

Current Contributions of Fishing to GDP in Pacific Island Countries

Official Information on GDP and Fishing Contributions

Appendix 1 gives for each of the Pacific Island countries the official GDP and the official fishing contribution to GDP. Methods used in the official calculation of the fishing contribution to GDP are also presented, and some comments are made on the suitability of those methods.

The official data on GDP and fishing contribution are summarized in Table 4.

Rationale for Re-estimating the Fishing Contribution to GDP

The fishing sector is complex. It includes thousands of producers operating in many locations and using a wide variety of techniques. Crew are often paid in kind or receive a share of the catch rather than wages; and even when they do receive wages, collecting information on those wages can be difficult. In comparison to other sectors of Pacific Island economies such as government, manufacturing, or tourism, calculating the contribution of fishing to an economy is a particularly difficult task.

In most Pacific Island countries, there is surprisingly little cooperation between the fisheries agencies and the statisticians responsible for compiling the national accounts. Given that the calculation of fishing contribution to an economy requires considerable insight into the technical aspects of fishing, this lack of cooperation is disconcerting. Although fisheries agencies appear eager to have the importance of fishing to an economy properly reported, most seem to be ineffective in ensuring that this happens.

While the fishing sector is undoubtedly very important in all Pacific Island countries, in most, it accounts for a relatively modest share of GDP. Given this situation, it is unreasonable to expect the compilers of national accounts to dedicate a large proportion of their

time to measuring the contribution of fishing to the economy. This constraint, when combined with the complexity of the sector and the lack of cooperation with the fisheries agencies, results in a situation where the estimated contribution of fishing to GDP is often inaccurate.

Given the complexity of the issues to be addressed and the large difference in the accuracy of the estimates made in the Pacific Island countries, the consultants considered it essential to re-estimate the fishing contribution to GDP for each country. It was believed that, at the very least, the re-estimates would provide useful comparators for the compilers of national accounts. In addition, it was anticipated that the review of the different methods and approaches used in each country would provide useful insights into the effectiveness of alternative approaches to calculating the fishing contribution to GDP.

Re-estimates of the Fishing Contribution to GDP

The methods used in calculating the fishing contribution to GDP of the various countries were analyzed by the consultants. Comments on the suitability of these methods are given in Appendix 1.

In some of the countries, the methods used to calculate the fishing component of GDP were well documented. In others, this information was obtained verbally. It is likely that at least some of this verbal information were inaccurate for various reasons, including the provider being unfamiliar with the subject. This should be taken into account when considering the comments on any weakness in the methodology used in a particular country.

The consultants re-estimated the fishing contribution to GDP in each of the countries. The methods used and the new estimates are given in Appendix 1. The official figures and re-estimates are summarized in Table 5.

Table 4: Official GDP and Fishing Contribution of Pacific Island Countries, 1999

Country	GDP in Local Currency Current Market Prices ('000)	Fishing contribution to GDP in Local Currency ('000)	GDP in US\$ Current Market Prices ('000)	Fishing Contribution to US\$ ('000)	Fishing Contribution as % of GDP	Comment
Solomon Islands	1,352,700	173,174	279,593	35,794	12.80	Total GDP data are indicative only. Fishing contribution was estimated from the production data.
Kiribati	74,592	8,785	48,124	5,668	11.78	
Samoa	705,914	56,399	233,507	18,656	7.99	
Marshall Islands	97,312	7,203	97,312	7,203	7.40	
Tonga	251,135	17,899	157,018	11,191	7.13	Data are for financial year 1999/2000.
Tuvalu	22,045	1,492	13,849	937	6.77	Data are for 1998.
FSM	229,870	10,806	229,870	10,806	4.70	Data are for 1998.
Cook Islands	155,650	4,415	82,372	2,336	2.84	In 2000, fishing contribution increased to 11.3% due to improved data on pearl industry.
Palau	113,485	3,148	113,485	3,148	2.77	Fishing contribution is calculated using the factor cost contribution, rather than the market price contribution. It was not possible to isolate the subsistence fishing component, so it was estimated from the production data.
Fiji Islands	3,587,300	84,100	1,821,334	42,699	2.34	Both GDP and fishing contribution were estimated.
Nauru	80,000	1,696	51,613	1,095	2.12	
Niue	14,199	234	7,514	124	1.65	
Vanuatu	29,206,000	278,000	226,280	2,162	0.96	
PNG	8,780,800	49,300	3,415,590	19,177	0.56	Subsistence fishing is not included in the official fishing

FSM = Federated States of Micronesia; GDP = Gross Domestic Product; PNG = Papua New Guinea. Where available, official information is used. For Solomon Islands and Nauru, figures were estimated. Data are for 1999, unless otherwise noted.

Table 5: Official Fishing Contribution to GDP and Re-estimates (in Local Currency)

Country	Official Fishing Contribution to GDP ('000)	Official Percentage Contribution (%)	Consultant's Re-estimate of Fishing Contribution ('000)	Consultant's Percentage Contribution (%)	Comment
Cook Islands	NZ\$19,410	11.3	NZ\$17,343	9.9	2000 data
Fiji Islands	F\$36,503	1.7	F\$84,616	2.4	1999 data; Subsistence fishing is not included in official estimate.
FSM	US\$10,806	4.7	US\$21,950	9.5	1998 data
Kiribati	A\$8,877	12.0	A\$20,232	21.5	2000 data
Marshall Islands	US\$7,203	7.4	US\$3,605	3.8	1999 data
Nauru	—	—	A\$1,696	2.1	1999 data; no official GDP data
Niue	NZ\$225	1.6	NZ\$266	1.9	2000 data
Palau	US\$3,485	2.7	US\$11,027	8.0	1998 data
PNG	K49,300	0.6	K125,391	1.4	1999 data
Samoa	ST56,399	8.0	ST46,246	6.6	1999 data
Solomon Islands	—	—	SI\$173,174	12.8	1999 data
Tonga	T\$17,899	7.1	T\$18,808	7.5	1999/2000 data
Tuvalu	A\$1,492	6.8	A\$1,556	7.0	1998 data
Vanuatu	Vt 278,000	1.0	Vt 663,924	2.2	1999 data

FSM = Federated States of Micronesia; GDP = Gross Domestic Product; PNG = Papua New Guinea.

Table 4 differs from Table 5 above as the official estimates used in the former are, whenever possible, for 1999 to enable regional comparisons. Table 5, on the other hand, is a summary of the re-estimates that were done for the latest year for which official estimates are available.