



Ministry of Finance & Treasury
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Press Release

26 March 2020

Gov't sector shrink in GDP share as formal and informal sector picks-up

Government sector has recorded a downturn of 11.6 per cent share in Gross Domestic Product (GDP) while the formal sector and informal sector made significant improvement in 2012.

That's according to the country's latest Gross Domestic Product (GDP) report produced and released by the government Statistical agency, Solomon Islands National Statistics Office (SINSO) on Monday 23 March.

The GDP report revealed that formal sector accounted for 54.3 per cent of GDP, an increase from 32.6 per cent while informal sector increased in share from 29.1 per cent to 34.1 per cent.

"The general government sector (although part of the formal sector has been separated from the formal sector given its institutional status) decreased significantly by three times its previous share, from 38.3 per cent to 11.6 per cent." The government sector was previously the dominant sector.

Government Statistician and Census Commissioner, Douglas Kimi said the new GDP estimates and base year 2012 reflect the updated levels of sectoral production and related components of GDP, including corresponding annual growth rates especially from years after the new base period.

Solomon Islands National Statistics Office

“Overall rebasing exercise has resulted in a significant change in the structure and size of the Solomon Islands economy over a decade from the previous estimates based on the 2004 base year,” he added.

Mr. Kimi said the rebasing is part of SINSO’s ongoing development work to enable the system to be more robust in absorbing and reflecting current and future changes in the country’s economic growth, and in informing policy formulation and decision making.

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Source: SINSO Media