



Isle of Man
Government

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Isle of Man

National Income

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Key Results

National income estimates for the Isle of Man have been produced annually since 1969/70. The national income accounts provide a measure of the size and growth of the Manx economy. They highlight the changing importance of sectors within the economy and the emergence of new economic activity.

The main national accounting aggregates are Gross Domestic Product (GDP), Gross National Product (GNP), and Gross National Income (GNI). GDP represents the monetary value of all goods and services produced within the Island's economy over a one year period. It also provides a measure of both personal and corporate income derived from economic activity on the Island. GNP also takes account of net income received from abroad in the form of interest, rents, profits and dividends and represents the total income of all Manx residents and companies. GNI includes product taxes and excludes subsidies.

The accounts for 2019/20 show that there was an increase in growth for Island's economy by 1.9% compared to 2018/19, or 0.1% after taking into account inflation. Key results from the report include:

- Total GDP increased from £5.43bn to £5.53bn ([Table 1](#)).
- Increase in GDP of 1.9%, or 0.1% in real terms (compared to a real term increase of 3.2% in 2018/19) ([Table 2](#)).
- Increase in GNP of 2.3%, or 0.5% in real terms (compared to 7.8% in 2018/19) ([Table 2](#)).
- ICT and Other Professional Services were the most significant drivers of economic growth in 2019/20, increasing in size by £97.4m and £34.2m respectively.
- 12 sectors in the economy have experienced growth, whilst the remaining 11 sectors have seen contractions ([Table 2](#)).
- Insurance continues to be the largest sector of the Island's economy, accounting for 19.3% of the economy, with eGaming contributing 17.1% to the economy. The remaining top five sectors of the economy were Other Finance and Business Services (8.9%), Information and Communication Technology (8.7%) and Banking (6.9%) ([Figure 1](#)).
- Accounting for 64% of the Island's economy, company income continues to be the main driver of the Island's economy and has remained the same as a proportion of the economy compared to 2018/19. Personal incomes continue to represent 29% of the Island's economy, and grow in real terms compared with 2018/19 ([Table 4](#)).

It should be emphasised that the accounts contained within this report relate to the year 2019/20 and do not necessarily reflect the current position of the Isle of Man's economy.

**Table 1 – National Income by Economic Activity at Current Prices (£'000s)
2018/19 to 2019/20**

Income in Year at Factor Cost	2018/19	2019/20	Sector Share 2019/20	Change 18/19 to 19/20
Agriculture, Forestry & Fishing	23,075	18,148	0.3%	-21%
Manufacturing: Engineering	39,996	37,277	0.7%	-7%
Food & Drink	29,704	30,901	0.6%	+4%
General	51,578	54,625	1.0%	+6%
Mining & Quarrying	3,666	4,127	0.1%	+13%
Construction	246,606	223,480	4.2%	-9%
Utilities	78,879	84,750	1.6%	+7%
Transport and Communications	175,726	163,836	3.1%	-7%
Wholesale Distribution	25,618	41,762	0.8%	+63%
Retail Distribution	118,985	120,917	2.3%	+2%
Banking	349,321	366,084	6.9%	+5%
Insurance	1,003,362	1,029,269	19.3%	+3%
Other Finance and Business Services	490,779	471,278	8.9%	-4%
Information and Communication Technology	359,564	463,445	8.7%	+29%
Legal and Accountancy Services	89,915	88,011	1.7%	-2%
Corporate Service Providers	158,788	143,976	2.7%	-9%
Education	100,558	103,596	1.9%	+3%
Medical & Health Services	231,479	251,918	4.7%	+9%
Other Professional Services	265,586	304,570	5.7%	+15%
Tourist Accommodation	21,312	30,127	0.6%	+41%
Catering and Entertainment	36,112	36,073	0.7%	+0%
eGaming	920,869	908,667	17.1%	-1%
Miscellaneous Services	216,971	151,186	2.8%	-30%
Public Administration	185,688	193,148	3.6%	+4%
Sub-total (Manx sourced income)	5,224,137	5,321,172	100%	+1.9%
Imputed rent	148,263	156,583		
FISIM adjustment	-158,122	-165,710		
Government depreciation of fixed assets	133,728	137,527		
NPISH	41,678	41,884		
ESA10 Adjustment	39,302	39,496		
Gross Domestic Product	5,428,986	5,530,952	+1.9%	
Income from Abroad	2,882,470	2,620,052		
Income to Abroad	-3,167,320	-2,891,879		
Net Income to Abroad	-284,851	-271,827		
Net FISIM adjustment	171,167	179,381		
Gross National Product	5,315,303	5,438,506	+2.3%	
Subsidies on production	-9,454	-5,954		
Taxes on production	24,532	26,497		
Gross National Income	5,330,381	5,459,049	+2.4%	

¹ NPISH; Non-profit institution serving households.

² Details on what is included within the ESA10 adjustments can be found in the methodological note on page 9.

³ FISIM; Financial Intermediation Services Indirectly Measured

**Table 2 – National Income by Economic Activity at Constant Prices (£'000s)
2018/19 to 2019/20**

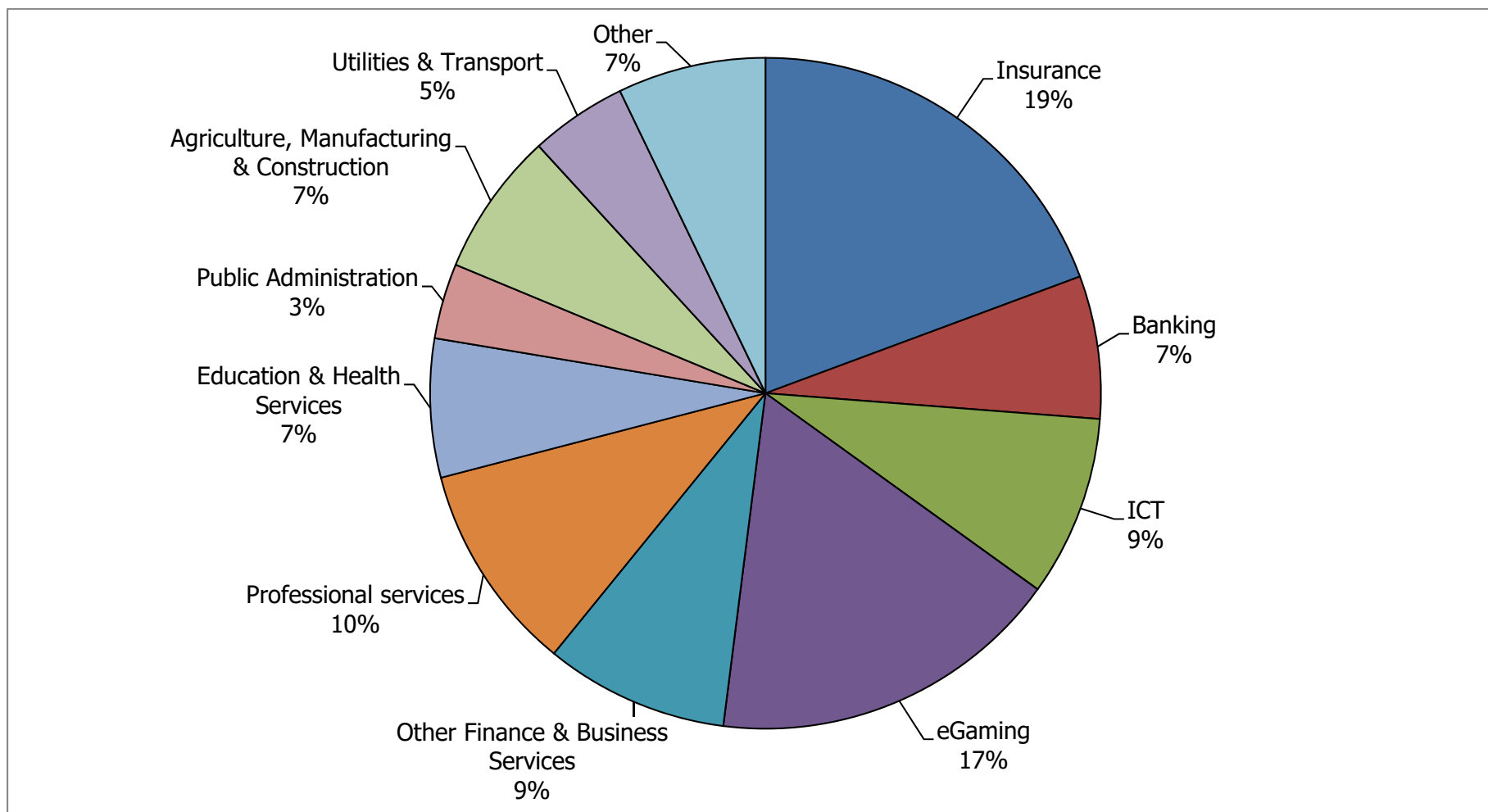
Income in Year at Factor Cost	2018/19	2019/20	Sector Share (%) 2019/20	Change 18/19 to 19/20
Agriculture, Forestry & Fishing	23,491	18,148	0.3%	-23%
Manufacturing: Engineering	40,716	37,277	0.7%	-8%
Food & Drink	30,239	30,901	0.6%	2%
General	52,507	54,625	1.0%	4%
Mining & Quarrying	3,732	4,127	0.1%	11%
Construction	251,045	223,480	4.2%	-11%
Utilities	80,299	84,750	1.6%	6%
Transport and Communications	178,889	163,836	3.1%	-8%
Wholesale Distribution	26,079	41,762	0.8%	60%
Retail Distribution	121,127	120,917	2.3%	0%
Banking	355,609	366,084	6.9%	3%
Insurance	1,021,423	1,029,269	19.3%	0.8%
Other Finance and Business Services	499,613	471,278	8.9%	-6%
Information and Communication Technology	366,036	463,445	8.7%	27%
Legal and Accountancy Services	91,533	88,011	1.7%	-4%
Corporate Service Providers	161,646	143,976	2.7%	-11%
Education	102,368	103,596	1.9%	1%
Medical & Health Services	235,645	251,918	4.7%	7%
Other Professional Services	270,366	304,570	5.7%	13%
Tourist Accommodation	21,696	30,127	0.6%	39%
Catering and Entertainment	36,762	36,073	0.7%	-2%
eGaming	937,445	908,667	17.1%	-3%
Miscellaneous Services	220,876	151,186	2.8%	-32%
Public Administration	189,030	193,148	3.6%	2%
Sub-total (Manx sourced income)	5,318,172	5,321,172	100%	+0.1%
Imputed rent	150,932	156,583		
FISIM adjustment	-160,968	-165,710		
Government depreciation of fixed assets	136,135	137,527		
NPISH	42,428	41,884		
ESA10 Adjustment	40,009	39,496		
Gross Domestic Product	5,526,708	5,530,952	+0.1%	
Income from Abroad	2,934,354	2,620,052		
Income to Abroad	-3,224,332	-2,891,879		
Net Income From Abroad	-289,978	-271,827		
Net FISIM adjustment	174,248	179,381		
Gross National Product	5,410,978	5,438,506	+0.5%	
Subsidies on production	-9,625	-5,954		
Taxes on production	24,974	26,497		
Gross National Income	5,426,328	5,459,049	+0.6%	

Note: It is standard practice to present economic statistics in terms of "constant prices" (i.e. adjusted for the effects of inflation). This means that changes or growth, are not affected by changes in price. Prices have been adjusted by the Consumer Price Index (CPI) to March 2019, as published by Economic Affairs.

Table 3 - Growth in GDP and GNP at Constant Prices 1991/92 to 2019/20

	Change In Constant Price GDP (%)	Change In Constant Price GNP (%)
1991/92	1.6	1.0
1992/93	0.8	0.6
1993/94	2.6	-0.4
1994/95	4.0	1.7
1995/96	4.3	3.9
1996/97	7.7	6.8
1997/98	8.6	9.5
1998/99	13.5	10.5
1999/00	13.7	11.2
2000/01	5.3	3.4
2001/02	5.4	5.8
2002/03	6.2	5.7
2003/04	6.0	6.1
2004/05	5.2	5.4
2005/06	5.9	5.7
2006/07	7.7	7.5
2007/08	7.5	7.7
2008/09	4.9	-5.9
2009/10	2.1	0.0
2010/11	3.4	1.7
2011/12	2.0	2.5
2012/13	3.2	4.8
2013/14	4.5	5.1
2014/15	5.0	1.4
2015/16	-0.9	-3.4
2016/17	7.4	-1.1
2017/18	3.6	5.2
2018/19	1.9	6.4
2019/20	0.1	0.5

Figure 1 Sectoral Analysis of 2019/20 National Income



Note: Professional Services includes Corporate Service Providers, Legal & Accountancy services and all other professional services. Other includes Retail Distribution, Wholesale Distribution, Tourist Accommodation, Catering & Entertainment and Miscellaneous Services.

Figure 2 Percentage Change in GDP and GNP at Constant Prices 1991/92 - 2019/20 (%)

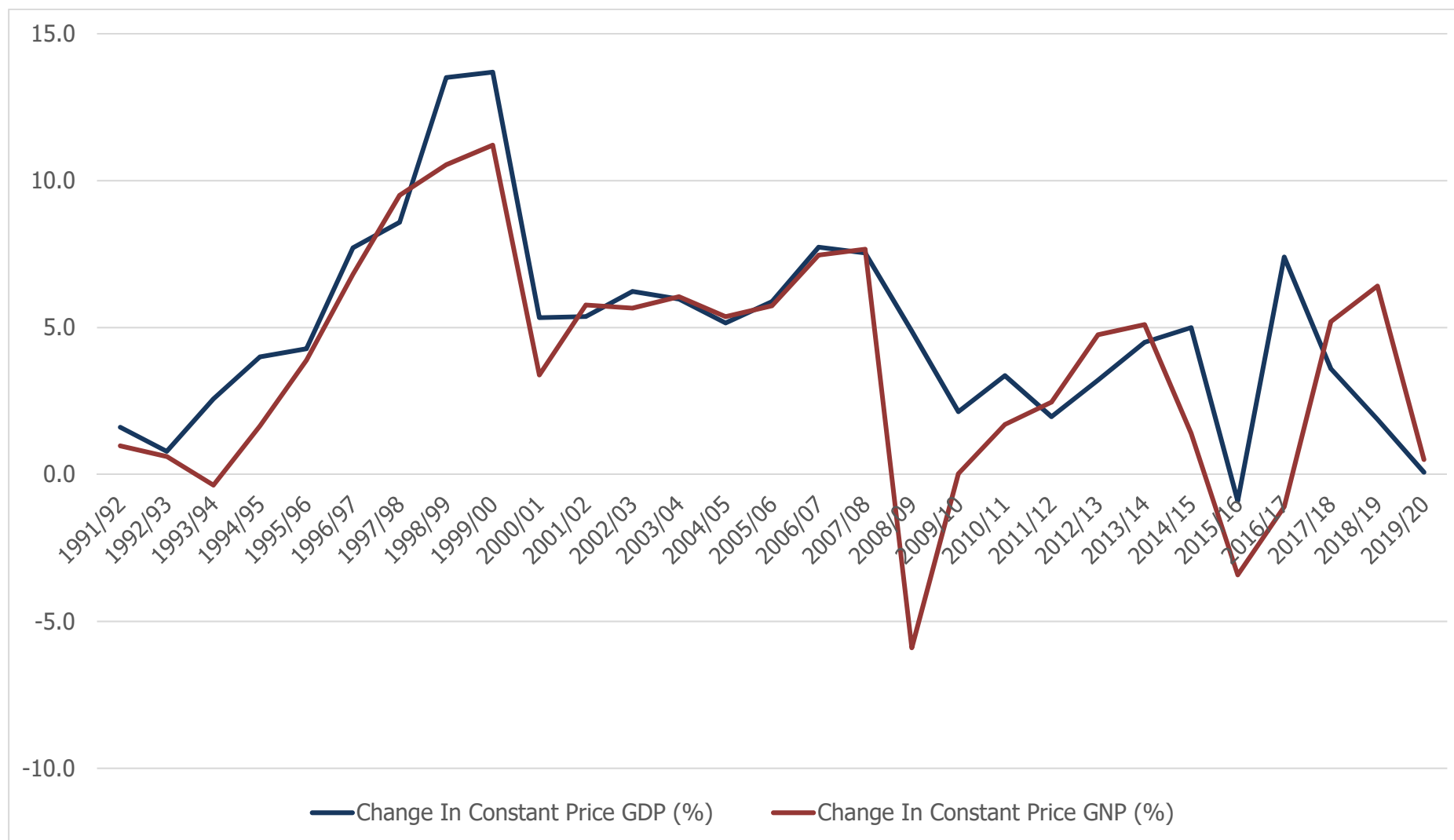


Figure 3 Share of GDP by Source

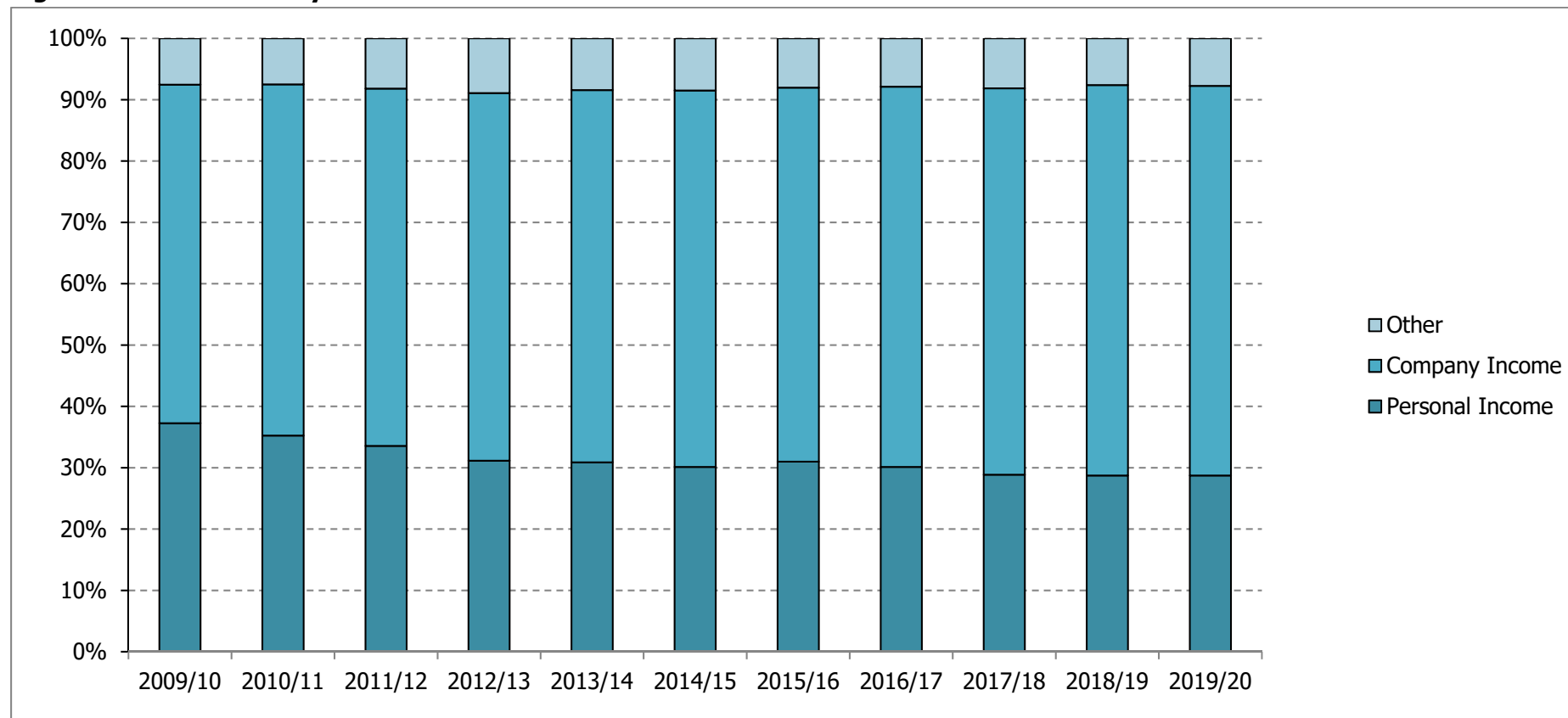


Table 4 Share of GDP by Source at constant prices (£'000s)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Personal Income	1,521,625	1,459,001	1,448,404	1,402,101	1,451,175	1,487,003	1,515,528	1,582,497	1,564,947	1,586,896	1,588,582
Company Income	2,254,639	2,369,492	2,514,849	2,697,617	2,852,281	3,029,061	2,982,541	3,258,502	3,416,766	3,517,599	3,514,308
Other	307,815	310,676	353,168	400,873	395,978	419,798	393,347	413,552	441,060	420,395	428,062
GDP	4,084,079	4,139,169	4,316,421	4,500,591	4,699,434	4,935,861	4,891,416	5,254,551	5,422,773	5,524,890	5,530,952

Methodological Statement

The Isle of Man National Income Accounts have been updated to reflect changes in the methodology for calculating Gross Domestic Product and Gross National Product. The changes have been made in line with the new National Accounts Framework (European System of Accounts 2010 or ESA10), and incorporate a number of changes to how certain elements within National Income accounts are calculated and the inclusion of some new types of income or expenditure.

Detailed below are the changes and new items that have been included within the accounts:

- The inclusion of illegal drugs within the National Income accounts (Illegal Activities).
- A change in how full funded defined benefit pension schemes are accounted for within employment income, from being based upon the contributions paid by the employer to the actuarial cost of the scheme.
- Expenditure on Research & Development is now capitalised rather than being shown as a cost to businesses.
- A change from using the LIBOR rate to using a reference rate for the calculation of FISIM.

Within the United Kingdom's National Accounts there are also additional changes relating to ESA10, such as the inclusion of the costs of Weapons and Decommissioning Costs. However, these additional items have not been deemed relevant for the purposes of the Isle of Man National Income Accounts.

Separately to the changes made due to ESA10, the calculation of NPISH has also been altered to reflect that the Isle of Man Accounts had become out of date with international standards. The Isle of Man Accounts have historically only included the surplus on charities as NPISH. They were therefore not compliant with any international standard. The change to NPISH involved looking at charities total costs, and discounting those who earned more than 50% of income from sales (as these are defined as trading companies).

The ESA10 adjustment figures included within the National Income Accounts shown in this report include the following adjustments:

- Illegal Activities
- Expenditure on Research & Development

The changes in relation to pension costs for fully funded defined benefit schemes, NPISH and the interest rate used for calculating FISIM have been allocated to employment income (which forms part of Manx Sourced Income), NPISH and to the FISIM adjustment respectively.

Additional Publications

The Isle of Man National Income Accounts is one of a series of publications compiled by Statistics Isle of Man (formerly Economic Affairs), the Cabinet Office. Other publications available include the following:

Isle of Man in Numbers 2021

Isle of Man Passenger Survey Annual Report 2018

Isle of Man Census Report 2016

Isle of Man Earnings Survey 2020

Isle of Man Housing Market Report 2020

Isle of Man Social Attitudes Survey 2019

Isle of Man Business Confidence Survey (bi-annual)

Isle of Man Inflation report (monthly report)

Isle of Man Labour Market Statistics (monthly report)

Isle of Man Quarterly Economic and Statistical Update to the Council of Ministers (quarterly report)

A number of publications plus selected monthly economic statistics are available on the Economic Affairs web page:

www.gov.im/about-the-government/offices/cabinet-office/economic-affairs-division/

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