



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 2020/21 show that the Island's economy shrank by 8.2% compared to 2019/20, or 8.0% after taking inflation into account. This is in all likelihood due to the effect of the COVID-19 pandemic on the Island's economy and that of the World as a whole. This compares with drops of approximately 11% in the United Kingdom and 10% in Jersey for the same period.

Key results from the report include:

- Total GDP decreased from £5.53bn to £5.01bn ([Table 1](#)).
- Decrease in GDP of 8.2%, or 8.0% in real terms (compared to a real term increase of 0.1% in 2019/20) ([Table 2](#)).
- Decrease in GNP of 6.5%, or 6.3% in real terms (compared to an increase 0.5% in 2019/20) ([Table 2](#)).
- ICT, eGaming, and Banking were the most significant factors in this decrease, decreasing in size by £135m, £369m, and £124m respectively.
- Just over half the sectors in the economy (14) have experienced growth, although this has typically been quite modest, whilst the remaining 10 sectors have seen contractions ([Table 2](#)).
- Insurance continues to be the largest sector of the Island's economy, accounting for 22.4% of the economy, with eGaming contributing 11.2% to the economy. The remaining three of the five largest sectors of the economy were Other Finance and Business Services (9.3%), Other Professional Services (7.2%), and Information and Communication Technology (6.8%) ([Figure 1](#)).
- Accounting for 59% of the Island's economy, company income continues to be the main driver of the Island's economy, falling somewhat from 64% in 2019/20. Personal incomes represent 31% of the Island's economy, and have grown 0.2% in real terms since [2019/2020](#) ([Table 4](#)).

The accounts contained within this report relate to the year 2020/21 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)
2019/20 to 2020/21**

Income in Year at Factor Cost	2019/20	2020/21	Sector Share 2020/21	Change 19/20 to 20/21
Agriculture, Forestry & Fishing	18,148	19,428	0.4%	7%
Manufacturing: Engineering	37,277	33,898	0.7%	-9%
Food & Drink	30,901	24,926	0.5%	-19%
General	54,625	68,498	1.4%	25%
Mining & Quarrying	4,127	7,262	0.2%	76%
Construction	223,480	233,195	4.9%	4%
Utilities	84,750	95,429	2.0%	13%
Transport and Communications	163,836	146,774	3.1%	-10%
Wholesale Distribution	41,762	30,861	0.6%	-26%
Retail Distribution	120,917	125,030	2.6%	3%
Banking	366,084	242,131	5.0%	-34%
Insurance	1,029,269	1,075,589	22.4%	5%
Other Finance and Business Services	471,278	448,625	9.3%	-5%
Information and Communication Technology	463,445	328,623	6.8%	-29%
Legal and Accountancy Services	88,011	85,251	1.8%	-3%
Corporate Service Providers	143,976	153,277	3.2%	6%
Education	103,596	113,224	2.4%	9%
Medical & Health Services	251,918	265,928	5.5%	6%
Other Professional Services	304,570	343,224	7.2%	13%
Tourist Accommodation	30,127	11,673	0.2%	-61%
Catering and Entertainment	36,073	37,044	0.8%	3%
eGaming	908,667	539,545	11.2%	-41%
Miscellaneous Services	151,186	155,125	3.2%	3%
Public Administration	193,148	215,046	4.5%	11%
Sub-total (Manx sourced income)	5,321,172	4,799,605	100%	
Imputed rent	156,583	174,457		
FISIM adjustment	-165,710	-109,602		
Government depreciation of fixed assets	137,527	132,844		
NPISH	41,884	41,800		
ESA10 Adjustment	39,496	39,417		
Gross Domestic Product	5,530,952	5,078,521	-8.2%	
Income from Abroad	2,614,673	1,944,907		
Income to Abroad	-2,891,879	-2,061,594		
Net Income to Abroad	-277,205	-116,688		
Net FISIM adjustment	179,381	118,644		
Gross National Product	5,433,127	5,080,477	-6.5%	
Subsidies on production	- 5,954	- 11,367		
Taxes on production	26,497	27,897		
Gross National Income	5,453,670	5,097,007	-6.5%	

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)
2019/20 to 2020/21**

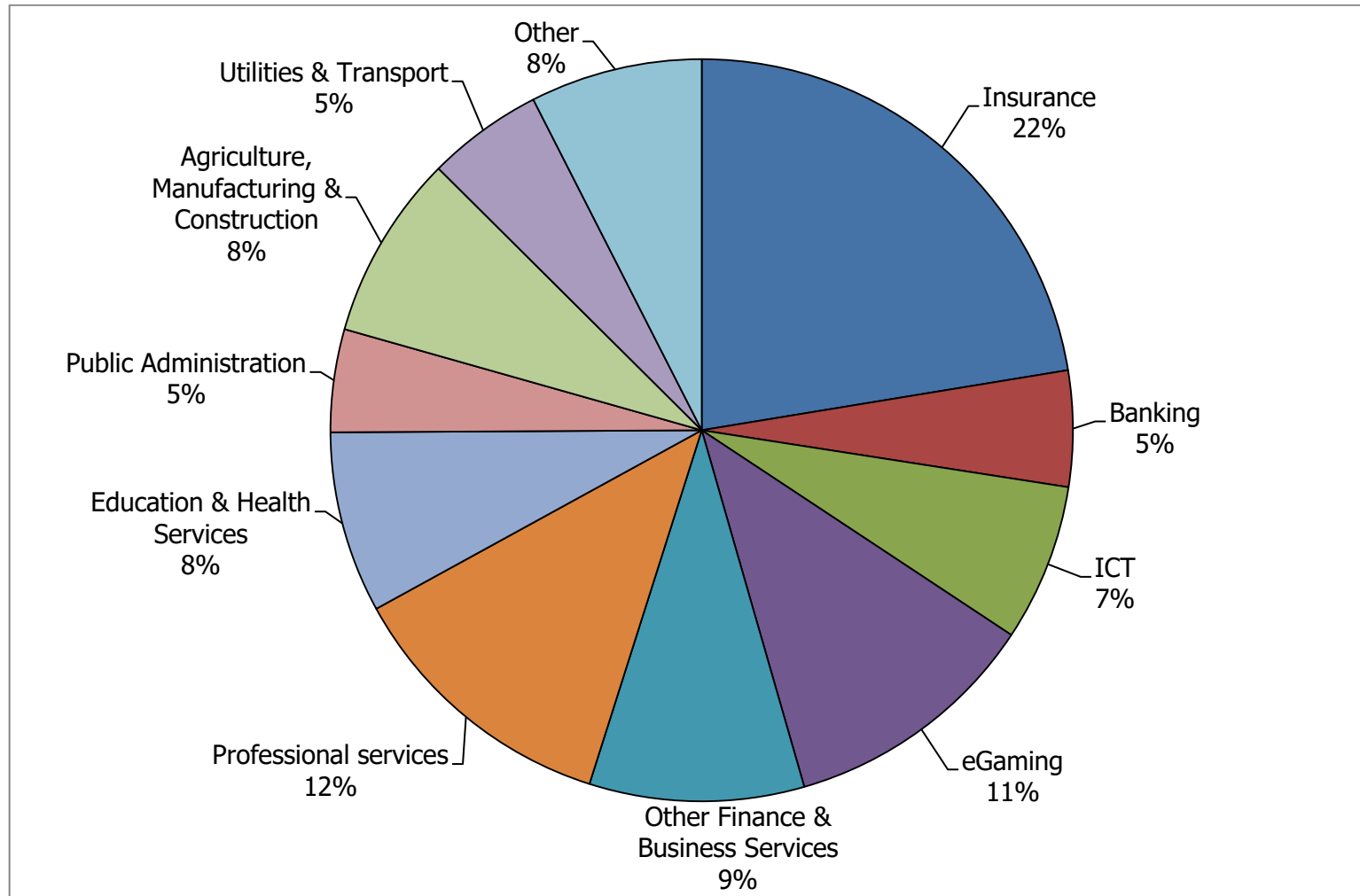
Income in Year at Factor Cost	2019/20	2020/21	Sector Share (%) 2020/21	Change 19/20 to 20/21
Agriculture, Forestry & Fishing	18,111	19,428	0.4	7%
Manufacturing: Engineering	37,202	33,898	0.7	-9%
Food & Drink	30,839	24,926	0.5	-19%
General	54,516	68,498	1.4	26%
Mining & Quarrying	4,119	7,262	0.2	76%
Construction	223,033	233,195	4.9	5%
Utilities	84,581	95,429	2.0	13%
Transport and Communications	163,509	146,774	3.1	-10%
Wholesale Distribution	41,679	30,861	0.6	-26%
Retail Distribution	120,675	125,030	2.6	4%
Banking	365,351	242,131	5.0	-34%
Insurance	1,027,210	1,075,589	22.4	4.7%
Other Finance and Business Services	470,336	448,625	9.3	-5%
Information and Communication Technology	462,518	328,623	6.8	-29%
Legal and Accountancy Services	87,835	85,251	1.8	-3%
Corporate Service Providers	143,689	153,277	3.2	7%
Education	103,388	113,224	2.4	10%
Medical & Health Services	251,414	265,928	5.5	6%
Other Professional Services	303,961	343,224	7.2	13%
Tourist Accommodation	30,067	11,673	0.2	-61%
Catering and Entertainment	36,001	37,044	0.8	3%
eGaming	906,850	539,545	11.2	-41%
Miscellaneous Services	150,883	155,125	3.2	3%
Public Administration	192,762	215,046	4.5	12%
Sub-total (Manx sourced income)	5,310,530	4,799,605	100%	-9.6%
Imputed rent	156,270	174,457		
FISIM adjustment	-165,378	-109,602		
Government depreciation of fixed assets	137,252	132,844		
NPISH	41,800	41,800		
ESA10 Adjustment	39,417	39,417		
Gross Domestic Product	5,519,890	5,078,521	-8.0%	
Income from Abroad	2,609,444	1,944,907		
Income to Abroad	-2,886,095	-2,061,594		
Net Income From Abroad	-276,651	-116,688		
Net FISIM adjustment	179,022	118,644		
Gross National Product	5,422,261	5,080,477	-6.3%	
Subsidies on production	-5,835	-11,367		
Taxes on production	25,967	27,897		
Gross National Income	5,442,763	5,097,007	-6.4%	

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 2021, as published by Economic Affairs.

Table 3 - Growth in GDP and GNP at Constant Prices 1992/93 to 2020/21

	Change In Constant Price GDP (%)	Change In Constant Price GNP (%)
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
2020/21	-8.0	-6.3

Figure 1 Sectoral Analysis of 2020/21 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 - 2020/21 (%)

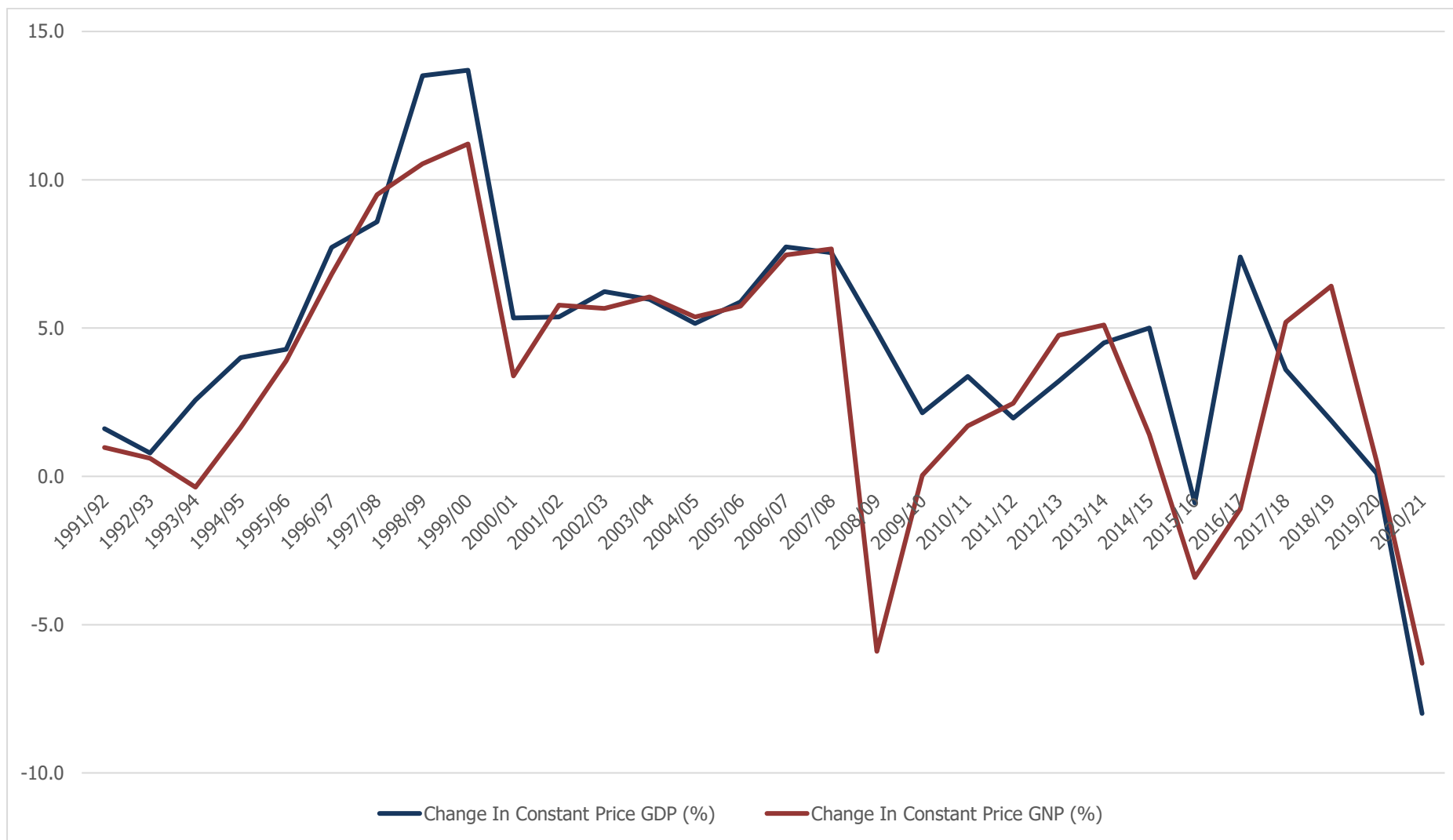


Figure 3 Share of GDP by Source

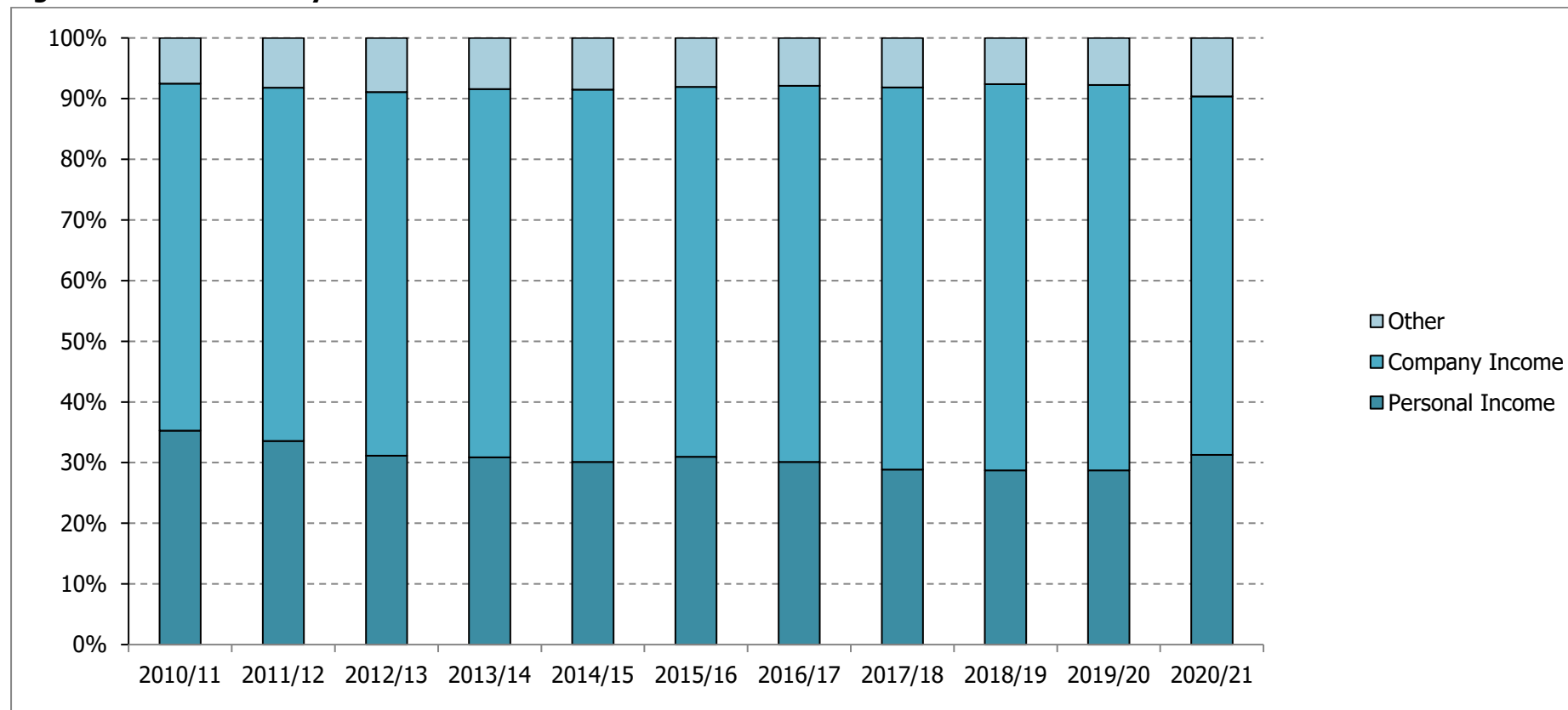


Table 4 Share of GDP by Source at constant prices (£'000s)

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Personal Income	1,456	1,446	1,399	1,448	1,484	1,513	1,579	1,562	1,584	1,586	1,589
Company Income	2,365	2,510	2,692	2,847	3,023	2,977	3,252	3,410	3,511	3,508	3,001
Other	310	352	400	395	419	393	413	440	420	427	489
GDP	4,131	4,308	4,492	4,690	4,926	4,882	5,244	5,412	5,514	5,520	5,079

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
Isle of Man Passenger Survey Annual Report
Isle of Man Census Report
Isle of Man Earnings Survey
Isle of Man Housing Market Report
Isle of Man Social Attitudes Survey
Isle of Man Business Confidence Survey
Isle of Man Inflation report
Isle of Man Labour Market Statistics
Isle of Man Quarterly Statistical Report

A number of publications plus selected monthly economic statistics are available on the Statistics Isle of Man web page:

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

All publications and additional information may be obtained by contacting:

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