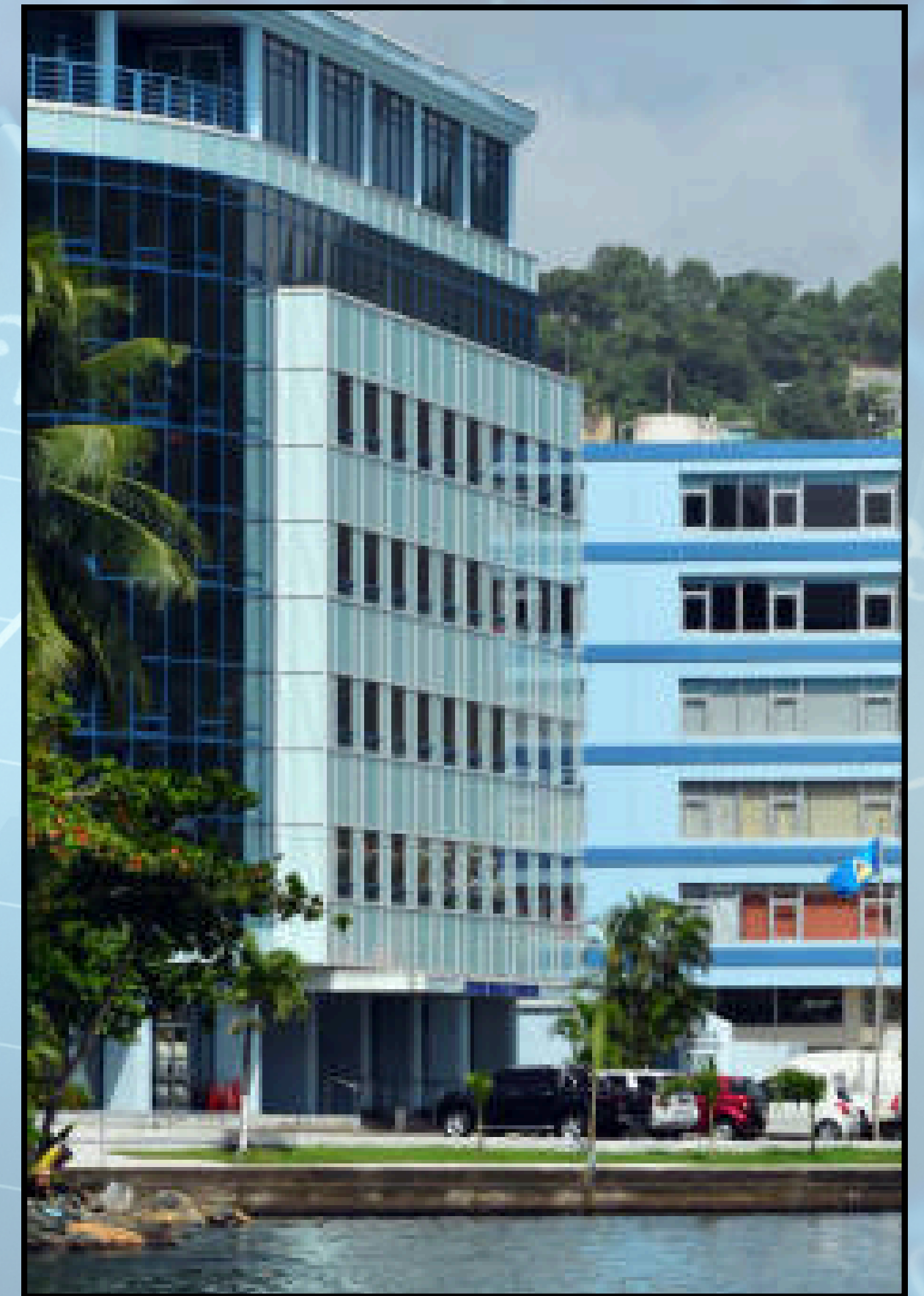




CENTRAL STATISTICAL OFFICE OF SAINT LUCIA

KEY ECONOMIC STATISTICS

**ECONOMIC INDICATORS:
QUARTERLY AND ANNUAL PERFORMANCE
2023 - 2024**





OUTLINE

ONE KEY ECONOMIC HIGHLIGHTS

TWO GROSS DOMESTIC PRODUCT

THREE LABOUR MARKET

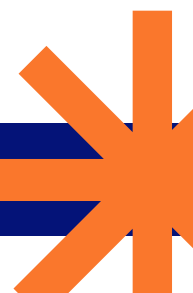
FOUR CONSUMER PRICES

FIVE DEFINITIONS

SIX METHODOLOGY

SEVEN PROBLEMS & SOLUTIONS

EIGHT CONCLUSION



2024



KEY ECONOMIC HIGHLIGHTS



ANNUAL GDP GROWTH

Current GDP growth in 2024 is estimated to be 7.4%; correspondingly, Constant GDP Growth is 4.7%



QUARTERLY GDP GROWTH

For the 4 quarters of 2024, GDP grew by -0.5, 7.8, 6.7, and 5.3 % growth, respectively



INFLATION

In 2024, the average rate of consumer price inflation decelerated to -0.6 percent, indicating a leveling off the record price increases observed over the past 3 years, since the Covid pandemic



UNEMPLOYMENT

The unemployment rate continued its downward trajectory, averaging 11% over the 4 quarters of 2024



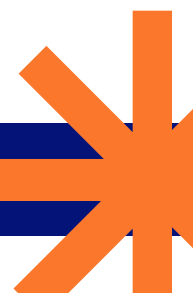
YOUTH UNEMPLOYMENT

Youth unemployment mimicked the overall unemployment rate, dropping to an average of 17.8% in 2024, compared to 25.0% in 2023



ECONOMIC OUTLOOK 2025

Evidence of a waning boom in domestic Tourism and anticipated disruptions in local consumption & investment due to a mushrooming 'world war' of trade are serious concerns.





GROSS DOMESTIC PRODUCT

The Gross Domestic Product (GDP) is a measure of all final goods and services, which are produced by enterprises that are resident to Saint Lucia over a period of one year.

In this regard, the CSO of Saint Lucia publishes GDP estimates in both value and volume terms.

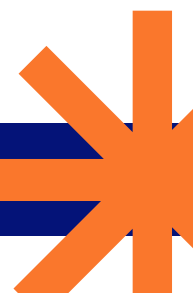
Current GDP reflects the value of all measurable domestic production in market prices with no adjustment for the effects of inflation.

Constant GDP is a volume measure of domestic production, which reflects changes in both the quantity and quality of domestic production. It is adjusted for inflation.



POINT TO PONDER

Conceptually, Constant GDP is similar to Real GDP, which deflates the Current GDP value by the general Consumer Price Index

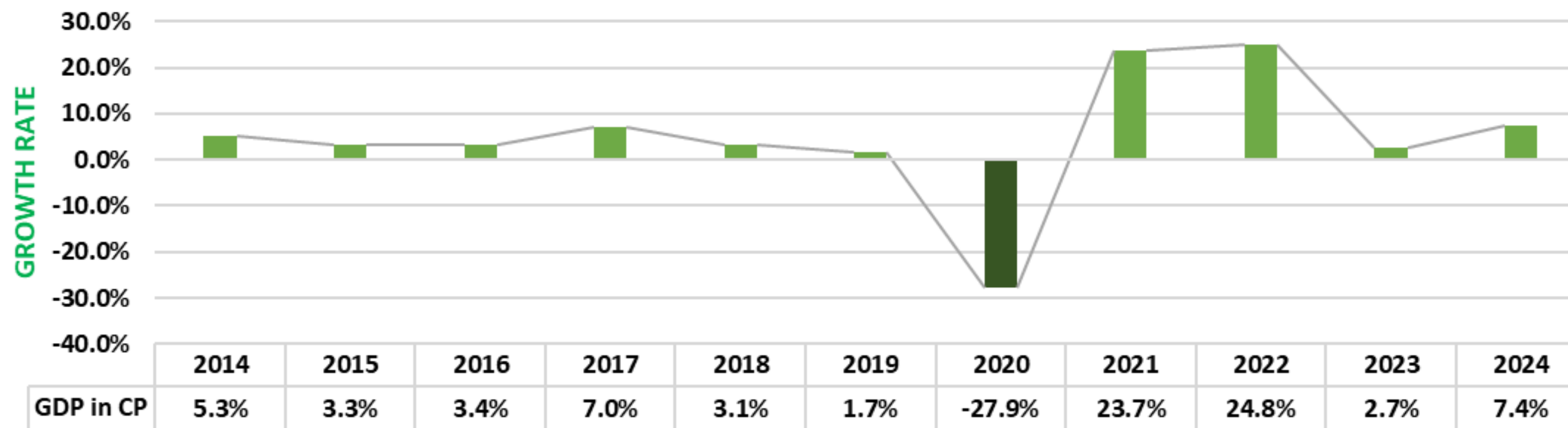


GROSS DOMESTIC PRODUCT



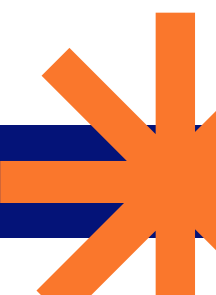
ANNUAL GDP IN CURRENT PRICES (CP) (2014-2024)

Source: Central Statistical Office



POINT TO PONDER

Current GDP grew by 5% on average over the 10-year period, from 2014 to 2024

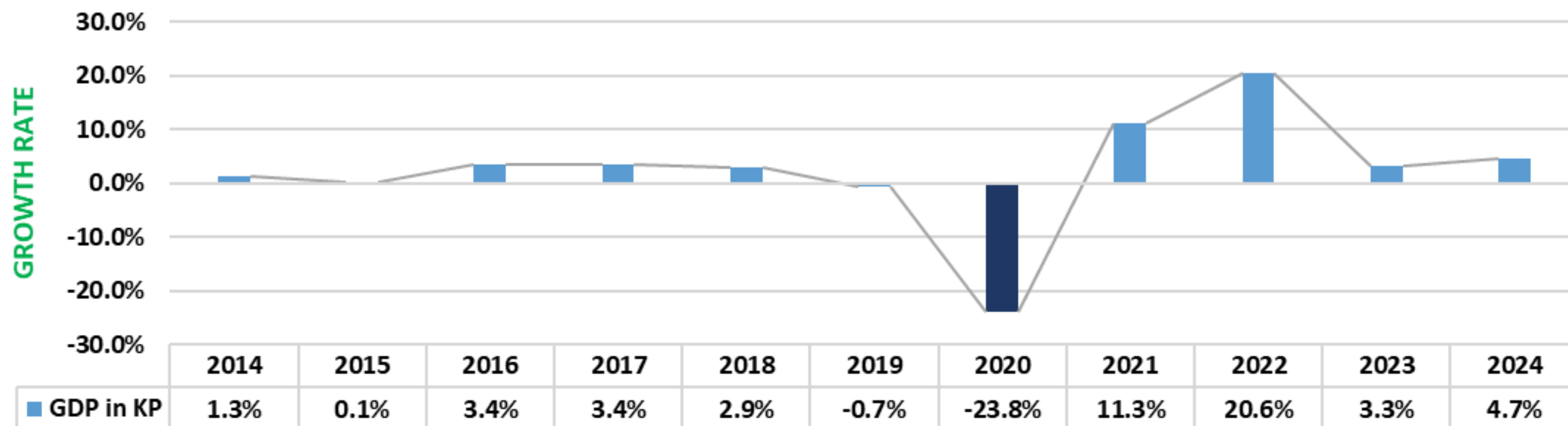


GROSS DOMESTIC PRODUCT



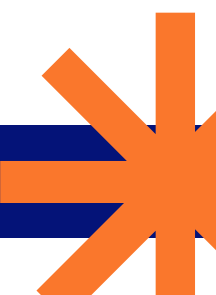
ANNUAL GDP IN CONSTANT PRICES (KP) (2014-2024)

Source: Central Statistical Office



POINT TO PONDER

Constant GDP grew by 2.4% on average over the 10-year period, from 2014 to 2024

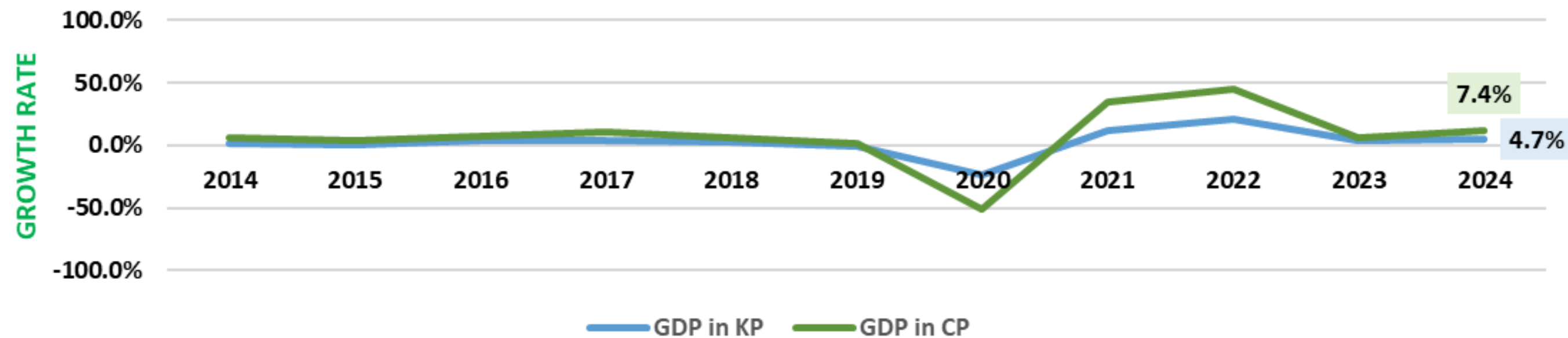


GROSS DOMESTIC PRODUCT



ANNUAL GDP CURRENT PRICES VS CONSTANT PRICES (2014-2024)

Source: Central Statistical Office



POINT TO PONDER

Constant GDP is less erratic than Current GDP, reflecting more stability in the volume of domestic production. GDP variation is primarily due to changes in economic prices

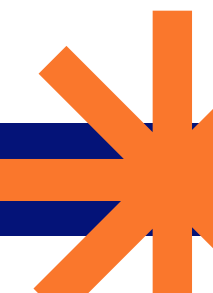


GROSS DOMESTIC PRODUCT



POINT TO PONDER

Is our domestic economy too dependent on Tourism? The Accommodation and Food-Serving Industries contributes significantly more to GDP than any other single industrial category; economic diversification & sustainability, including food security, are critical considerations

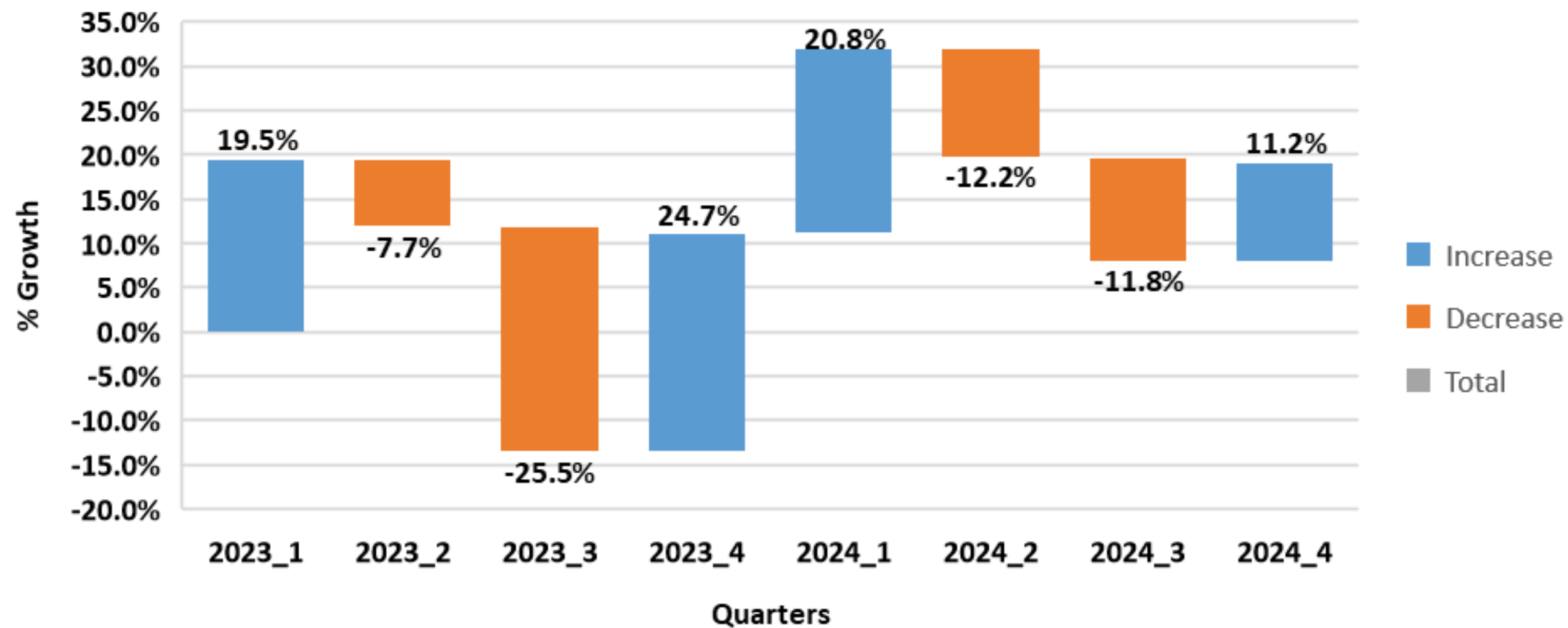


GROSS DOMESTIC PRODUCT



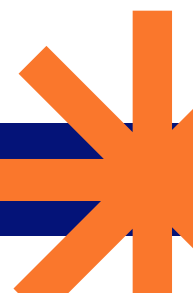
Accommodation and Food Services Value Added (2023-2024) quarterly, % growth

Source: Central Statistical Office



POINT TO PONDER

The Accommodation and Food-Serving Industries did not perform as well in the 4th Quarter of 2024, when compared to the corresponding quarter of 2023; observed boom may be waning?

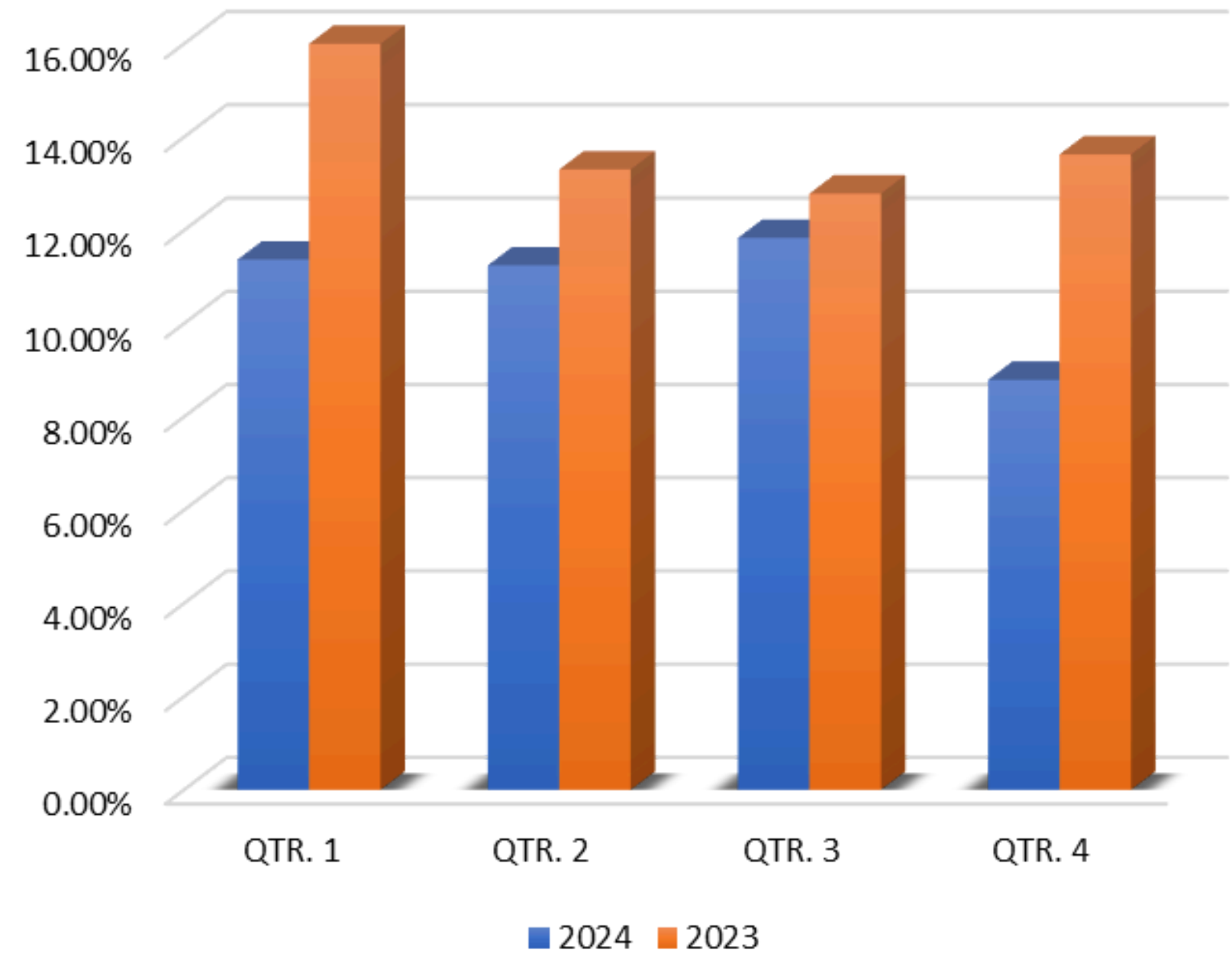




LABOUR MARKET

In 2024, the rate of unemployment continued the downward trend that has been generally observed over the past decade. This trend may reflect a paradigm shift in both local and international labour markets, where employment opportunities are enhanced by declining population growth, and the increased leveraging of technology by individuals with the capacity to be self-employed.

Unemployment Rate (%)

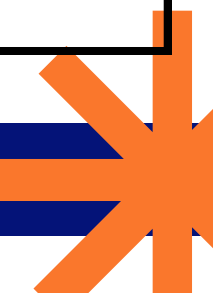
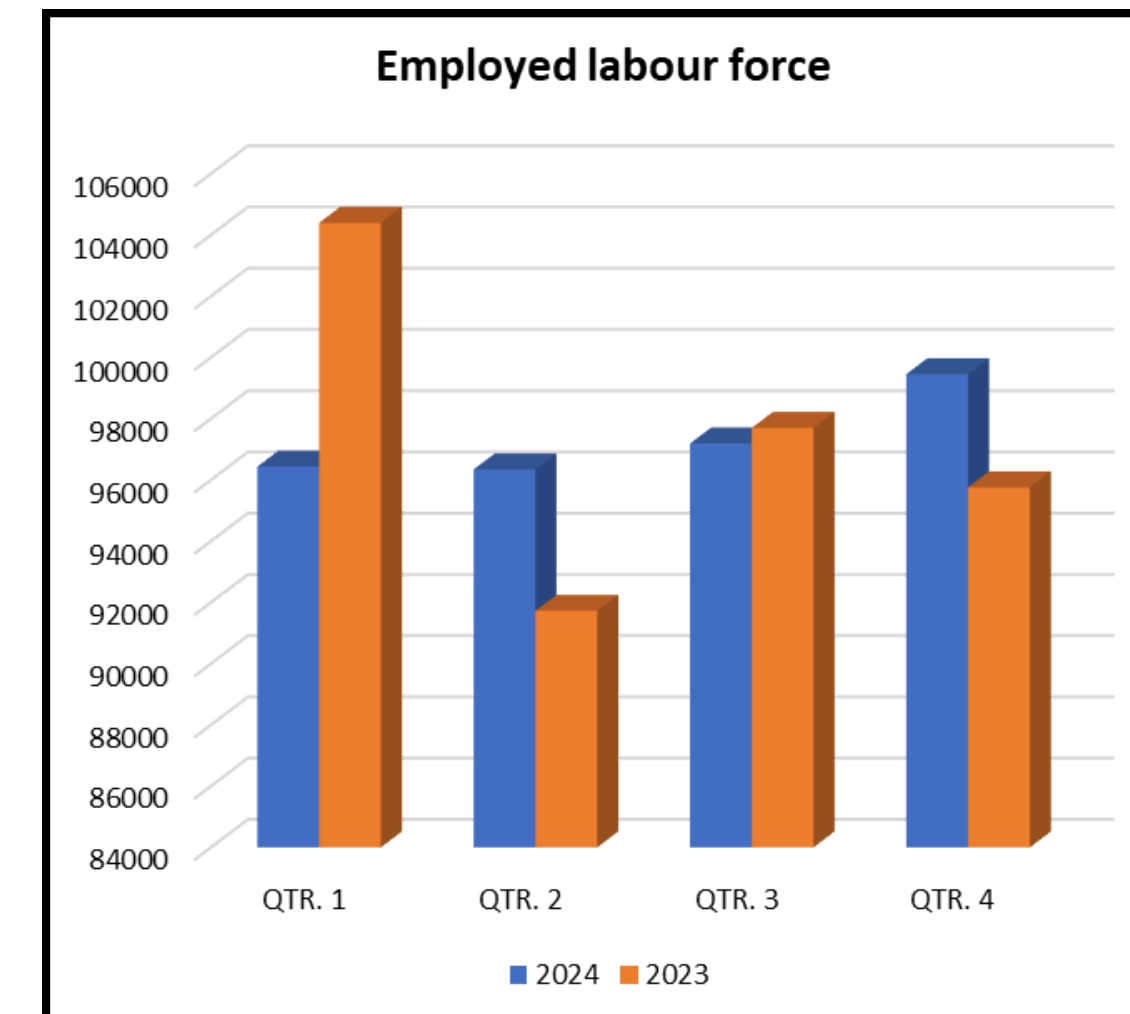
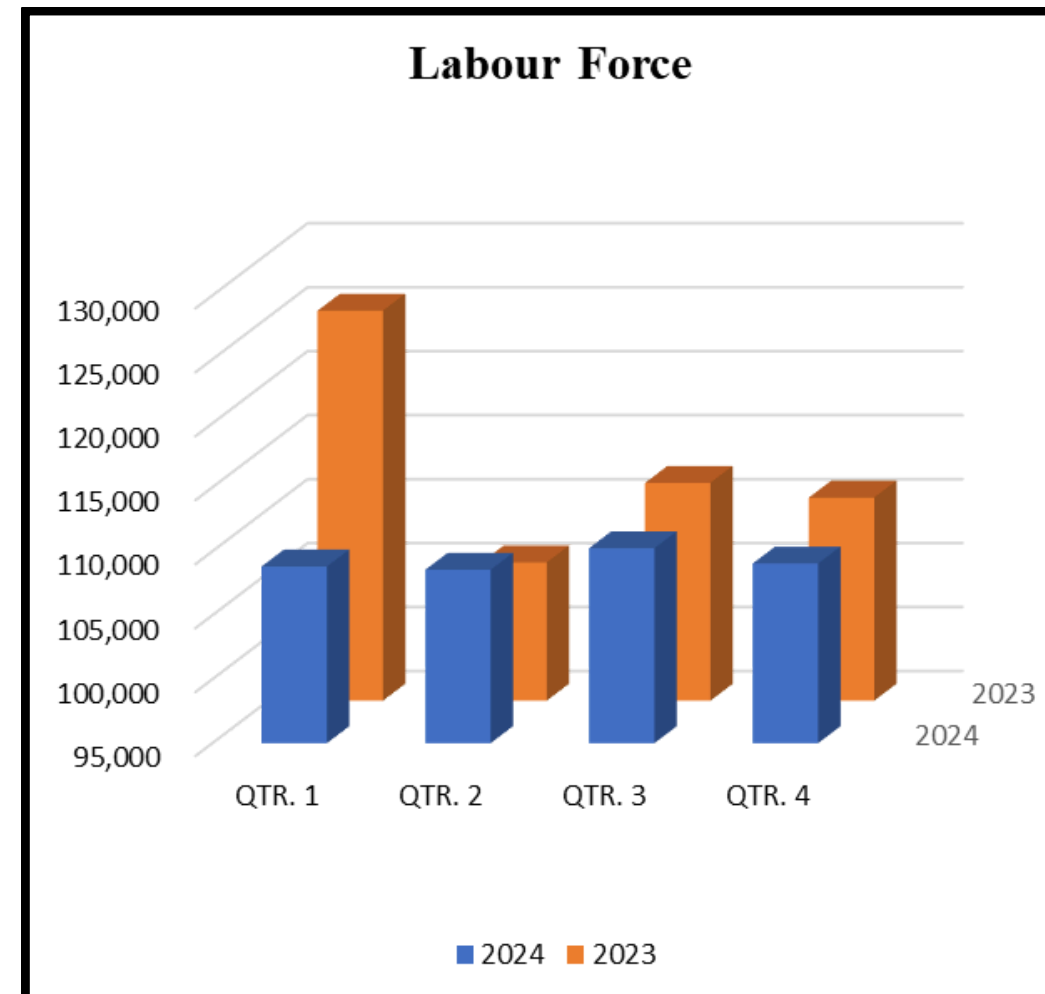


LABOUR FORCE STATISTICS



LABOUR MARKET

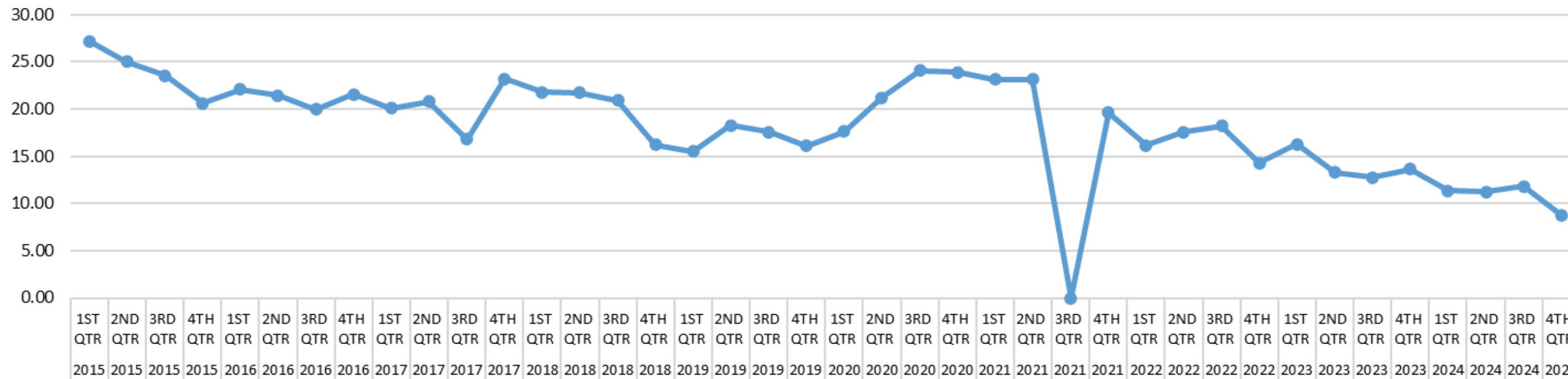
While the total labour force contracted in 2024, the employed labour force showed growth in the later quarters of 2024. This suggests that while fewer people are participating in the labour force overall (as seen in the decrease in the labour force) individuals who are participating, are easier finding employment (as seen in the increase in employed labour force in later 2024 quarters).



LABOUR FORCE STATISTICS

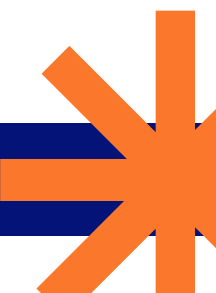


**Unemployed Labour Force
Quarterly, 2015 to 2024**

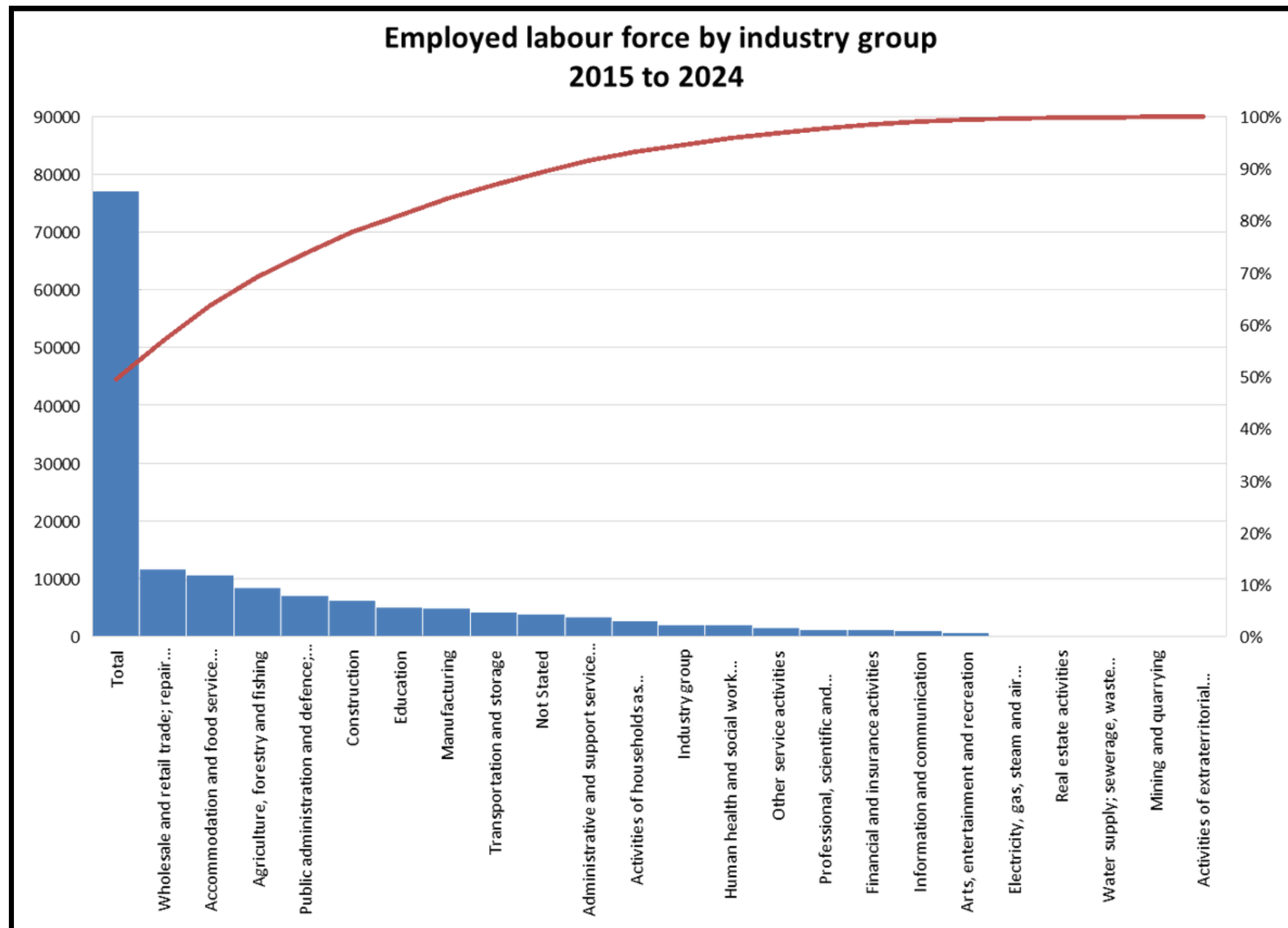


POINT TO PONDER

From the 2nd quarter of 2023 onwards, the unemployed labor force appears to stabilize at a lower level.



LABOUR FORCE STATISTICS

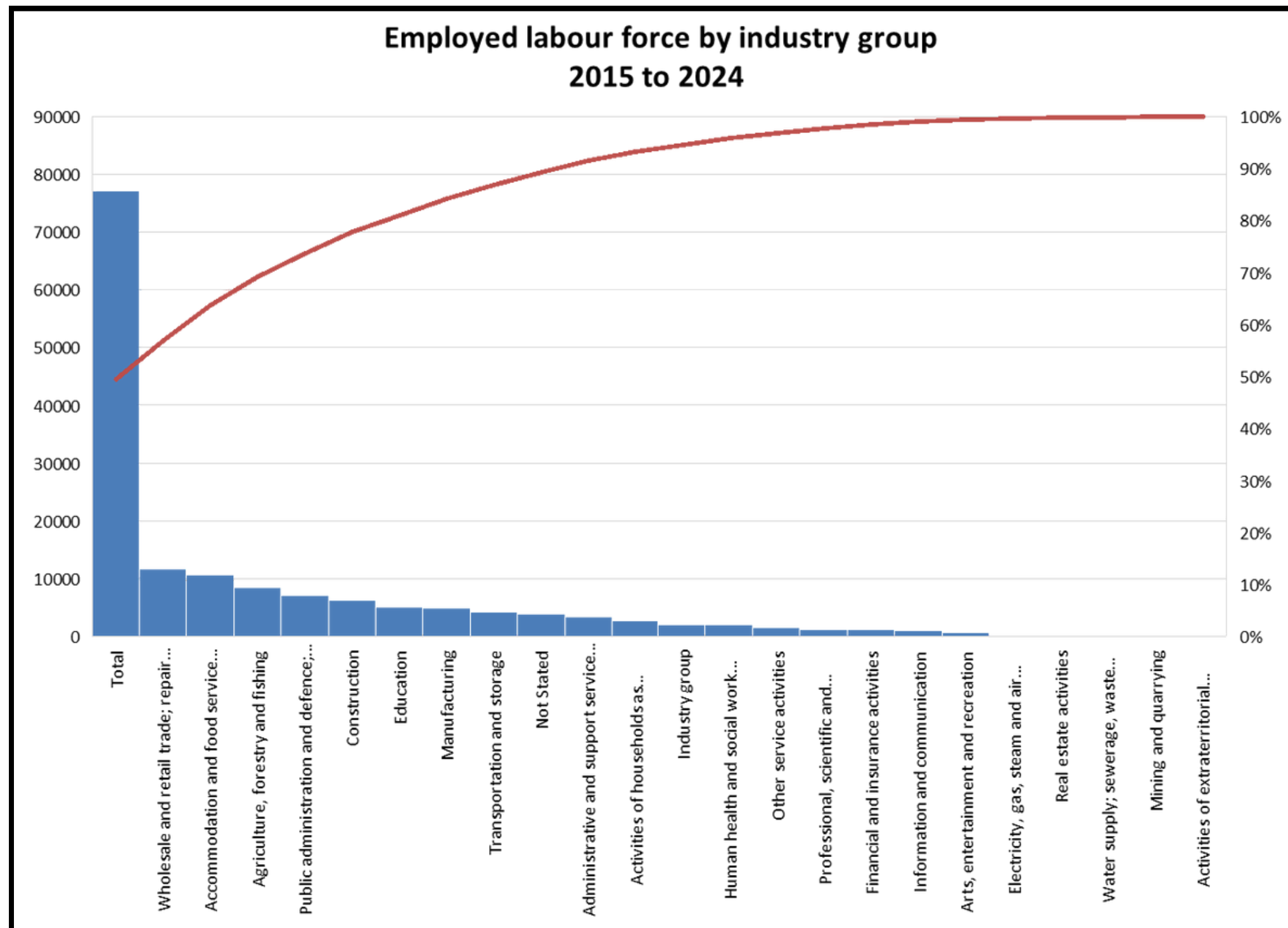


EXPANDING INDUSTRIES

- **Wholesale and retail trade; repair of motor vehicles and motorcycles** and **Construction** showed substantial growth, indicating increased consumer activity and infrastructure development.
- **Administrative and support service activities** experienced the highest percentage increase. **Accommodation and food service activities** and **Other service activities** also saw notable expansion.



LABOUR FORCE STATISTICS



DECLINING INDUSTRIES

- **Agriculture, forestry and fishing and Information and communication experienced declines. Manufacturing showed a slight decrease.**

KEY TRENDS

- **Several service-oriented sectors have expanded significantly, suggesting a shift towards a service-based economy.**
- **Some sectors like agriculture and manufacturing have seen a reduction in employment.**

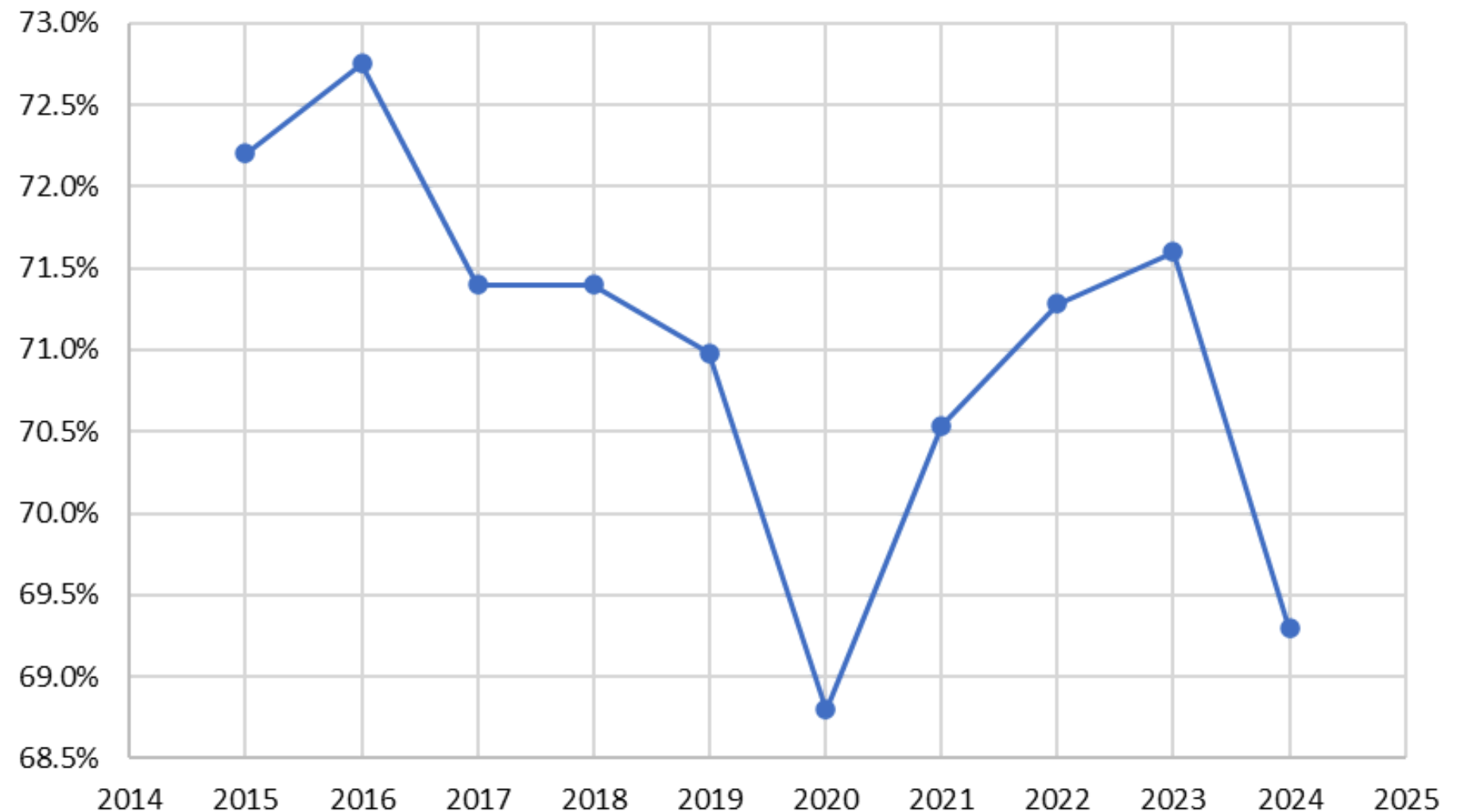




LABOUR FORCE PARTICIPATION

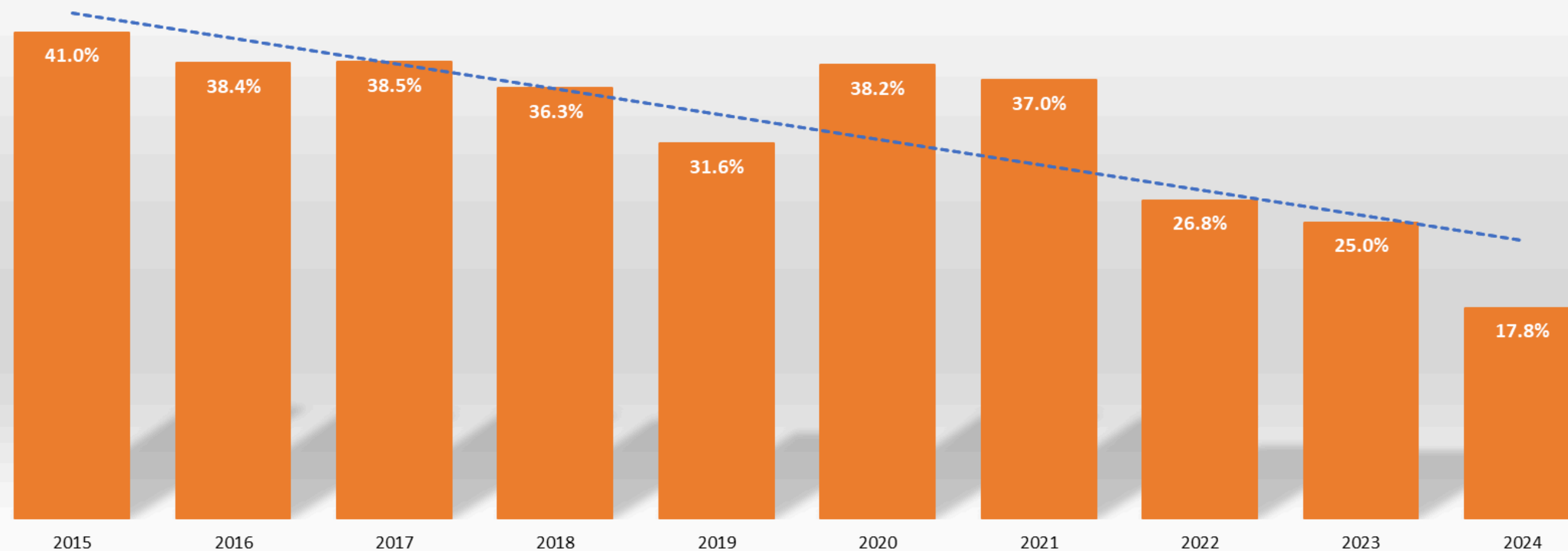
- An underlying downward trend is observed in the rate at which the population, aged 15 years and over, participates in the labour force.
- This may reflect labour market dynamics related to the earlier retirement of experienced workers, and the delayed entry of new workers due to enhanced opportunities to pursue a higher education, after leaving secondary school.

Labour Force As A Percentage Of Population 15 Years And Over
(Labour Force Participation Rate)





Youth unemployment Rate



POINT TO PONDER

Like the overall unemployment rate, the rate of youth unemployment is trending downwards; reflecting a more efficient recruitment of new labour market entrants.



CONSUMER PRICE STATISTICS

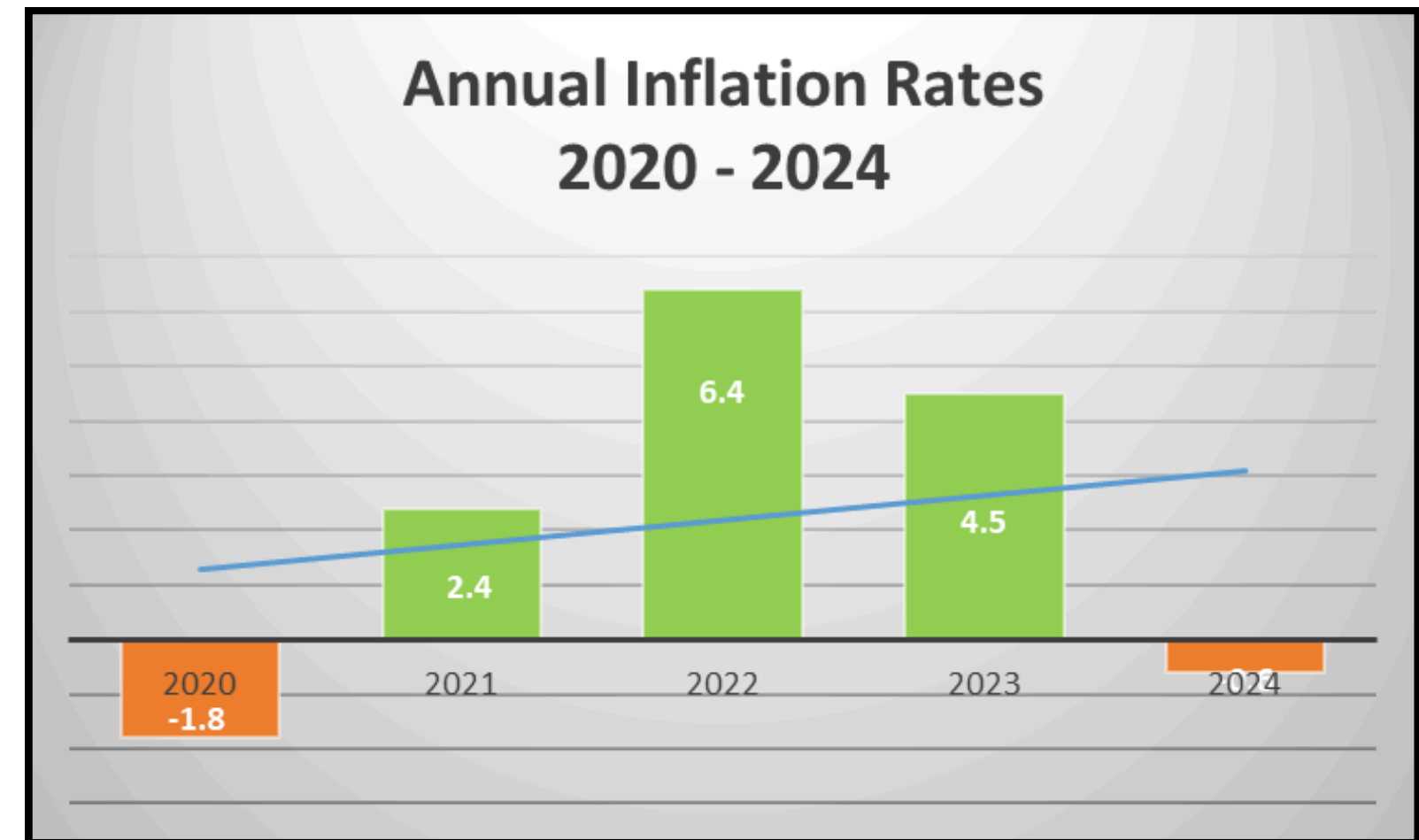


CONSUMER PRICES



The inflation rate for 2024 stood at -0.6 percent, a significant drop compared to 4.5% in 2023.

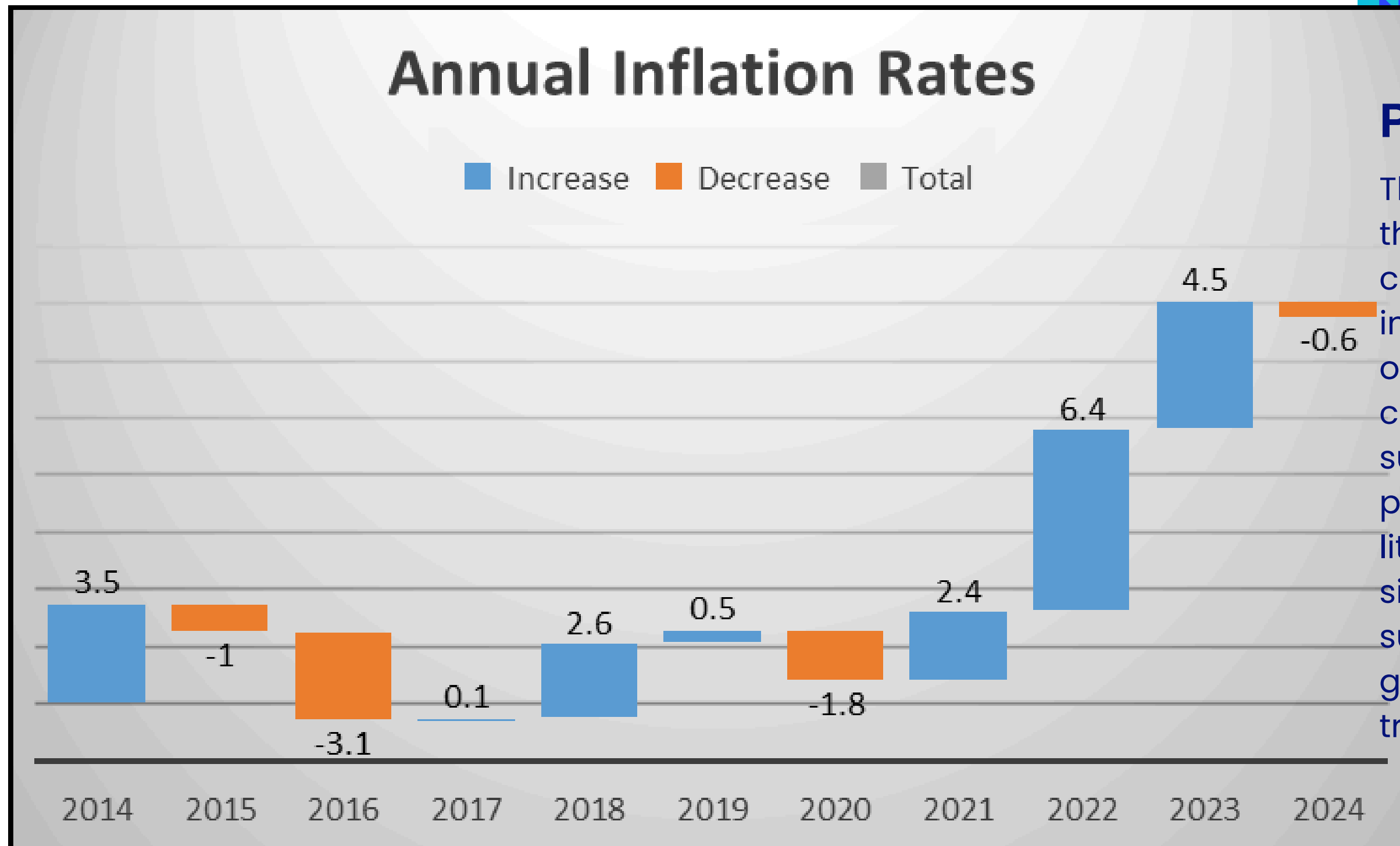
This overall decrease was largely attributed to reductions in key indices.



The Food index saw a decline of 1.3%, moving from 112.38 in 2024 to 110.90 in 2023. Similarly, the Fuel index decreased by 1.2%, from 118.35 in 2023 to 116.97 in 2024.



CONSUMER PRICE STATISTICS



POINT TO PONDER

This 'waterfall' chart shows that the record inflation in consumer prices observed in 2022 and 2023, levelled off in 2024. However, the current price level remains substantially higher than pre-Covid levels. There is little expectation that this situation can be substantially reversed, given the current global trade war.



DEFINITIONS

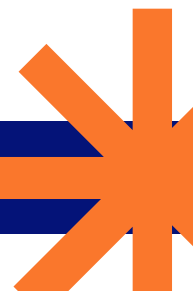
The compilation of all official statistics produced by the CSO of Saint Lucia, including those reported in this slide presentation is guided by international rules, conventions, and best practice.

In this regard, the United Nations' 2008 System of National Accounts (SNA) Manual, the ILO's "Standards & Guidelines on Labour Statistics", and the IMF's "CPI Manual: Concepts & Methods" are used to respectively compile the official GDP, Labour Market, and Price Statistics.

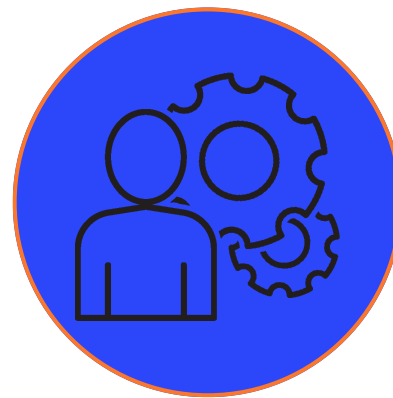


However, it must be noted, that in a dynamic socio-economic world of ever-changing technological, social, economic, and environmental phenomena, the consistent development of new, and innovative, statistical methods, standards, conventions, and procedures is absolutely critical to the compilation of reliable and valid statistics of sufficiently robust quality.

Accordingly, it is normal that over a period of every 5 - 10 years that the prevailing economic data series will be revised and enhanced to more adequately capture and reflect new and emerging variables of economic performance.



OUTPUT



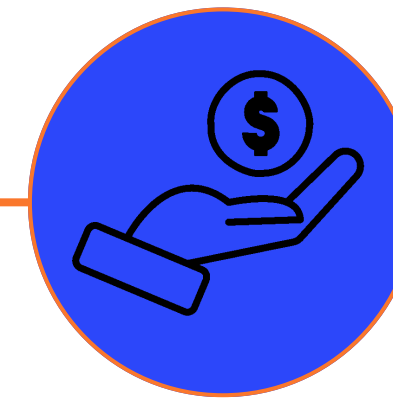
In National Accounts, the output of domestic industries is measured by the basic value of the primary, and secondary, goods and services that they respectively produce. The production of services that relate to Financial Intermediation, Insurance, Construction, Distributive Trade, & Owner-Occupied Dwellings presents unique cases of output measurement.

VALUE ADDED



Value-added is an accounting concept that does not relate to any genuine quantity, quality or price dimension. It is a conceptual measure of the value added by producers to intermediate products, which are consumed in the process of production; it is calculated as the difference between the values of output and intermediate inputs. That is $\text{Output} - \text{IC} = \text{Value Added}$

CURRENT GDP



Current GDP, which is also referred to as Nominal GDP, is calculated as the sum of Gross Value Added and Net Taxes.

Note that Gross Value Added is the aggregated sum of all the respective value that is added by domestic producers (industries) over a period of one year.

CONSTANT GDP



Constant GDP is indeed an annual index of GDP volumes, which in Saint Lucia's case, is based on the year 2018. This means that the Constant GDP series holds economic prices that relate to the year 2018 constant, in order to measure genuine changes in both the quantity, and quality of current domestic production; effectively negating the impact of fluctuations in prevailing market prices.



CONSUMER BASKET



The 'consumer basket', which is used to measure changes in consumer prices, and calculate domestic inflation rates, is a comprehensive listing of goods and services that are consumed by a typical household in Saint Lucia. The 'weighting' of its composite products is determined by the proportion of total household expenditure on each respective product category. Food and fuel carry the most weight in Saint Lucia's consumption 'basket'.

BASE PERIOD



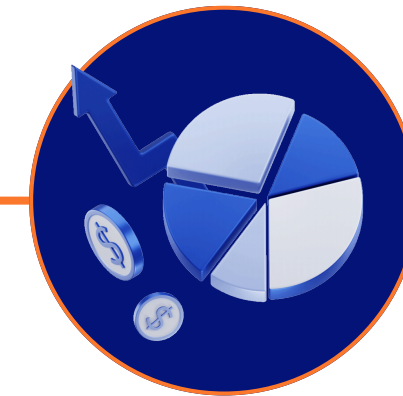
The base period used to compile the monthly Consumer Price Index (CPI) series is currently January 2018. This denotes the period, 0, from which product prices are collected. The base period is always assigned an index value of 100. All other index values reflect proportional deviations away from the base of 100. For example, a CPI value of 105 in December 2023 indicates that consumer prices have increased by 5 % since January 2018.

REFERENCE PERIOD



The reference period of Saint Lucia's CPI series is 2016. This denotes the period, b, in which the quantities of products, which typify household consumption in Saint Lucia, was actually compiled using benchmark estimates from the Household Budget Survey.

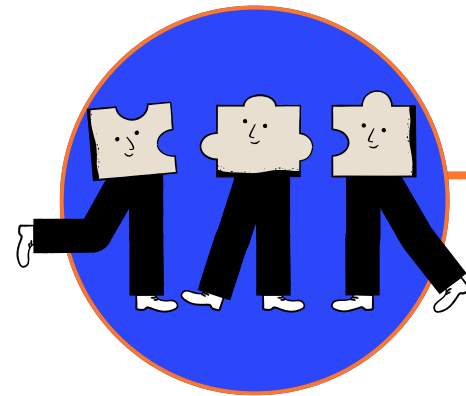
HOUSEHOLD BUDGET SURVEY



The CSO, in collaboration with Department of Equity and the World Bank, is currently in the final stages of preparation for the 2025/26 round of the Household Budget Survey. This survey provides data that is fundamental to defining the conditions, the standard, and the cost, of living in Saint Lucia. In this regard the survey collects a very comprehensive set of variables related to housing conditions, household amenities, the expenditure of spenders, and the consumption of household members.



LABOUR FORCE



The Labour Force is defined as the sum of Employed and Unemployed People. This number assists in understanding the proportion of the resident population aged 15 years and over that participates in the labour market. In some statistical jurisdictions, 'non-seekers' who indicate that they have not 'actively' sought work over a specified period (typically a period 6 months) are not considered part of the labour force.

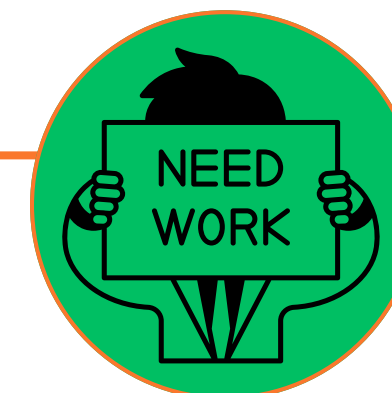
UNEMPLOYMENT RATE



The Unemployment Rate is calculated as the number of Unemployed People divided by the Labour Force. Unemployed People are defined as individuals who: a) did not work during the reference week; b) were available to work; c) actively sought work.

A more 'relaxed' definition of the unemployment rate includes 'non-seekers' who did not actively look for work; which raises the 'strict' unemployment rate.

LABOUR FORCE PARTICIPATION



The Labour Force Participation Rate is calculated as the Labour Force divided by the Population aged 15 years and over. Here again, calculation of this rate may vary based on the definition of unemployment that is applied. In Saint Lucia, and most other statistical jurisdictions, non-seekers are not included in the calculation of both the unemployment rate and the labour force participation rate





PRODUCTION APPROACH

Annual GDP is calculated using the Production Approach, which sums the value added of all domestic industries (output minus intermediate consumption) and adds Net Taxes (Product Taxes minus Product Subsidies) to derive GDP in market prices.



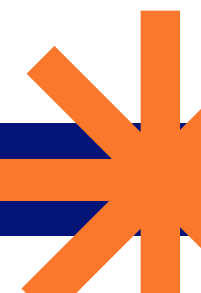
BENCH - MARKING

Quarterly GDP employs a 'benchmarking' method that: a) distributes annual, more reliable series of national accounts and, b) extrapolates the most recent quarters not yet covered by annual benchmarks; leveraging both a series of past and present leading indicators



IMPUTING FOR MISSING DATA

When sources of administrative data are unable to provide quarterly indicators in a timely manner, missing variables are imputed using 2 main methods: a) moving averages; b) regression analysis





COMPILING THE BASKET

The consumption basket of goods and services is compiled using the results of the HBS and by collecting product data, including unit price, quantity, and brand name, from major retail establishments and service providers



COMPILING THE INDEX

The CPI is calculated using a Lowe Index, which is defined as the percentage change, in the total cost of purchasing the 'consumer basket', between the base and current periods.



IMPUTING FOR MISSING PRICES

Arithmetic (Carli & Dutot Indices) and Geometric (Jevons Index) means of available product price data are calculated to impute for missing prices





LABOUR FORCE SURVEY

The Quarterly Labour Force Survey (LFS) is the main source of labour market statistics in Saint Lucia. It targets a sample of approximately 1,200 households every quarter. Approximately 11,200 persons interviewed Annually



STATISTICAL INFERENCE

LFS responses are 'weighted' to represent the respective populations of interest (including Employed Persons by Industry, Unemployed Persons and Non Seekers) using population estimates established from records of Births and Deaths from the Civil Registry.



ADDRESSING NON-RESPONSE

The World Bank's ADePt Software is used to generate statistical margins of error, which help monitor and enhance the robustness of the LFS results. The use of existing administrative sources of employment data (like NIC contributors' data), and regular technical assistance from the ILO, also helps to address issues of non-response.



01 Restricted analysis

GDP tables restricted to production. Income generation & distribution, and dynamics related to Capital and Financial assets & liabilities not currently measured



Augmented NA compilation 01

Compilation of the full sequence of National Account; Satellite Accounting; Supply & Use Tables

02 Outdated Measurement

Outdated definitions, standards & methods; outdated base and reference periods



ISSUES & ANSWERS IN NATIONAL ACCOUNTS



Regular Series Revisions 02

Validate the resolution or service delivery to ensure it meets the requester's requirements and resolves the reported issue.

03 Data Confidentiality

Legal provisions for the confidentiality of administrative data keep required source data inaccessible; IRD, Financial Regulatory Authority



Enhanced NSS 03

Enhance the National Statistical System through the development and implementation of a National Strategy for the Development of Statistics



04 Outdated Business Register

Maintaining an up-to-date register of business establishments is extremely challenging due to the inadequate registration and monitoring of local businesses

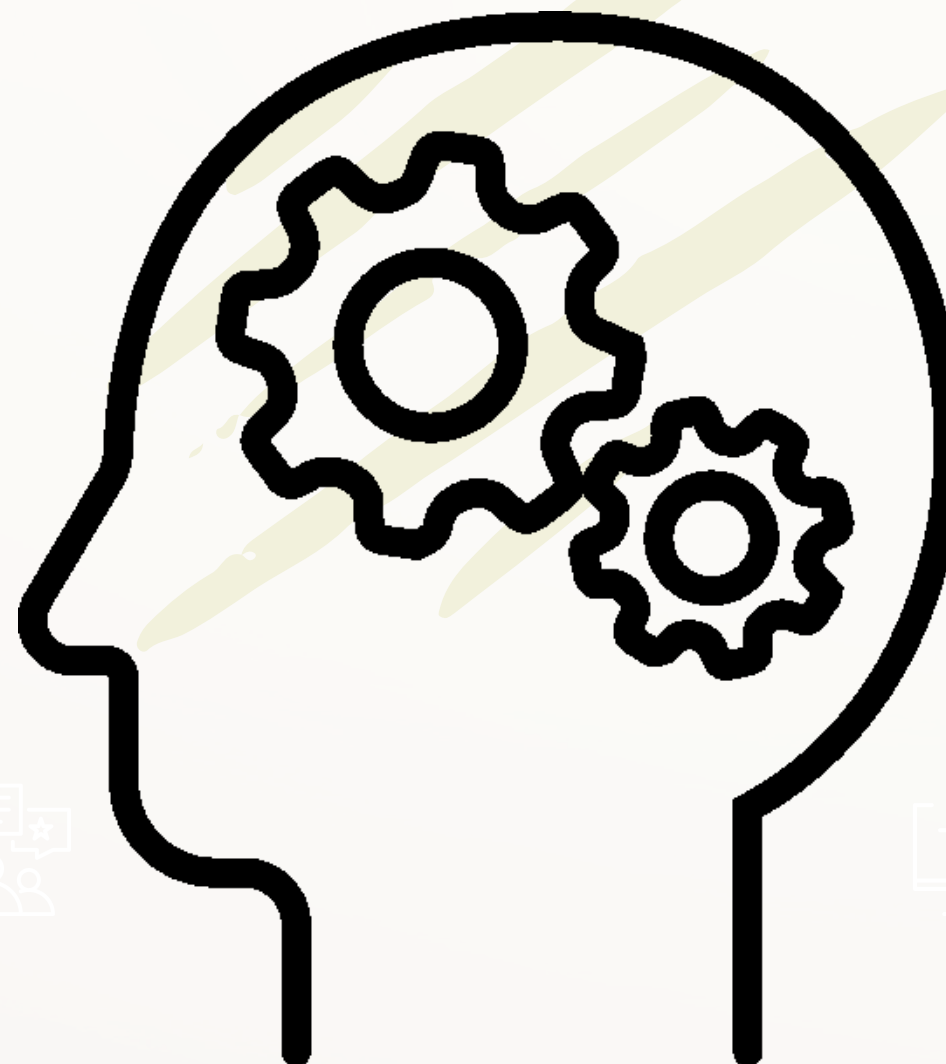


Improved System of Business Registration 04

Augment administrative capacity to register and monitor local business establishments



ISSUES



ANSWERS

01 Outdated Consumer Basket

Prevailing consumer baskets become quickly outdated with the consistent birth and death of consumer products



More Regular Data Collection on Consumer Spending 01

Access to consumer spending data from major retailers would significantly improve the relevance and quality of the 'consumer basket'



ISSUES & ANSWERS IN CONSUMER PRICE STATISTICS

02 Outdated Index Processing Application

The current system is insufficient for handling Consumer Price Index (CPI) calculations effectively.



Modernized CPI Processing System 02

Modernized system to accommodate effective CPI calculations.



03 Inconsistencies in Aggregation

The expenditure weights do not sum up correctly to match the total expenditure.

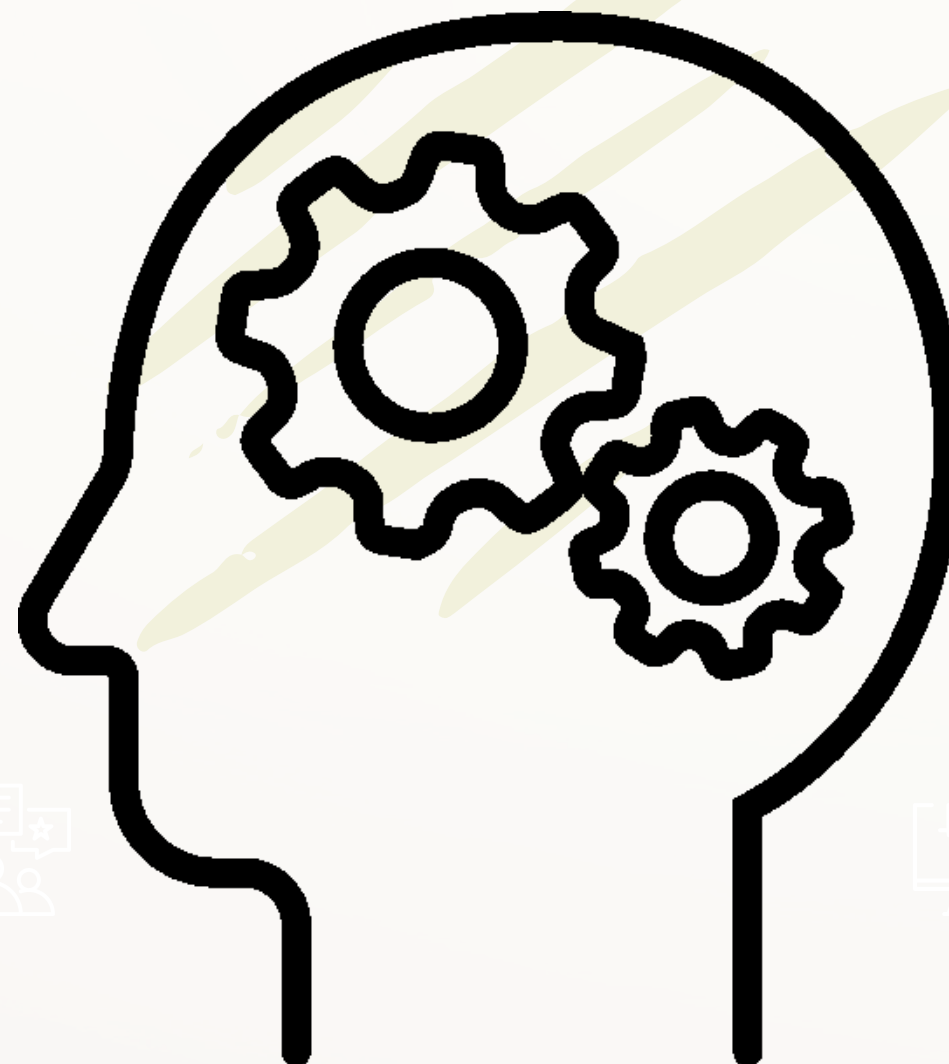


Adjusting Expenditure Weights 03

Ensure that the weights align with those derived from the new 2025 household budget survey, reflecting the updated basket of goods and services.



ISSUES



ANSWERS

01 Restrictive Sample Size

The current size of LFS sample may be inadequate, in respect of capturing the full diversity of prevailing labor market dynamics



Expanded Survey 01 Data Collection

Augmented scope and coverage of labour market data collection; to reduce sampling error and improve the overall quality of survey results.



02 Freelance Enumerators

Freelance enumerators juggling multiple surveys can lead to scheduling conflicts and incomplete or inconsistent data.



Formalize Enumerator 02 Engagement

Consider transitioning enumerators to a more dedicated, full-time contract



03 Inadequate Compensation

LFS enumerators are currently paid significantly below both domestic and international wage rates



Revised LFS Payment 03 Structure

Revise the payment structure to provide LFS enumerators with a more competitive compensation package. This may mitigate the risk of delayed results due to competing employment opportunities.



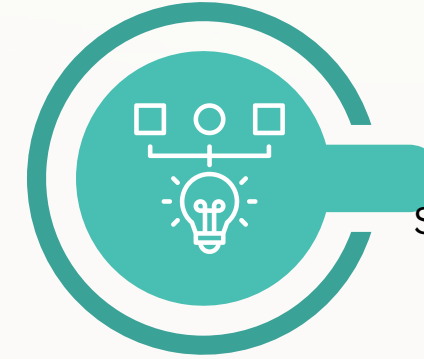
04 Outdated ICLS Standards & Definitions

The prevailing LFS series is based on outdated ICLS standards and definitions

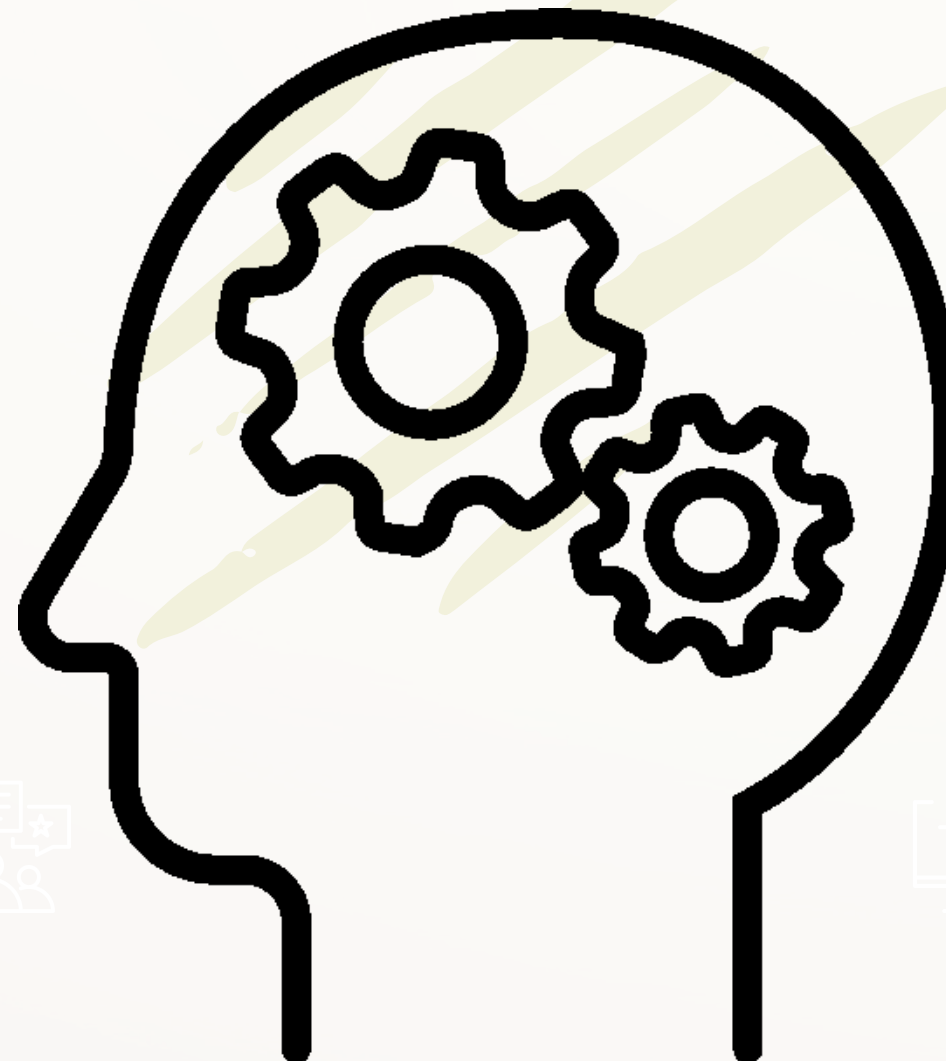


Update to the current ICLS 04

Saint Lucia will adopt a new OCES LFS questionnaire based on the 21st ICLS standards starting in the third quarter of the year. This will ensure that the labor force survey aligns with the latest international standards.



ISSUES & ANSWERS IN LABOUR FORCE STATISTICS



ISSUES

ANSWERS

THE WAY FORWARD

Productivity

Enhance the efficiency and effectiveness of CSO; improved resource management



Engagement

Enhance stakeholder engagement and communication; meet changes in user needs



Technology

Adaptation to technological advancements; augment ICT capacity



Resilience

Ensure organizational resilience and sustainability; continuous training and capacity building; dynamic, interactive succession planning



Collaboration

Formalized structure and strategy to support and augment interagency collaboration; National Strategy for the Development of Statistics

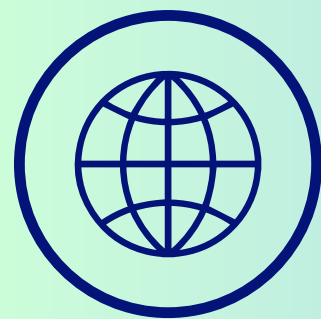


Standards & Evaluation

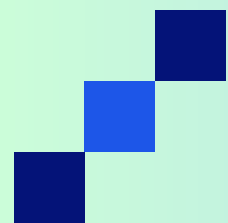
Improved monitoring and evaluation of performance, especially in respect of data timeliness, quality and relevance



THANK YOU!



WWW.STATS.GOV.LC



**DEPICTING THE FACTS;
DEFINING THE FUTURE**

