



Economic Conditions

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Key Findings

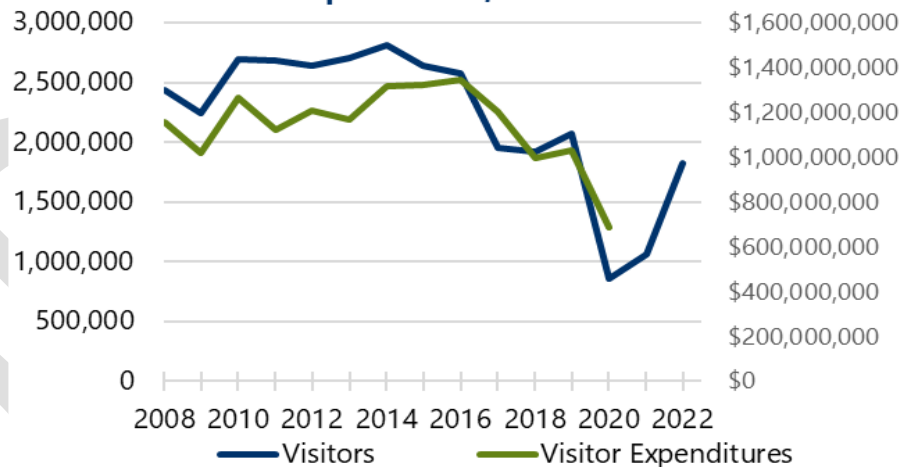
Economy & Industry

- Government jobs including healthcare and education contributed the largest share of jobs in 2022 in the USVI at 31%. Leisure and Hospitality had 17% of total jobs while retail trade rounded out the top three with 13%.
- Tourism has been a key driver of the US Virgin Islands' economy. Between 2008 and 2020 the US Virgin Islands averaged nearly 2.5 million visitors annually bringing in over \$1.2 billion in visitor spending in the region. While the COVID-19 pandemic drastically decreased the number of visitors that were able to travel to the US Virgin Islands, visitation has been trending downward since 2015, with a slight uptick in 2019.
- Between 2002 and 2020, the real GDP of the US Virgin Islands shrunk by 19%.
- The US Virgin Islands is a net exporter of goods and services. In other words, the USVI is bringing more goods and services to the islands than it is shipping out.
- The latest unemployment figures from the USVI Department of Labor show that unemployment is 6.3% across the territory. Looking at the islands separately, St. Croix's unemployment is 7.5%, and St. John/St. Thomas is 5.3%.

Tourism

Tourism has been a key driver of the US Virgin Islands' economy. Between 2008 and 2022 the US Virgin Islands averaged over 2.2 million visitors annually, who brought it an annual average of \$1.4 billion in visitor spending.

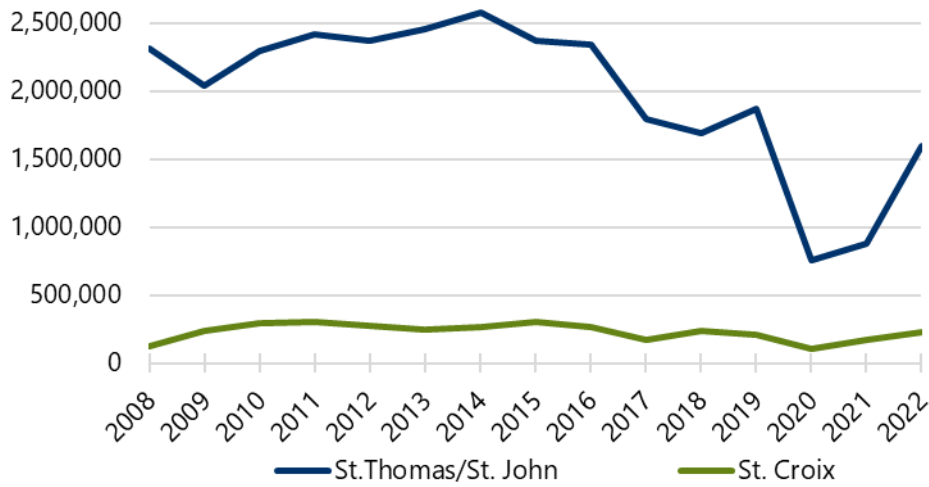
Total Visitors and Expenditures, USVI



Source: USVI Bureau of Economic Research

Most visitors to the US Virgin Islands visit St. Thomas/St. John. While the COVID-19 pandemic caused a severe reduction in the number of visitors able to enter the US Virgin Islands, visitors to St. Thomas /St. John had already been on a downward trajectory, with a spike in 2019. At the 2014 peak, 2,848,300 visitors came to the US Virgin Islands. In 2022, coming out of the major crisis period of the pandemic, the total number of visitors reached 1,821,251, about 63% of the 2014 peak. The 2022 visitation totals broken down by island are 1,596,189 visitors to St. Thomas/St. John and 255,062 to St. Croix.

Historical Visitor Breakdown by Island



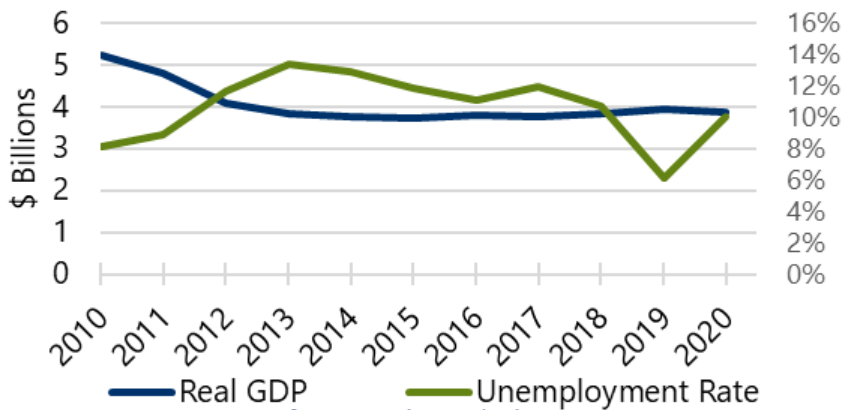
Source: USVI Bureau of Economic Research

Macroeconomic Indicators

Gross Domestic Product

Between 2002 and 2020, the real Gross Domestic Product (GDP) of the US Virgin Islands shrunk by 19%. The graph to the right demonstrates that as real GDP began to decrease in 2010-2012, the unemployment rate began to increase.

Real GDP v Unemployment Rate, USVI



Source: USVI Bureau of Economic Analysis

Historical Real GDP, USVI

Year	Value
2002	\$4,797,000,000
2003	\$4,778,000,000
2004	\$4,935,000,000
2005	\$5,107,000,000
2006	\$5,286,000,000
2007	\$5,498,000,000
2008	\$5,565,000,000
2009	\$5,198,000,000
2010	\$5,229,000,000
2011	\$4,800,000,000
2012	\$4,089,000,000
2013	\$3,832,000,000
2014	\$3,764,000,000
2015	\$3,748,000,000
2016	\$3,808,000,000
2017	\$3,780,000,000
2018	\$3,852,000,000
2019	\$3,959,000,000
2020	\$3,874,000,000
% Change 2002-2020	-19%

Source: Bureau of Economic Analysis

GDP Components

In the US Virgin Islands, personal consumption expenditures-particularly on services-make up the largest portion of the GDP. Within services, housing and utilities make up the greatest expenditure.

Imports heavily outpace the exports in the US Virgin Islands. The Territory imports a significant amount of goods, which results in a negative net export figure.

USVI Gross Domestic Product by Share, 2020

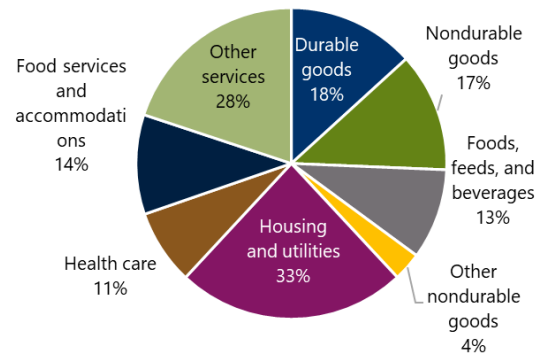
	Value	% of Total
Personal consumption expenditures	\$2,762,000,000	66%
Goods	\$1,455,000,000	35%
Durable goods	\$507,000,000	12%
Nondurable goods	\$474,000,000	11%
Foods, feeds, and beverages	\$360,000,000	9%
Other nondurable goods	\$114,000,000	3%
Services	\$2,368,000,000	56%
Housing and utilities	\$913,000,000	22%
Health care	\$298,000,000	7%
Food services and accommodations	\$396,000,000	9%
Other services	\$762,000,000	18%
Net foreign travel	-\$587,000,000	-14%
Private fixed investment	\$740,000,000	18%
Change in private inventories	\$794,000,000	19%
Net exports of goods and services	-\$1,590,000,000	-38%
Exports	\$1,621,000,000	39%
Goods	\$1,027,000,000	24%
Services	\$594,000,000	14%
Imports	\$3,212,000,000	76%
Goods	\$2,756,000,000	66%
Services	\$456,000,000	11%
Government consumption expenditures and gross investment	\$1,499,000,000	36%
Federal	\$225,000,000	5%
Territorial	\$1,274,000,000	30%
Total GDP	\$4,205,000,000	100%

Source: Bureau of Economic Analysis

Personal Consumption Expenditures

Spending on housing and utilities represents the highest proportion of personal consumption expenditures. This is followed by spending on other services, durable goods, nondurable goods, and food services and accommodations. Other non-durable goods represent one of the smallest portions of the major expenditures categories (i.e., not including anything that falls under nondurable goods).

2020 GDP: Personal Consumption Expenditures, USVI



Source: Bureau of Economic Analysis

Services

Tourism-related service is an important contributor to the US Virgin Islands GDP, however, this has decreased in recent years. From 2006-2016 the accommodation and food services value added increased from 7% to 13%, however, in 2018 this value fell back to 7% and then rose slightly to 8% in 2019. Wholesale and retail trade as well as other services have shown some fluctuation over this period but have remained relatively flat in their value-added from 2002 to 2019.

Value Added by Service Industry as a Percentage of GDP, USVI

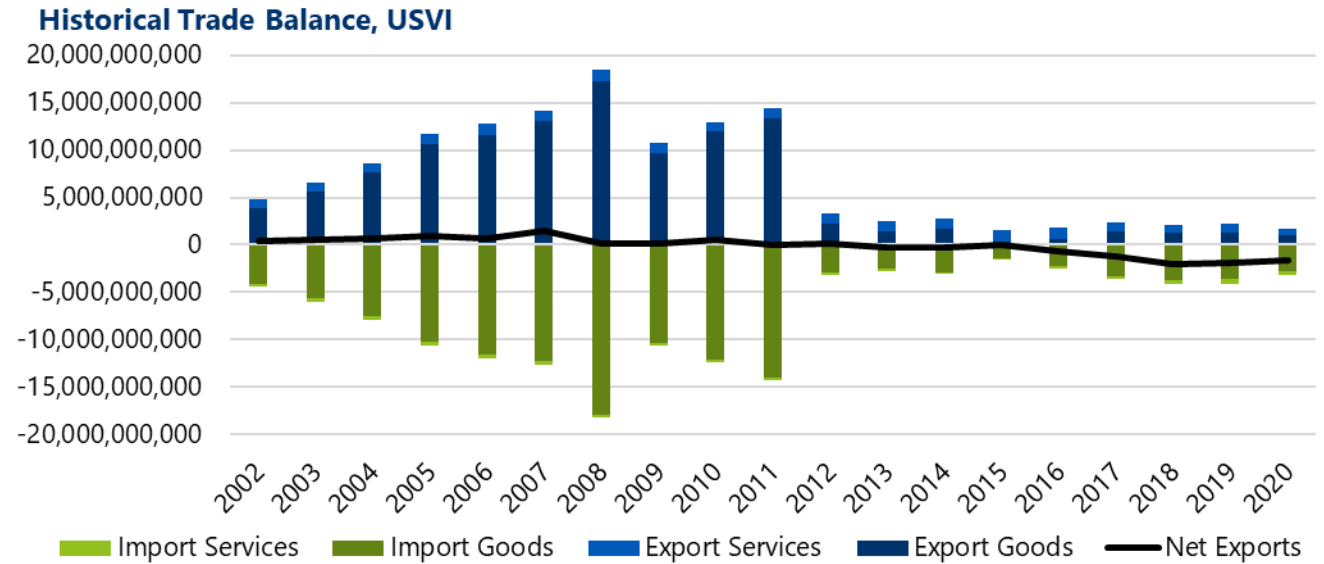
Year	Wholesale and retail trade	Accommodation and food services	Other Services, except Government
2002	11%	8%	41%
2003	10%	8%	41%
2004	10%	8%	38%
2005	9%	7%	35%
2006	9%	7%	34%
2007	9%	8%	35%
2008	10%	10%	37%
2009	10%	10%	36%
2010	10%	10%	37%
2011	10%	10%	38%
2012	10%	11%	40%
2013	11%	12%	42%
2014	11%	13%	42%
2015	11%	13%	44%
2016	10%	13%	46%
2017	10%	11%	48%
2018	10%	7%	47%
2019	10%	8%	45%

Source: Bureau of Economic Analysis

International Trade

Except for 2015, which showed a nominal positive net export figure, the US Virgin Islands' imports have exceeded exports every year since 2010, resulting in a negative net export figure. Between 2016 and 2018, the gap between imports and exports steadily increased before leveling off in recent years. As of 2020, imports exceeded exports by \$1.6 billion.

As of 2020, the majority of imports to the US Virgin Islands were goods (86%), while 14% were services. Exports were slightly more evenly split with 63% being goods and 37% being services.



Source: Bureau of Economic Analysis

Economic Base Analysis

Employment by Sector

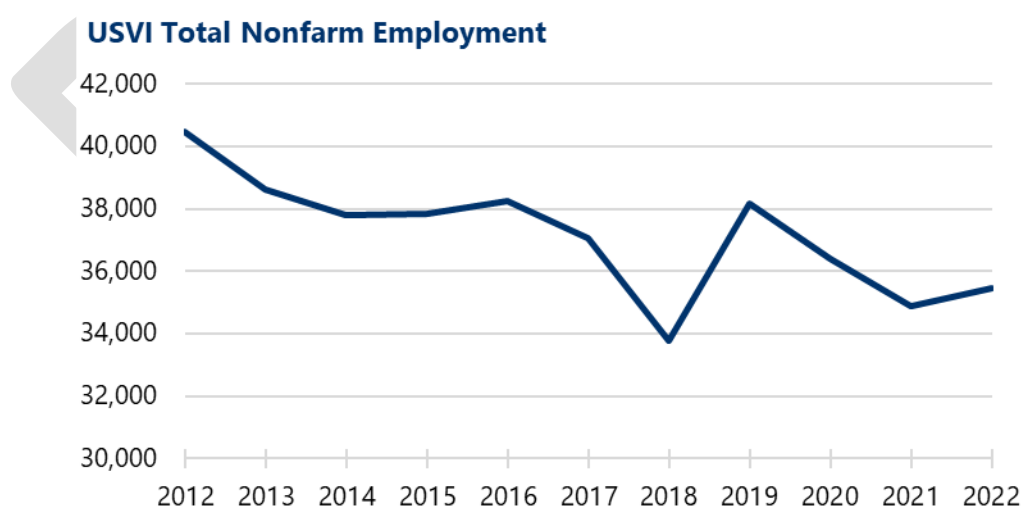
From 2017 to 2022, the total number of jobs in the USVI decreased by 6%. The biggest loss of jobs was in Leisure and Hospitality, which fell by 1,247 jobs over the last five years. In contrast, Natural Resource and Mining and Construction realized the biggest job gains over this period adding 903 jobs.

USVI Employment by Sector

Description	2017 Jobs	2022 Jobs*	2022 Share	2017-2022 Change	2017-2022 % Change
Government	10,892	10,866	31%	-26	0%
Leisure and Hospitality	7,411	6,164	17%	-1,247	-17%
Retail trade	5,619	4,654	13%	-964	-17%
Professional and business services	3,243	2,967	8%	-276	-9%
Natural Resources and Mining and Construction	1,485	2,389	7%	903	61%
Education and health services	2,490	2,234	6%	-256	-10%
Financial activities	2,119	1,849	5%	-270	-13%
Transportation and warehousing	1,358	1,262	4%	-96	-7%
Other services	1,164	1,058	3%	-105	-9%
Manufacturing	607	780	2%	173	29%
Wholesale Trade	680	669	2%	-11	-2%
Information	639	470	1%	-169	-26%
Total	37,706	35,362	100%	-2,344	-6%

*2022 Jobs are an average of jobs from January–November 2022

Source: USVI Department of Labor

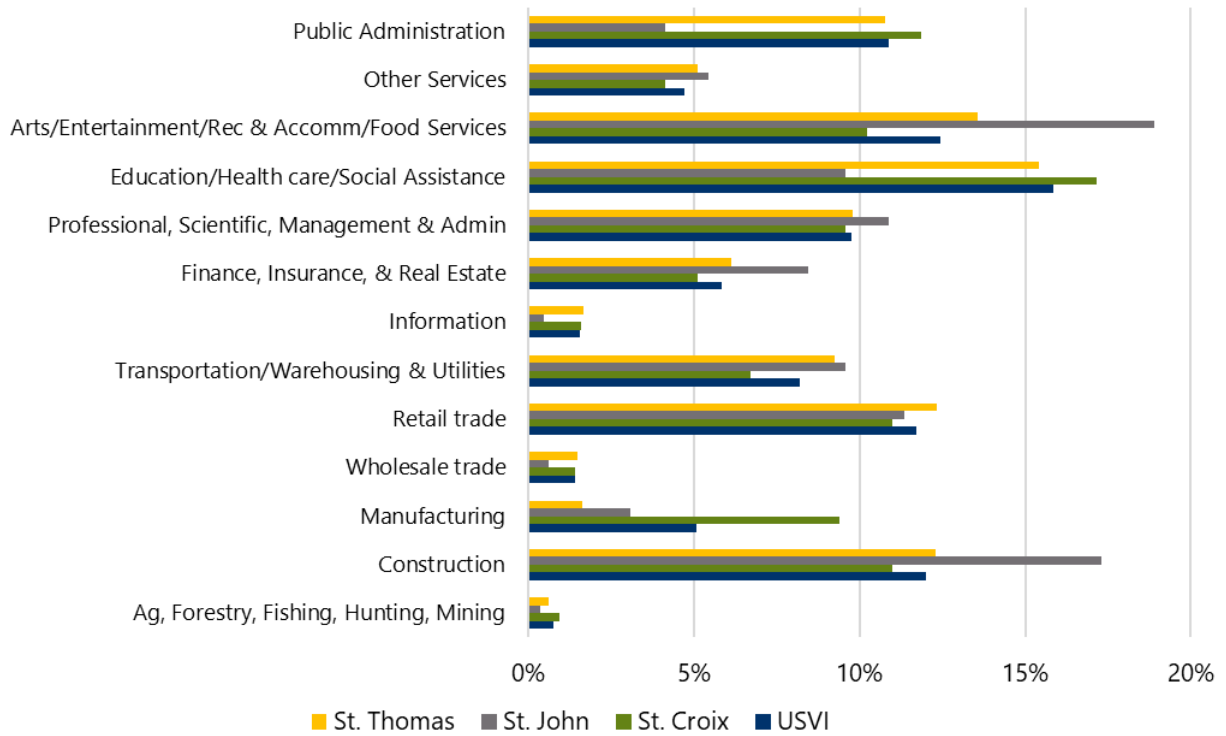


Source: US Bureau of Labor Statistics

Industry Summary

In 2020, the distribution of jobs by sector for the USVI was most heavily dominated by: Education/Health Care/Social Assistance, Arts/Entertainment/Recreation and Accommodation/Food Services, Construction, and Retail Trade.

Sector Share of Jobs by Island, 2020



Source: Decennial Census of Island Areas

Occupations

Office and administrative support occupations are the top occupation in the USVI in terms of the number of jobs. This is followed by management occupations and food preparation and serving occupations. Management occupations are the highest paying.

USVI Top Occupations, 2021

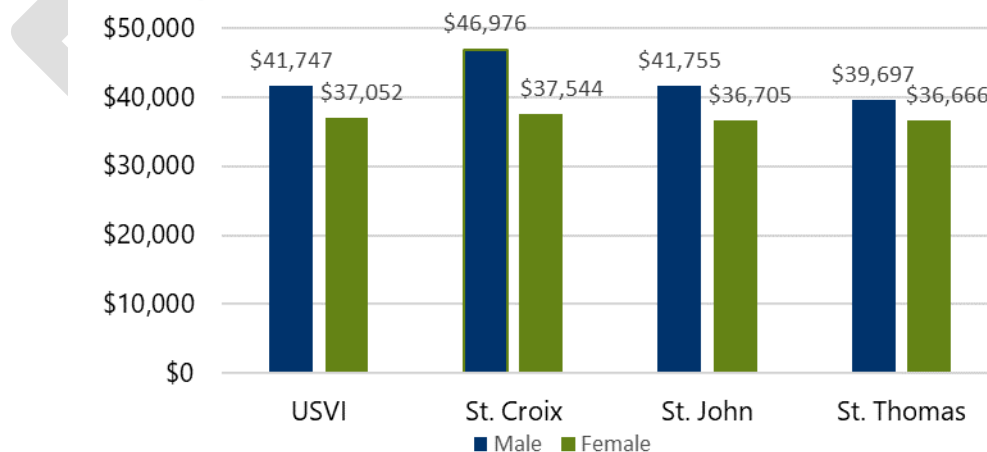
Occupation	Jobs	% of All Jobs	Avg. Hourly Wage	Avg. Annual Earnings
Office and Administrative Support Occupations	4,410	13%	\$19.40	\$40,350
Food Preparation and serving Related Occupations	3,360	10%	\$14.06	\$29,250
Sales and Related Occupations	3,130	9%	\$16.79	\$34,920
Management Occupations	2,830	9%	\$41.19	\$85,680
Transportation and Material Moving Occupations	2,470	7%	\$17.75	\$36,920
Construction and Extraction Occupations	2,300	7%	\$24.27	\$50,470
Educational Instruction and Library Occupations	2,130	6%	\$24.01	\$49,950
Protective Service Occupations	2,130	6%	\$21.50	\$44,730
Building and Ground Cleaning and Maintenance Occupations	1,860	6%	\$14.39	\$29,940
Business and Financial Operations Occupations	1,800	5%	\$30.30	\$63,030

Source: US Bureau of Labor Statistics

Earnings

Median annual earnings for full-time, year-round workers in 2020 in the USVI were \$41,747 for males and \$37,052 for females. The breakdown of the islands shows St. Croix has the highest median annual earnings and St. Thomas has the lowest.

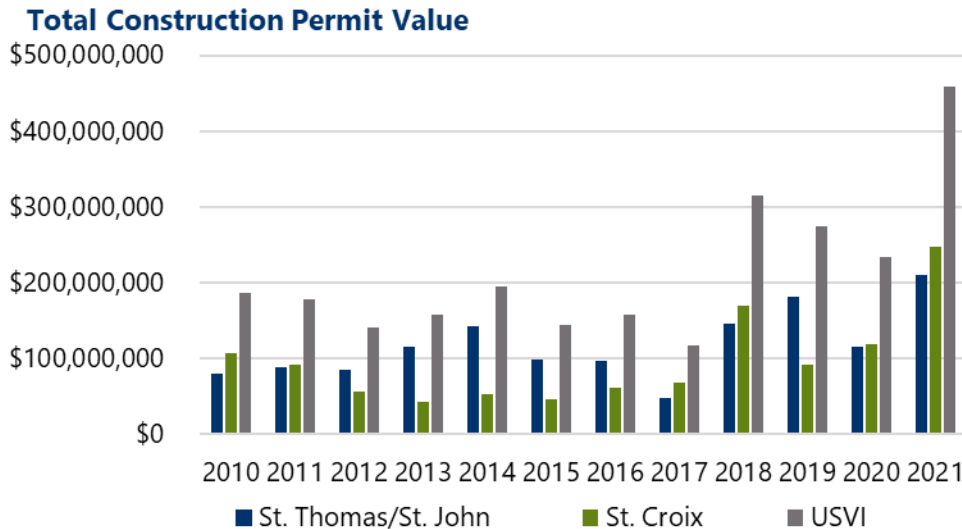
Median Annual Earnings, full-time, year round workers, 2020



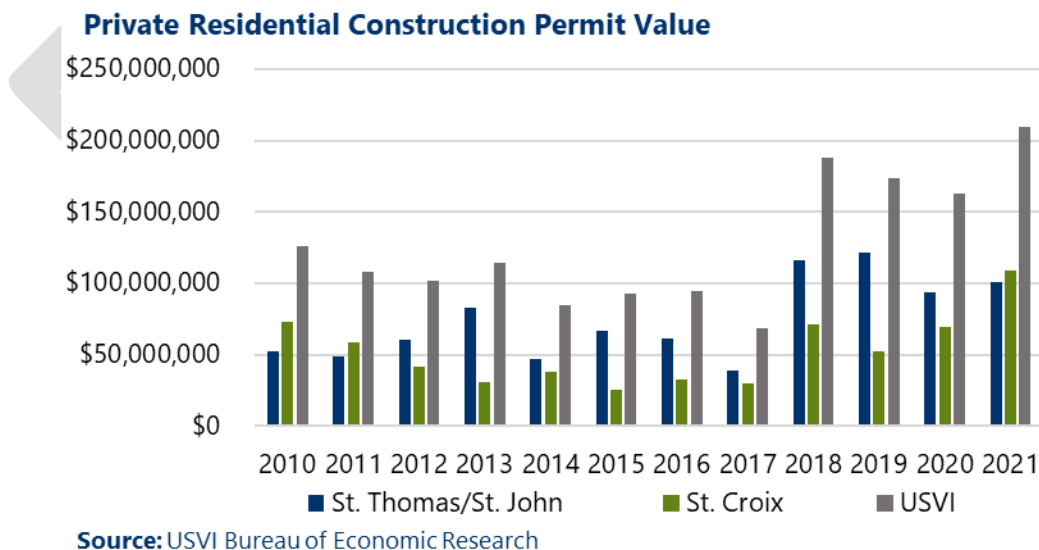
Source: Decennial Census of Island Areas

Building Permits

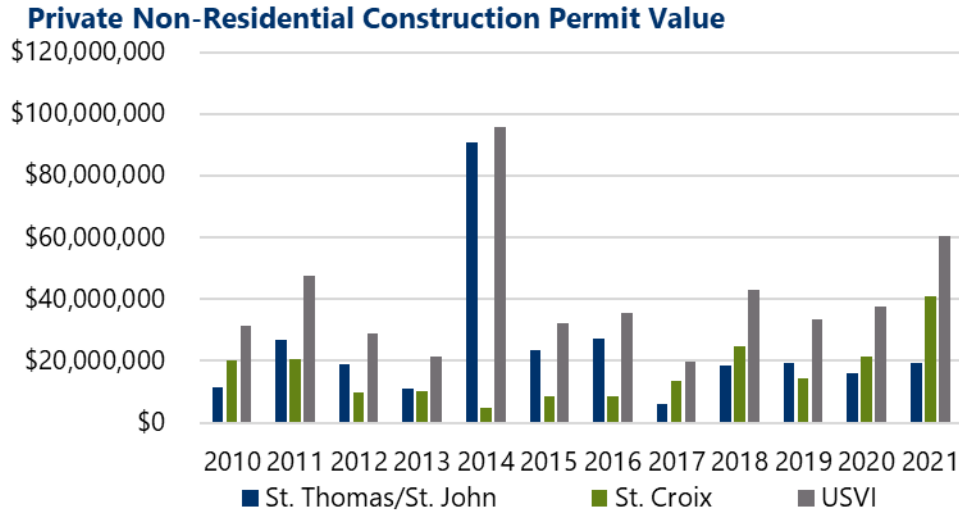
Between 2010-2021, the total construction permit value increased by 59% in the USVI. The value in St. Thomas/St. John increased by 62% and the value in St. Croix increased by 57%. The latest figures in 2021 were \$485,856,000 in the US Virgin Islands as a whole, and \$211,221,000 and \$247,634,000 in St. Thomas/St. John and St. Croix, respectively.



Between 2010-2021, private residential construction permit value increased by 66% in the USVI. St. Thomas/St. John increased by 92% and St. Croix increased by 48%. The latest figures in 2021 were \$209,981,000 in the US Virgin Islands as a whole and \$101,245,000 and \$108,646,000 in St. Thomas/St. John and St. Croix, respectively.

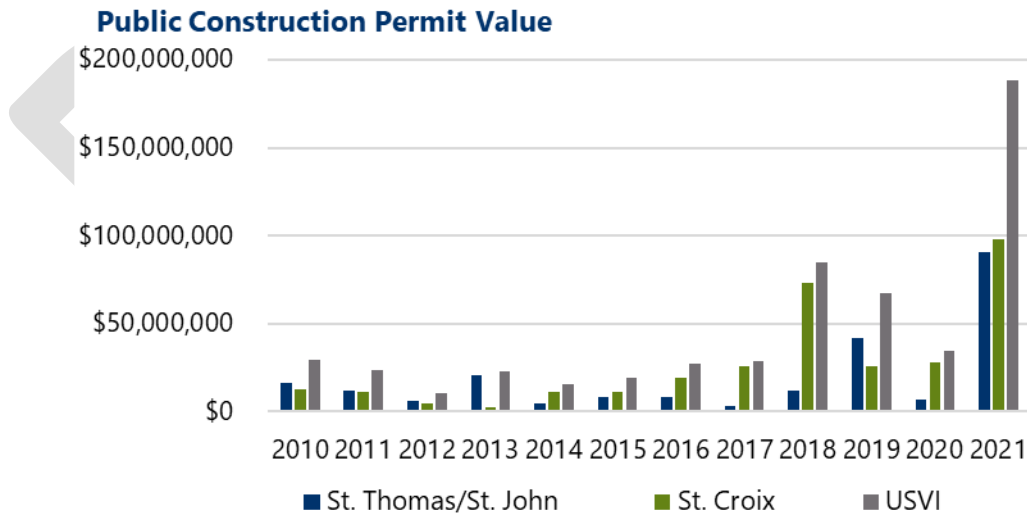


Since 2010, Private Non-Residential Construction permit value has increased by 48% in the USVI. St. Thomas/St. John increased by 41% and St. Croix increased by 51%. The current values in 2021 were \$60,510,000 in the US Virgin Islands as a whole and \$19,389,000 and \$41,121,000 in St. Thomas/St. John and St. Croix, respectively.



Source: USVI Bureau of Economic Research

Since 2010, the public construction permit value has increased by 539% in the USVI. St. Thomas/St. John increased by 450% and St. Croix increased by 651%. The current values in 2021 were \$188,456,000 in the US Virgin Islands as a whole and \$90,588,000 and \$97,588,000 in St. Thomas/St. John and St. Croix, respectively.



Source: USVI Bureau of Economic Research

Data Sources

Decennial Census of Island Areas - The 2020 Census of the U.S. Virgin Islands collected detailed demographic, social, economic, and housing characteristics using a long-form questionnaire. The demographic profile provides basic demographic, social, economic, and housing characteristics for the U.S. Virgin Islands. These characteristics are also available at lower levels of geography: islands, subdistricts, estates, towns, and census designated places.

US Decennial Census - Conducted every ten years in years ending in zero, the US Decennial Census of Population and Housing is a complete count of each resident of the nation based on where they live on April 1st of the Census year. The Constitution mandates the enumeration to determine how to apportion the House of Representatives among the states. The latest release of the 2020 Census contains data for a limited number of variables, including: total population by race/ethnicity, population under 18, occupied and vacant housing units, and group quarters population.

American Community Survey - The American Community Survey (ACS) is an ongoing statistical survey by the US Census Bureau that gathers demographic and socioeconomic information on age, sex, race, family and relationships, income and benefits, health insurance, education, veteran status, disabilities, commute patterns, and other topics. Mandatory to fill out, the survey is sent to a small sample of the population on a rotating basis. The questions on the ACS are different than those asked on the decennial census and provide ongoing demographic updates of the nation down to the block group level.

USVI Community Survey - the U.S. Virgin Islands Community Survey (VICS) was a survey conducted by the University of the Virgin Islands. Respondents were interviewed in the fourth quarter of 2015, with the survey designed to provide accurate estimates for the population and housing units for the United States Virgin Island. The 2015 U.S. Virgin Islands Community Survey was conducted using standard scientific techniques to obtain a sample of households. The personal interview approach was used to complete the questionnaire.

USVI Department of Labor -The VIDOL (Virgin Islands Department of Labor) collects, analyzes, and publishes information about the Territory's labor market. This information provides a snapshot of the Virgin Islands economy, job market, businesses, and its workforce. Data on jobs and workers, including labor force, employment and unemployment, industrial growth, occupational trends, and wage rates are all provided.

US Bureau of Labor Statistics - The Local Area Unemployment Statistics (LAUS) program estimates total employment and unemployment for approximately 7,500 geographic areas on a monthly basis, from the national level down to the city and town level. LAUS data is offered through the US Bureau of Labor Statistics (BLS) by combining data from the Current Population Survey (CPS), Current Employment Statistics (CES) survey, and state unemployment (UI) systems.

USVI Bureau of Economic Research - The USVI Bureau of Economic Research produces and distributes hundreds of indicators relevant to the United States Virgin Islands economy. The Bureau also regularly conducts special research projects, in the form of briefing papers and special analyses or surveys. The USVI BER provides statistics to enhance the social and economic development of the US Virgin Islands.

Bureau of Economic Analysis - The BEA produces statistics at the national, state, and local level; tracking such measures as GDP, foreign trade and investment stats as well as industry data. The Bureau of

Economic Analysis (BEA) promotes a better understanding of the U.S. economy by providing timely, relevant, and accurate economic accounts data in an objective and cost-effective manner.

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