change in private inventories | 4 | 6 | 31 | 13 | -6 | -3 | -7 | -23 | -10 |
| Net exports | 5 | -91 | -130 | -112 | -81 | -88 | -61 | -68 | -106 |
| Exports | 6 | 590 | 577 | 485 | 507 | 474 | 479 | 475 | 375 |
| Goods | 7 | 560 | 547 | 456 | 480 | 448 | 456 | 453 | 352 |
| Services | 8 | 31 | 30 | 30 | 27 | 26 | 23 | 22 | 24 |
| Imports | 9 | 681 | 707 | 597 | 589 | 561 | 541 | 543 | 481 |
| Goods | 10 | 608 | 629 | 525 | 525 | 496 | 478 | 479 | 421 |
| Services | 11 | 73 | 79 | 72 | 64 | 65 | 63 | 64 | 60 |
| Government consumption expenditures and gross investment | 12 | 263 | 270 | 258 | 250 | 239 | 228 | 245 | 264 |
| Federal | 13 | 13 | 23 | 29 | 24 | 18 | 16 | 18 | 25 |
| Territorial | 14 | 249 | 246 | 229 | 225 | 221 | 213 | 227 | 238 |
| Addenda: | | | | | | | | | |
| Population (thousands) ¹ | 15 | 60.8 | 62.6 | 64.1 | 65.5 | 66.9 | 68.2 | 69.2 | 70.1 |
| Per capita real GDP (chained dollars) | 16 | 8,865 | 8,658 | 8,502 | 8,366 | 7,937 | 7,918 | 7,645 | 7,190 |

1. Source: 2009 American Samoa Statistical Yearbook

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Table 3. Percent Change From Preceding Year in Real Gross Domestic Product

| | Line | [Percent] | | | | | | |
|---|------|-----------|-------|-------|-------|-------|-------|-------|
| | | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Gross domestic product | 1 | 0.6 | 0.5 | 0.7 | -3.1 | 1.7 | -2.1 | -4.7 |
| Personal consumption expenditures | 2 | 2.5 | 4.9 | -0.4 | -0.6 | -1.0 | -0.4 | -0.3 |
| Private fixed investment | 3 | 0.7 | 32.0 | 14.1 | -6.0 | 3.3 | -0.3 | -14.4 |
| Change in private inventories | 4 | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Net exports | 5 | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Exports | 6 | -2.2 | -16.0 | 4.6 | -6.6 | 1.2 | -0.8 | -21.1 |
| Goods | 7 | -2.3 | -16.7 | 5.4 | -6.8 | 1.8 | -0.6 | -22.2 |
| Services | 8 | -0.6 | -2.7 | -8.6 | -3.2 | -10.2 | -4.5 | 5.3 |
| Imports | 9 | 3.9 | -15.6 | -1.4 | -4.7 | -3.7 | 0.5 | -11.5 |
| Goods | 10 | 3.3 | -16.5 | 0.0 | -5.4 | -3.7 | 0.2 | -12.0 |
| Services | 11 | 8.2 | -8.7 | -11.2 | 1.7 | -4.0 | 3.0 | -6.4 |
| Government consumption expenditures and gross investment | 12 | 2.5 | -4.3 | -3.2 | -4.4 | -4.3 | 7.3 | 7.6 |
| Federal | 13 | 85.1 | 22.7 | -14.2 | -26.0 | -13.1 | 17.1 | 36.2 |
| Territorial | 14 | -1.3 | -6.7 | -1.8 | -2.0 | -3.6 | 6.5 | 5.1 |

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Table 4. Contributions to Percent Change in Real Gross Domestic Product

| | Line | | | | | | | |
|---|------|-------|--------|-------|-------|-------|-------|--------|
| | | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Percent change: | | | | | | | | |
| Gross domestic product | 1 | 0.6 | 0.5 | 0.7 | -3.1 | 1.7 | -2.1 | -4.7 |
| Percentage points: | | | | | | | | |
| Personal consumption expenditures | 2 | 1.42 | 2.99 | -0.25 | -0.42 | -0.69 | -0.27 | -0.13 |
| Private fixed investment | 3 | 0.02 | 0.74 | 0.46 | -0.23 | 0.12 | -0.01 | -0.43 |
| Change in private inventories | 4 | 4.03 | -3.25 | -3.56 | 0.73 | -0.84 | -3.52 | 2.42 |
| Net exports | 5 | -6.00 | 2.07 | 5.47 | -1.15 | 5.08 | -1.30 | -9.62 |
| Exports | 6 | -2.13 | -15.80 | 4.04 | -6.25 | 1.07 | -0.79 | -20.84 |
| Goods | 7 | -2.10 | -15.66 | 4.49 | -6.10 | 1.57 | -0.60 | -21.04 |
| Services | 8 | -0.03 | -0.14 | -0.46 | -0.16 | -0.49 | -0.19 | 0.20 |
| Imports | 9 | -3.87 | 17.86 | 1.44 | 5.11 | 4.01 | -0.50 | 11.22 |
| Goods | 10 | -2.95 | 16.72 | 0.00 | 5.30 | 3.54 | -0.17 | 10.58 |
| Services | 11 | -0.91 | 1.14 | 1.43 | -0.19 | 0.47 | -0.33 | 0.65 |
| Government consumption expenditures and gross investment | 12 | 1.10 | -2.03 | -1.48 | -2.03 | -1.97 | 3.03 | 3.05 |
| Federal | 13 | 1.64 | 0.87 | -0.72 | -1.18 | -0.47 | 0.51 | 1.14 |
| Territorial | 14 | -0.54 | -2.89 | -0.76 | -0.85 | -1.50 | 2.52 | 1.91 |

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Table 5. Percent Change From Preceding Year in Prices for Gross Domestic Product and Price Indexes for Gross Domestic Product

| | Line | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|-----------------------------------|------|---------------------------|-------|------|-------|-------|-------|-------|-------|
| | | [Percent] | | | | | | | |
| Gross domestic product | 1 | ..... | 1.6 | -3.2 | 0.3 | 2.5 | 3.3 | 8.0 | 21.8 |
| Personal consumption expenditures | 2 | ..... | 3.8 | 2.6 | 3.6 | 2.5 | 2.7 | 7.2 | 0.1 |
| | | [Index numbers, 2005=100] | | | | | | | |
| Gross domestic product | 3 | 101.3 | 103.0 | 99.7 | 100.0 | 102.5 | 105.9 | 114.4 | 139.4 |
| Personal consumption expenditures | 4 | 90.6 | 94.1 | 96.5 | 100.0 | 102.5 | 105.3 | 112.9 | 113.0 |

Table 6. Gross Domestic Income

| | Line | [Millions of dollars] | | | | | | | |
|--|------|-----------------------|------|------|------|------|------|------|------|
| | | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
| Gross domestic income | 1 | 546 | 558 | 543 | 548 | 545 | 572 | 605 | 703 |
| Compensation of employees | 2 | 230 | 242 | 254 | 268 | 263 | 263 | 278 | 273 |
| Taxes on production and imports less subsidies | 3 | 21 | 21 | 19 | 19 | 20 | 20 | 21 | 20 |
| Gross operating surplus | 4 | 295 | 295 | 270 | 261 | 262 | 289 | 306 | 410 |

NOTE. Detail may not add to total because of rounding.

Table 7. Revisions to Percent Change in Real GDP

| | Line | 2003 | 2004 | 2005 | 2006 | 2007 |
|----------------------|------|-----------------|------|------|------|------|
| | | Percent change: | | | | |
| Revised | 1 | 0.6 | 0.5 | 0.7 | -3.1 | 1.7 |
| Previously published | 2 | 1.5 | 0.7 | 2.1 | -2.9 | 0.5 |
| Percentage points: | | | | | | |
| Revision | 3 | -0.9 | -0.2 | -1.4 | -0.2 | 1.2 |