



NEWS RELEASE



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THE BUREAU OF ECONOMIC ANALYSIS (BEA) RELEASES 2014 ESTIMATES OF GROSS DOMESTIC PRODUCT FOR THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

CAPITOL HILL, SAIPAN (February 29, 2016) -- Today, the Bureau of Economic Analysis (BEA) is releasing estimates of gross domestic product (GDP) for the Commonwealth of the Northern Mariana Islands (CNMI) for 2014, in addition to estimates of GDP by industry and compensation by industry for 2013.¹ 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.

This release also includes the results of the first comprehensive revision of the territorial economic accounts. Revised estimates of GDP, GDP by industry, and compensation by industry are presented, extending back to 2002.

Gross Domestic Product for 2014

The economy of the CNMI grew in 2014, for the third consecutive year. The estimates of GDP for the CNMI show that real GDP -- GDP adjusted to remove price changes -- increased 3.0 percent in 2014 (see Table 1.3). For comparison, real GDP for the U.S. (excluding the territories) increased 2.4 percent in 2014.

The growth in the CNMI economy reflected increases in private fixed investment, in consumer spending, and in exports of services (see Table 1.4).² These increases were partly offset by an increase in imports of goods and services, which is a subtraction item in the calculation of GDP.

Private fixed investment was the largest contributor to economic growth in 2014, increasing over 50 percent. This increase reflected growth in business purchases of equipment and in private sector construction activity.

Consumer spending increased 9.1 percent, reflecting widespread growth in household purchases of goods and services, including a continued increase in purchases of motor vehicles.

Exports of services, which consists mostly of spending by tourists, increased 2.6 percent in 2014. The growth in tourism spending reflected an increase in visitor arrivals to the CNMI.

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

² In this news release, "consumer spending" refers to "personal consumption expenditures."

Gross Domestic Product by Industry and Compensation by Industry for 2013

The estimates of GDP by industry for the CNMI show that the private sector and the government sector both increased in 2013 (see Table 2.4). The increase in the private sector reflected increases in the accommodations and amusement sector and in the distributive services sector. The growth in the government sector reflected an increase in territorial government compensation.

The compensation by industry estimates, which are measured in current dollars, show trends in compensation for major industries (see Table 2.6). Total compensation increased in 2013; the largest contributor to the increase was the accommodations and amusement sector.

The accompanying tables present estimates for GDP and its major components, GDP by industry, and compensation by industry. Also included in this release are estimates for the major components of gross domestic income.

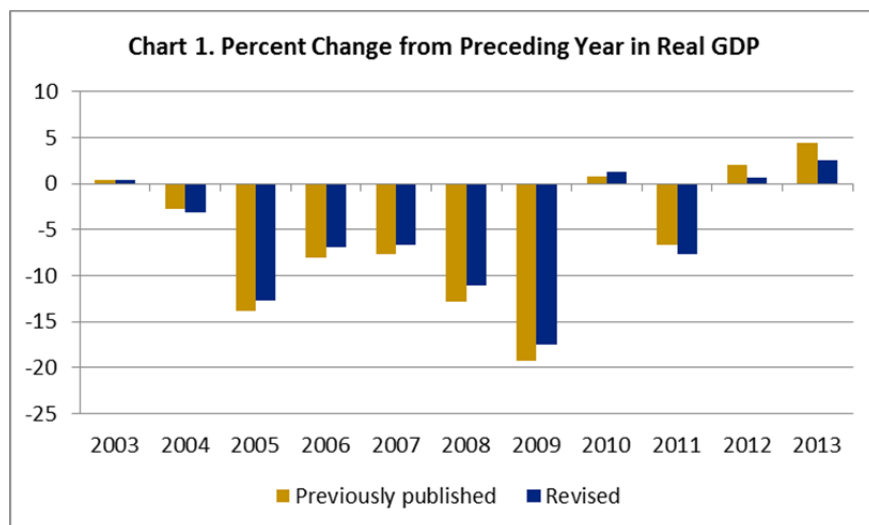
Revisions to GDP

With the comprehensive revision, estimates for 2002 to 2013 have been revised in order to incorporate improvements to source data, including:

- newly available and/or revised source data provided by the CNMI government,
- results from BEA's latest revisions to the national accounts, and
- information from the 2012 Economic Census of Island Areas, which provides the most thorough and detailed information on the structure of the CNMI economy.

The 2012 Economic Census of Island Areas included, for the first time, information for the CNMI on businesses' capital expenditures. This resulted in improved estimates of private fixed investment that replaced indirect measures based on imports of capital goods. The revised estimates are larger than the indirect measures; for example, in 2012, private fixed investment previously represented less than 4 percent of GDP; in the revised estimates, private fixed investment represents over 10 percent of GDP.

The revised estimates show a similar pattern of economic growth as the previously published estimates (see Chart 1).



From 2002 to 2013, real GDP decreased at an average annual rate of 5.7 percent, compared with a decrease of 6.0 percent in the previously published estimates.

Future directions

Moving forward, an agreement between OIA and BEA will extend and improve the estimates of GDP for the CNMI. The information provided by the CNMI government will continue to be critical to the successful production of these estimates.

BEA currently plans to release GDP estimates for 2015 in the summer of 2016. GDP by industry and compensation by industry estimates for 2014 will also be released at the same time.

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Commonwealth of the Northern Mariana Islands

1. Domestic Product and Income

Table 1.1. Gross Domestic Product

	Line	[Millions of dollars]												
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Gross domestic product	1	1,284	1,239	1,210	1,061	990	938	939	795	799	733	751	782	839
Personal consumption expenditures	2	459	470	477	425	474	480	504	431	442	451	469	488	538
Goods	3	332	346	394	332	369	358	387	332	354	366	399	438	470
Durable goods	4	121	127	145	123	140	137	142	119	130	132	143	166	186
Nondurable goods	5	210	219	249	209	229	222	245	213	224	234	256	272	284
Services	6	441	424	451	434	414	409	427	381	398	378	427	462	509
Net foreign travel	7	-314	-300	-368	-341	-309	-287	-310	-283	-309	-293	-357	-411	-441
Private fixed investment	8	80	78	98	97	92	79	83	85	77	74	79	91	141
Net exports of goods and services	9	387	344	281	182	77	47	29	-47	-70	-132	-98	-109	-155
Exports	10	1,169	1,118	1,218	1,017	829	627	488	312	335	317	380	435	463
Goods	11	848	810	842	668	514	333	172	23	19	17	16	17	15
Services	12	321	308	376	349	315	293	316	289	316	300	364	418	448
Imports	13	782	774	937	835	752	579	459	360	405	449	478	544	617
Goods	14	673	666	807	720	648	498	394	307	346	384	409	467	530
Services	15	109	108	130	116	104	81	66	53	59	65	69	77	87
Government consumption expenditures and gross investment	16	358	346	353	357	347	332	324	327	349	340	301	311	315
Federal	17	14	16	16	16	14	13	15	20	22	22	21	20	21
Territorial	18	344	329	337	340	333	319	308	306	327	318	279	291	294

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

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Table 1.2. Real Gross Domestic Product, Chained Dollars

	Line	[Millions of chained (2009) dollars]												
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Gross domestic product	1	1,469	1,475	1,429	1,248	1,162	1,084	964	795	806	744	748	767	791
Personal consumption expenditures	2	576	606	585	498	526	516	509	431	444	430	440	460	502
Goods	3	422	442	477	384	414	395	400	332	349	338	363	402	424
Durable goods	4	144	151	164	135	153	149	149	119	127	121	131	155	173
Nondurable goods	5	279	293	313	249	261	246	251	213	222	217	232	247	252
Services	6	516	516	537	505	455	434	433	381	389	354	390	416	444
Net foreign travel	7	-365	-356	-429	-391	-343	-313	-324	-283	-294	-263	-313	-356	-365
Private fixed investment	8	89	86	106	103	95	80	82	85	78	72	76	87	136
Net exports of goods and services	9	442	420	394	302	190	147	48	-47	-56	-82	-52	-61	-112
Exports	10	1,443	1,384	1,497	1,243	1,002	747	476	312	320	284	333	377	385
Goods	11	1,025	976	1,012	803	617	396	138	23	19	15	14	15	13
Services	12	374	365	438	399	350	320	331	289	300	269	319	362	371
Imports	13	1,002	964	1,103	941	812	600	428	360	376	367	384	438	497
Goods	14	863	825	938	796	691	511	361	307	320	308	323	368	419
Services	15	138	139	165	145	122	88	67	53	56	59	61	69	78
Government consumption expenditures and gross investment	16	422	425	405	391	383	348	326	327	341	327	286	288	282
Federal	17	18	20	19	18	15	13	16	20	21	21	20	19	19
Territorial	18	404	404	386	373	368	335	310	306	320	307	265	269	263
Addenda:														
Population (thousands) ¹	19	74.4	76.6	78.9	70.6	60.7	59.3	57.6	55.5	53.5	52.2	51.4	51.2	51.5
Per capita real GDP (chained dollars)	20	19,745	19,256	18,112	17,677	19,143	18,280	16,736	14,324	15,065	14,253	14,553	14,980	15,359

1. Source: U.S. Census Bureau

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Table 1.3. Percent Change From Preceding Year in Real Gross Domestic Product

	Line	[Percent]											
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Gross domestic product	1	0.4	-3.1	-12.7	-6.9	-6.6	-11.1	-17.5	1.3	-7.7	0.6	2.6	3.0
Personal consumption expenditures	2	5.2	-3.4	-14.8	5.5	-1.8	-1.4	-15.4	3.0	-3.2	2.4	4.5	9.1
Goods	3	4.8	7.8	-19.4	7.8	-4.6	1.3	-17.1	5.1	-3.0	7.4	10.7	5.5
Durable goods	4	4.7	9.1	-17.6	13.1	-2.7	0.2	-20.2	6.7	-5.0	8.5	18.1	11.7
Nondurable goods	5	4.8	7.1	-20.4	4.8	-5.8	2.0	-15.3	4.1	-1.9	6.8	6.6	1.8
Services	6	0.0	4.1	-5.9	-10.0	-4.5	-0.3	-11.9	2.0	-9.1	10.4	6.6	6.7
Net foreign travel	7	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Private fixed investment	8	-3.4	22.9	-3.3	-7.8	-15.4	2.1	4.4	-8.9	-6.9	5.6	14.5	55.5
Net exports of goods and services	9	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports	10	-4.1	8.2	-17.0	-19.4	-25.4	-36.3	-34.4	2.4	-11.1	17.1	13.3	2.0
Goods	11	-4.8	3.7	-20.6	-23.2	-35.8	-65.2	-83.4	-16.7	-20.8	-8.6	6.9	-11.7
Services	12	-2.4	20.0	-8.9	-12.3	-8.7	3.4	-12.5	3.8	-10.5	18.5	13.6	2.6
Imports	13	-3.8	14.4	-14.7	-13.7	-26.2	-28.6	-16.0	4.5	-2.5	4.8	13.9	13.5
Goods	14	-4.4	13.7	-15.2	-13.2	-26.0	-29.3	-15.0	4.3	-3.8	5.0	14.0	13.8
Services	15	0.1	18.9	-11.7	-16.4	-27.4	-24.3	-21.2	6.0	5.7	3.8	13.4	11.9
Government consumption expenditures and gross investment	16	0.6	-4.6	-3.4	-2.2	-9.0	-6.4	0.2	4.4	-4.0	-12.8	0.9	-2.0
Federal	17	10.9	-7.1	-2.4	-18.5	-13.0	19.2	30.7	4.4	-3.6	-2.5	-6.5	0.4
Territorial	18	0.1	-4.5	-3.4	-1.4	-8.8	-7.4	-1.3	4.4	-4.0	-13.5	1.4	-2.1

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Table 1.4. Contributions to Percent Change in Real Gross Domestic Product

	Line												
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Percent change:													
Gross domestic product	1	0.4	-3.1	-12.7	-6.9	-6.6	-11.1	-17.5	1.3	-7.7	0.6	2.6	3.0
Percentage points:													
Personal consumption expenditures	2	1.89	-1.33	-5.97	2.28	-0.87	-0.68	-8.36	1.65	-1.80	1.47	2.80	5.62
Goods	3	1.25	2.24	-6.45	2.49	-1.72	0.48	-7.20	2.14	-1.39	3.69	5.62	3.06
Durable goods	4	0.45	0.95	-2.14	1.52	-0.38	0.03	-3.14	1.02	-0.84	1.52	3.40	2.45
Nondurable goods	5	0.80	1.29	-4.31	0.97	-1.34	0.45	-4.06	1.12	-0.55	2.17	2.21	0.61
Services	6	0.00	1.40	-2.23	-4.21	-1.90	-0.13	-5.45	0.99	-4.67	5.37	3.76	3.94
Net foreign travel	7	0.63	-4.97	2.71	4.00	2.75	-1.02	4.28	-1.47	4.25	-7.60	-6.57	-1.38
Private fixed investment	8	-0.22	1.46	-0.27	-0.73	-1.43	0.17	0.38	-0.96	-0.67	0.56	1.51	6.30
Net exports of goods and services	9	-1.46	-1.87	-5.46	-7.70	-1.13	-8.43	-9.64	-1.19	-3.46	4.44	-2.05	-8.11
Exports	10	-3.85	7.38	-17.08	-18.68	-21.30	-25.55	-17.22	0.95	-4.80	7.39	6.71	1.14
Goods	11	-3.24	2.39	-14.30	-14.59	-18.53	-26.56	-12.91	-0.49	-0.53	-0.20	0.14	-0.25
Services	12	-0.61	4.99	-2.78	-4.09	-2.77	1.01	-4.31	1.44	-4.27	7.58	6.57	1.38
Imports	13	2.39	-9.25	11.62	10.98	20.17	17.13	7.58	-2.14	1.35	-2.95	-8.76	-9.24
Goods	14	2.40	-7.60	10.36	9.12	17.19	15.13	6.08	-1.74	1.78	-2.62	-7.55	-8.08
Services	15	-0.01	-1.65	1.26	1.86	2.97	2.00	1.50	-0.41	-0.43	-0.33	-1.21	-1.16
Government consumption expenditures and gross investment	16	0.16	-1.34	-1.01	-0.75	-3.21	-2.12	0.08	1.82	-1.75	-5.92	0.34	-0.79
Federal	17	0.13	-0.10	-0.03	-0.29	-0.19	0.24	0.51	0.11	-0.10	-0.07	-0.18	0.01
Territorial	18	0.03	-1.24	-0.98	-0.45	-3.03	-2.36	-0.43	1.71	-1.65	-5.84	0.53	-0.80

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Table 1.5. 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	2010	2011	2012	2013	2014
		[Percent]												
Gross domestic product	1	.....	-3.9	0.8	0.4	0.3	1.6	12.5	2.7	-0.8	-0.7	1.9	1.5	4.2
Personal consumption expenditures	2	.....	-2.6	5.1	4.5	5.8	3.2	6.3	1.1	-0.4	5.3	1.6	-0.4	0.9
		[Index numbers, 2009=100]												
Gross domestic product	3	87.4	84.0	84.6	85.0	85.2	86.5	97.4	100.0	99.2	98.5	100.4	101.9	106.1
Personal consumption expenditures	4	79.7	77.6	81.6	85.2	90.1	93.0	98.9	100.0	99.6	104.9	106.6	106.2	107.2

Table 1.6. Gross Domestic Income

	Line	[Millions of dollars]												
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Gross domestic income	1	1,284	1,239	1,210	1,061	990	938	939	795	799	733	751	782	839
Compensation of employees	2	720	725	753	700	602	533	501	455	456	431	415	433	469
Taxes on production and imports less subsidies	3	128	150	166	164	142	119	109	99	94	95	102	125	170
Gross operating surplus	4	436	364	291	197	246	286	329	241	249	207	234	224	200

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

Table 1.7. Revisions to Percent Change in Real Gross Domestic Product

	Line	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
		Percent change:										
Revised	1	0.4	-3.1	-12.7	-6.9	-6.6	-11.1	-17.5	1.3	-7.7	0.6	2.6
Previously published	2	0.4	-2.7	-13.8	-8.0	-7.7	-12.8	-19.2	0.8	-6.7	2.1	4.4
Percentage points:												
Revision	3	0.0	-0.4	1.1	1.1	1.1	1.7	1.7	0.5	-1.0	-1.5	-1.8

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2. GDP by Industry

Table 2.1. Value Added by Industry

	Line	[Millions of dollars]											
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Gross domestic product	1	1,284	1,239	1,210	1,061	990	938	939	795	799	733	751	782
Private industries	2	1,053	998	974	824	769	717	727	586	589	540	563	583
Manufacturing	3	403	395	386	349	244	174	50	18	16	15	12	11
Distributive Services	4	129	138	150	124	143	140	165	135	149	153	157	170
Accommodations and Amusement	5	122	123	141	144	128	111	122	105	110	97	114	133
All Other	6	398	342	298	207	254	291	390	328	314	274	280	269
Government	7	231	241	235	236	220	222	212	209	210	193	188	199
Federal	8	6	9	11	14	13	13	14	16	14	15	15	15
Territorial	9	225	232	224	222	207	209	197	193	196	178	173	185

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

Table 2.2. Value Added by Industry as a Percentage of GDP

	Line	[Percent]											
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Gross domestic product	1	100	100	100	100	100	100	100	100	100	100	100	100
Private industries	2	82	81	80	78	78	76	77	74	74	74	75	75
Manufacturing	3	31	32	32	33	25	19	5	2	2	2	2	1
Distributive Services	4	10	11	12	12	14	15	18	17	19	21	21	22
Accommodations and Amusement	5	10	10	12	14	13	12	13	13	14	13	15	17
All Other	6	31	28	25	20	26	31	42	41	39	37	37	34
Government	7	18	19	19	22	22	24	23	26	26	26	25	25
Federal	8	0	1	1	1	1	1	1	2	2	2	2	2
Territorial	9	18	19	19	21	21	22	21	24	25	24	23	24

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Table 2.3. Real Value Added by Industry

	Line	[Millions of chained (2009) dollars]											
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Gross domestic product	1	1,469	1,475	1,429	1,248	1,162	1,084	964	795	806	744	748	767
Private industries	2	1,216	1,189	1,172	994	915	846	745	586	601	560	573	587
Manufacturing	3	425	421	414	364	252	181	52	18	16	15	11	10
Distributive Services	4	149	160	170	138	153	147	169	135	147	148	148	157
Accommodations and Amusement	5	151	152	170	167	144	120	128	105	110	98	110	125
All Other	6	434	401	362	275	340	391	396	328	328	298	303	291
Government	7	256	289	261	254	246	237	219	209	204	184	176	182
Federal	8	8	11	13	16	15	13	15	16	14	14	14	13
Territorial	9	248	277	248	238	231	224	205	193	191	170	163	169

Table 2.4. Percent Changes in Real Value Added by Industry

	Line	[Percent]										
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Gross domestic product	1	0.4	-3.1	-12.7	-6.9	-6.6	-11.1	-17.5	1.3	-7.7	0.6	2.6
Private industries	2	-2.3	-1.4	-15.2	-7.9	-7.6	-12.0	-21.3	2.6	-6.9	2.3	2.4
Manufacturing	3	-1.1	-1.6	-12.0	-30.7	-28.4	-71.4	-65.4	-10.5	-7.8	-27.3	-6.3
Distributive Services	4	7.5	6.7	-19.2	11.2	-4.1	15.1	-20.4	9.3	0.8	-0.3	6.0
Accommodations and Amusement	5	0.3	12.4	-1.8	-13.9	-16.7	6.9	-17.8	4.2	-11.0	13.0	13.6
All Other	6	-7.5	-9.7	-24.1	23.5	15.2	1.2	-17.1	0.1	-9.1	1.6	-3.9
Government	7	12.5	-9.6	-2.7	-3.3	-3.5	-7.5	-4.6	-2.3	-9.9	-4.3	3.3
Federal	8	39.0	16.9	19.3	-8.1	-7.3	10.0	9.9	-15.1	1.5	-2.4	-2.1
Territorial	9	11.8	-10.6	-3.8	-3.0	-3.2	-8.6	-5.6	-1.2	-10.8	-4.5	3.8

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Table 2.5. Contributions to Percent Change in Real Gross Domestic Product by Industry

	Line											
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Percent change:												
Gross domestic product	1	0.4	-3.1	-12.7	-6.9	-6.6	-11.1	-17.5	1.3	-7.7	0.6	2.6
Percentage points:												
Private industries	2	-1.85	-1.14	-12.18	-6.17	-5.85	-9.27	-16.49	1.94	-5.05	1.68	1.78
Manufacturing	3	-0.35	-0.51	-3.88	-10.16	-6.93	-12.60	-3.50	-0.24	-0.16	-0.58	-0.10
Distributive Services	4	0.76	0.76	-2.41	1.34	-0.59	2.16	-3.58	1.58	0.16	-0.06	1.26
Accommodations and Amusement	5	0.03	1.24	-0.22	-1.91	-2.19	0.78	-2.34	0.55	-1.52	1.74	2.08
All Other	6	-2.30	-2.63	-5.67	4.56	3.86	0.39	-7.07	0.04	-3.53	0.58	-1.46
Government	7	2.21	-1.93	-0.53	-0.72	-0.78	-1.71	-1.04	-0.61	-2.65	-1.13	0.83
Federal	8	0.19	0.12	0.18	-0.11	-0.10	0.13	0.15	-0.32	0.03	-0.05	-0.04
Territorial	9	2.02	-2.05	-0.71	-0.61	-0.68	-1.84	-1.19	-0.30	-2.68	-1.08	0.87

NOTE. Percentage-point contributions do not sum to the percent change in real gross domestic product because of rounding and differences in source data used to estimate GDP by industry and the expenditures measure of real GDP.

Table 2.6. Compensation of Employees by Industry

	Line	[Millions of dollars]											
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total compensation	1	720	725	753	700	602	533	501	455	456	431	415	433
Private industries	2	506	510	536	480	398	336	307	263	264	259	252	266
Manufacturing	3	210	199	216	166	117	74	26	9	8	8	8	7
Distributive Services	4	57	61	65	54	62	62	72	58	62	62	63	67
Accommodations and Amusement	5	64	66	76	77	67	61	67	58	60	54	64	74
All Other	6	175	184	179	183	152	140	142	137	134	135	119	117
Government	7	214	215	217	220	204	197	194	192	191	172	163	167
Federal	8	6	9	11	13	13	13	14	16	14	14	14	14
Territorial	9	208	206	206	207	191	184	180	176	177	158	149	153

NOTE. Revisions to previously published estimates of compensation of employees reflect the incorporation of administrative wage data provided by the CNMI government and information on other personnel costs from the 2012 Economic Census of Island Areas.