



REMARKS

By:

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THE MINISTER OF ECONOMY AND LABOUR

2021 GDP INCREASES 5.4 PER CENT

28th September 2022

Good day to members of the media and the listening public.

Today, I am pleased to announce that the Bermuda economy grew 5.4 per cent in real terms to total \$6.3 billion in 2021. Bermuda's Economy is rebounding strongly from the economic downturn experienced in 2020.

Although we are not back to pre-pandemic economic activity, positive economic performance was recorded as fourteen of the nineteen industry groups' experienced economic expansion. At current prices, GDP increased by 5.8 per cent in 2021.

The three most significant Industrial contributors to the growth in the 2021 GDP include International Business, Accommodation and Food Services, and Professional, Scientific and Technical Activities. International Business Activity continued to be the most significant contributor to Bermuda's Economy, representing 28.1 per cent of total GDP. The International Business Sector continued its year-over-year growth, increasing in value added by 8.4 per cent or

\$138.5 million in 2021. This was the largest annual growth in the International Business Sector since the 12.4 per cent recorded in 2007. Businesses engaged in reinsurance, portfolio management services and insurance brokerage services experienced the largest increases in value added.

Jobs in the International Business Sector increased by 14 per cent or 172 to a total of 4,412 jobs. International Business remains the largest employment sector in Bermuda and, in 2021, employed 2,420 Bermudians, an increase of 89 from 2020 levels.

The Accommodation and Food Service industry was 86.1 per cent or \$63.0 million higher in 2021. Value added for hotels increased by \$61.3 million, reflecting a rebounding tourism industry. As pandemic restrictions eased, Bermuda experienced a rise in visitor arrivals and hotel occupancy.

Value added for Professional, Scientific and Technical Activities was 14.5 per cent or \$45.2 million higher in 2021. The sub-industry groupings of accounting, legal, and professional services experienced the most significant increases in value added.

Among the industries that recorded negative growth, Construction and Quarrying activity decreased by 3.0 per cent or by \$7.2 million. This decline was mainly attributed to an overall reduction in commercial construction projects. Financial and Insurance Activity fell 0.1 per cent, and Wholesale and Retail Trade activity decreased 0.7 per cent, influenced primarily by lower sales of food, clothing and building materials.

The public is encouraged to review the 2021 GDP publication at <https://www.gov.bm/annual-gross-domestic-product>.

Jobs

Today, the Ministry is also announcing the release of *The 2022 Bermuda Job Market Employment Briefs* from the Department of Statistics.

The 2021 Employment Survey reference week was August 29th to September 4th, and the Briefs examine the employment changes between 2020 and 2021. In February 2022, preliminary data from the 2021 Employment Survey were released in the 2021 National Economic Report. The results provided an initial indication of consecutive job losses at the aggregate level.

Bermuda's overall level of employment contracted as the 2019 Coronavirus pandemic continued to linger. Total filled jobs declined by 1,111 or 3.4% from 32,427 jobs in 2020 to 31,316 in 2021. The reduced operations of the Fairmont Southampton and the Elbow Beach hotel, along with job contraction in Bermuda's two largest banks, significantly impacted the 2021 Employment Survey results; the job losses in Accommodation and food services and Financial and Insurance services totalled 668 jobs year-over-year.

Notwithstanding the lagging 2021 employment numbers the Government is confident that there has been improvement in the employment landscape in 2022.

Demand for Bermudians

Occupations with the highest percentage of non-Bermudians were Head Waiter (82%), Sous Chef (82%), Farm Worker (81%), Actuary (80%), Home-based Care Worker (78%), Cook (76%), Assistant Cook (71%), Auditor (69%), Pharmacist (63%), Accountant II (62%), Maitre D (59%), Registered Nurse (59%), Housekeeper Private Service (58%) and Software Engineer/Developer (58%). These high-demand occupational categories highlight jobs that are commonly held by non-Bermudians. The Department of Workforce Development will partner with relevant organizations to expand and realign training opportunities to increase the percentage of Bermudians in high-demand job categories.

More in-depth cross-tabulations on Bermuda's job market are published in the *2021 Employment Survey Tabulation Set*. The 2022 Employment Briefs and the Tabulation Set are available on the Bermuda Government website at <https://www.gov.bm/employment-statistics>.

While general economic performance is good news, we must continue working together to sustain Bermuda's economic growth and increase the number of available jobs. The Government will continue to facilitate the expansion and sustainability of Bermuda's economy, creating a business ecosystem that allows companies to thrive. The country's 2021 economic performance creates a strong platform for further economic growth and increased opportunities for Bermudians.

Thank you.

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