



# **US Virgin Islands Economic Review**

**April 2009**

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# REPORT: ECONOMIC CONDITIONS

## Overview

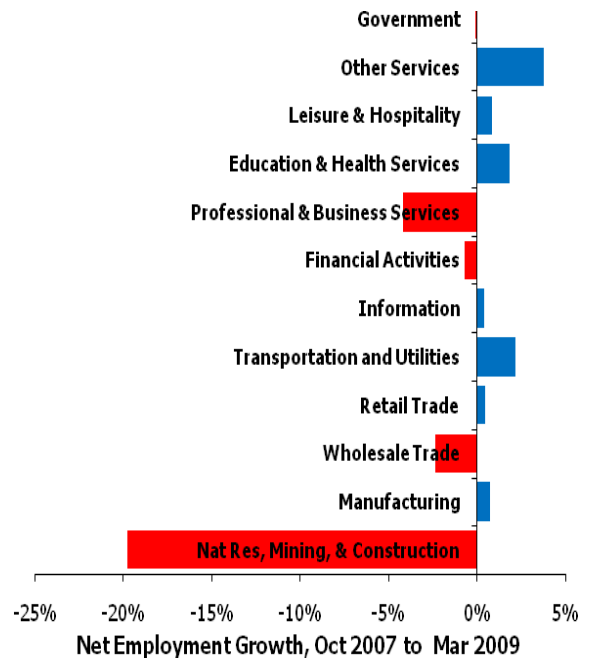
General economic conditions worsened in recent months, underscoring the severity of recessionary conditions in the US economy—critically important to the Territory as the primary market for visitors, trade and investment. Key economic indicators have now declined for the past two quarters. Job losses have mounted, initial unemployment insurance claims are at high levels, construction has come to a virtual halt; and despite federal monetary and fiscal stimulus measures to increase liquidity in the financial markets and stimulate demand through public spending, consumer and business spending and investment continues to contract.

The job market is emblematic of the poorer economic environment. Employment losses have accelerated, with more than 850 jobs lost in the second quarter of the fiscal year relative to the same quarter last year, and 380 jobs in the last six months. Virtually every major sector of the economy shed jobs during this period, with the most acute losses occurring in the construction, professional and business services, wholesale trade and in hotels and other accommodation. Employment in other sectors, notably arts and entertainment, restaurants and other food services, education and health, and government have either been stagnant, or at best experienced feeble employment growth during this period.

With layoffs escalating, the Territory's unemployment rate has risen from 6.0 percent in December 2007 (the official start of the US recession) to a March 2009 level of 6.8 percent. The rate for St. Croix rose to 8.0 percent in March and 5.9 percent in the St.

Thomas and St. John district, a level not seen since December 2005.

**Percent Change in US Virgin Islands Employment by Industry Since Start of Recession**

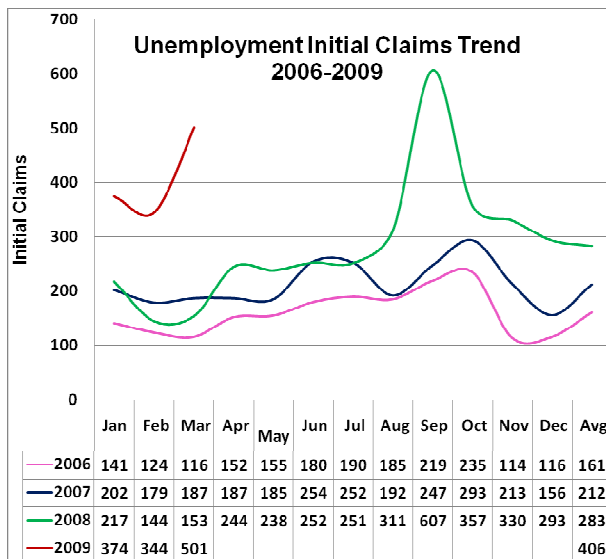


Underscoring a progressively worsening labor market, initial claims for unemployment insurance ballooned to 607 last September as shown in the chart on the next page. These claims represent layoffs in construction, leisure and hospitality, oil refinery, and decline in productivity hours as more and more businesses were forced to scale back on hiring and cut regular working hours.

Although unemployment claims from the September peak, claims remain high averaging 326 in the first quarter and 406 in the second quarter of the fiscal year 2009, as illustrated in the chart below. Claims will

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steadily increase as more businesses close, staff hours are reduced, and layoffs occur.



The unfavorable macroeconomic environment has led to a depreciation in government revenues. The Territory's revenue collections in the first six months of fiscal year 2009 declined 22 percent below revenues collected in fiscal year 2008. Most of the losses were concentrated in real property, corporate income, personal income, and gross tax receipts. Revenue losses are anticipated to deteriorate more sharply in the months ahead, with expectations for slowing withholding taxes from rising unemployment, reductions in estimated personal income tax payments, and lower income tax liabilities. Taking into account the impact of the downturn in the economic and revenue outlook, the government is projecting a \$188 million deficit in fiscal year 2009 and a \$192 million deficit in fiscal year 2010.

The magnitude of the expected revenue reductions has led to consideration by government of a number of measures and options to contain expenditure, close the

budget shortfall while protecting critical public services during these challenging economic times. The stopgap measures include attrition, hiring freeze, external borrowing and economic stimulus. Significant fiscal stimulus measures contained in the *American Recovery and Reinvestment Act of 2009* and government's infrastructure stimulus should boost household and business spending, create jobs and re-energize the economy. But most of the impact will not take effect until next year; as such, the economy of the US Virgin Islands is expected to decline throughout the rest of 2009, with hope for improvement in the second half of 2010.

## Economic Outlook

The outlook for the economy for the rest of this year and the coming year is now considerably less favorable. Recessionary conditions are likely to intensify over the next several months, with the prospects for a more protracted economic contraction next year. This is based on projections that the US economy will continue to experience negative growth for the rest of 2009, and is not expected to improve until 2010. The Territory's economy, therefore, is expected to follow the same recovery pattern as the US economy.

However, there are several factors that could mitigate against an even sharper decline and lay ground for recovery. The stimulative effect of the *American Recovery and Reinvestment Act of 2009* on consumer spending, business investment, job creation as well as government's spending on infrastructure may help to reduce the impact and bring some stability to the economy. Additionally, if energy prices and related utility and consumer costs remain subdued,

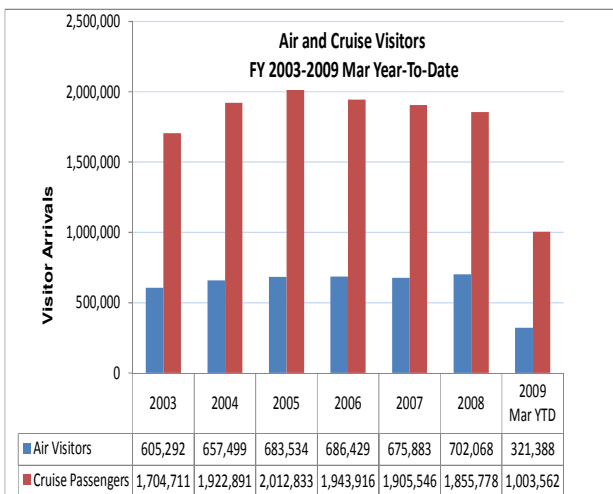
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the additional disposable income may encourage consumer spending and economic activity. Thus, a broad range of initiatives are in place to foster recovery and their effects will be increasingly felt over the course of next year.

## Major Sector Trends

### Tourism

Since April 2008, the tourism sector achieved consecutive months of year-on-year decline in visitor arrivals. The number of visitors to the Territory declined marginally by 0.9 percent in fiscal year 2008 to 2,557,846 from 2,581,429 in fiscal year 2007. Therefore, for the first six months of fiscal year 2009, total visitor arrivals declined 16 percent from last year.



In the first quarter of fiscal year 2009, the industry continued to underperform as visitor arrivals and hotel occupancy decreased substantially. The total number of visitors arriving by air to the Territory was 591,386 or 17.1 percent decline from the 713,260 visitors in the same period last year. First quarter air arrivals declined 14.4 percent

to 137,230 from 160,393, while cruise passengers declined 17.9 percent to 454,156 from 552,867 against the same period in 2008. The decrease in arrivals continued in the second quarter. Total visitor arrivals declined 15.1 percent to 733,564 from 863,919 for the corresponding period in fiscal year 2008. Air arrivals were 184,158 and cruise passenger arrivals were 549,406. These numbers represent a 13.1 percent and 15.7 percent decline in air and cruise visitors, respectively.

Going forward, the tourism industry will continue to be impacted by economic difficulties in the US and globally. To mitigate against the negative tourism impact associated with the economic difficulties and down-turn, the US Virgin Islands Department of Tourism and Hotel Association have mapped out a number of strategies and initiatives to encourage visitors during the summer and fall seasons.

The department introduced a “10 Point Plan” designed to create widespread awareness and interest in travel to the Territory by extending incentives to travel agents and industry partners, while offering visitors additional value that encourages on-island spending. The plan includes a \$1.5 million integrated advertising campaign combining radio, online and print placements in major print and electronic media. The centerpiece of the campaign, developed in collaboration with the private sector, is to enhance the *Winter Escape* promotion which offers \$300 in AMEX Travelers Checks and a complimentary fifth night stay, among the host of value-added.

The Department of Tourism continues to partner with stakeholders in a marketing campaign targeted at key regional and international market to stimulate air capacity

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growth beyond the more than a dozen daily flights currently servicing the Territory. The number of flights servicing St. Thomas has increased by 3 percent since May 2008, and St. Croix has recaptured all but 9 percent of its air capacity. The Department has identified several opportunities to strengthen the Territory's presence in key international markets, particularly with visitors in Scandinavia, Italy and Canada.

The department is gunning for meeting, conventions, sporting and cultural events, including Paradise Jam on St. Thomas and the Blue Bay Jazz Fest and Ironman triathlon on St. Croix. As extra incentive for groups to plan meetings in the U.S. Virgin Islands, the Department of Tourism has launched a *Group Rewards Program* for meeting planners.

Finally, the US Virgin Islands introduced a new logo "the Mocko Jumbie," the first step of a new branding and marketing strategy. The logo is part of a larger brand repositioning of the Territory that is designed to highlight the unique and unscripted Caribbean experience offered in the U.S. Virgin Islands.

## Leisure and Hospitality

This sector has been experiencing measurable fallout for some time in the form of negative indicators in the hotel industry where bookings, hotel occupancy and room revenues have been significantly below trend. Hotel occupancy rates declined each month starting in April 2008. By the end of 2008, the Territory's hotel occupancy rate was 60.9 percent — 5 percentage points lower than in 2007. The rate for St. Thomas and St. John declined to 64.8 percent from 68.5 percent in 2007, while the rate for St. Croix

dropped to 46.3 percent from 54.2 percent in 2007.

The Territory's occupancy rate averaged 51.9 percent in the first quarter of fiscal year 2009, down by 8.9 percentage points from 60.8 percent for the first quarter last year. In the second quarter, the rate was 63.1 percent, off by 9.3 percentage points from 72.4 for the corresponding quarter last year. Hotel room revenues were \$2.4 million or 16.3 percent decline in the first quarter and \$5.3 million, or a 4.2 percent decrease in the second quarter when compared to last year.

The downturn in travel has created repercussions in the leisure and hospitality job market, particularly in the accommodation subsector. For the first half of fiscal year 2009, the number of jobs averaged 7,569, an inconsequential 0.6 year-on-year increase. The marginal job gain came from the amusement and gambling component which increased by 5.3 percent. The restaurants and other food services also showed a 4 percent increase. However, the gains in arts, entertainment and recreation, and food services were offset by a 2.4 percent decline in the accommodation subsector which contains 55 percent of the jobs in the leisure and hospitality industry.

## Manufacture

Key indicators of the manufacturing sector held up well in 2008, in part due to price increase and strong demand for goods from commodity-based industries such as petroleum products and rum. Much of the industry is comprised of these two dominant industries, and to a lesser extent, watch assembly which has declined in recent years

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due to competition from countries with low labor costs.

Employment in the manufacturing sector held steady in the first two quarters of the fiscal year at an average of 2,327 jobs. About 900 of these jobs were in the oil industry, about 60 in the rum industry, 39 in the watch industry, and the remainder in dairy, jewelry and other light manufacturers.

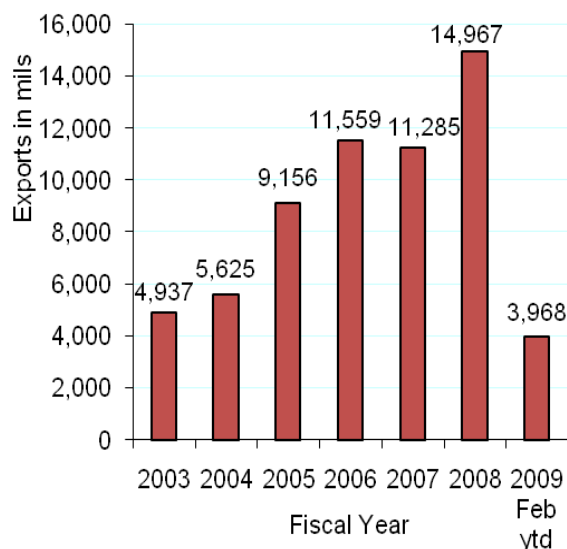
## Oil Industry

The petroleum industry ranks as the top industry in the manufacturing sector. The Hovensa refinery, located on St. Croix, is a joint venture between a subsidiary of Amerada Hess and a subsidiary of Petroleos de Venezuela, S.A. (PDVSA). The facility is one of the most modern refineries, with crude oil processing capacity of 495,000 barrels per day (BPD), and is one of the largest in the world. The refinery processes crude from all over the world, although the majority of its crude is supplied from Venezuela. The refinery also operates a Fluid Catalytic Cracking (FCC) unit capable of producing 175,000 BPD of gasoline. In addition to the FCC, HOVENSA operates a delayed coking unit. The Coker allows for the manufacture of gasoline and heating oil to use lower cost heavy crudes.

Higher prices and demand pushed up the value of exports of refined petroleum by 22 percent to an unprecedented \$15 billion in fiscal year 2008 from \$12 billion in 2007. These products include gasoline, kerosene, jet fuel, distillate fuel oils, residual fuels and lubricants, 95 percent of which were shipped to the United States with the balance to the rest of the world.

Oil prices rose to a record \$134 a barrel in June 2008. As a result, gasoline prices in the Territory rose to nearly \$5 a gallon. Oil and gas prices dropped substantially in the 2008 as the US and world economies contracted.

Value of Refined Petroleum Exports  
FY 2003-2009 Feb Year To Date



The plunge in oil prices is reflected in lower value of exports of refined petroleum products in the first quarter of fiscal year 2009. While the volume of exports increased over last year, the value of exports declined 29.8 percent to \$2.8 billion in the first quarter 2009 compared to \$4 billion in fiscal year 2008. Complete numbers are not available for the second quarter, but a similar decline in the value of exports can be expected.

The drop in oil prices is not expected to last. There are predictions that a rise in global demand and a cut in output will force prices upward. This being the case, the growth in both volume and value of products should resume.

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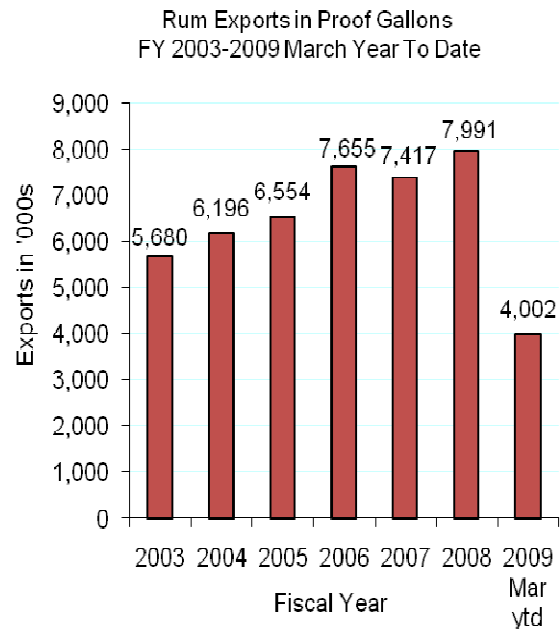
## Rum Industry

Cruzan VIRIL, Ltd., the single rum manufacturer based on St. Croix, changed ownership twice in the past year. Pernod Ricard, a French wine company, acquired Cruzan VIRIL, Ltd. in 2008 as part of their purchase of Cruzan VIRIL, Ltd.'s parent company, VIN & Spirits, from the Government of Sweden. Cruzan was acquired in 2005 by Vin & Sprit. In October 2008, Fortune Brand paid Pernod Ricard \$100 million to acquire the Cruzan rum brand. Fortune Brands, Inc., headquartered in Deerfield, Illinois, is a leading consumer brand in distilled spirits, home and hardware and golf products with annual sales exceeding \$8 billion. Beam Global Spirits & Wine is the company's spirit business and is the world's fourth largest premium spirits company. It boasts eight of the world's top-100 premium spirits and \$2.5 billion in revenue. Global premium brands include Jim Beam and Maker's Mark bourbon, Sauza tequila, Canadian Club whisky, Courvoisier cognac, Teacher's and Laphroaig Scotch, and DeKuyper cordials. In 2008, Beam Global accounted for one-third of Fortune Brands' total sales.

Cruzan VIRIL, Ltd. manufactures Cruzan and Old St. Croix brand rum as well as bulk shipments for other labels. Rum produced in the US Virgin Islands is exported to the US primarily in bulk, and sold to local and regional bottlers for sale under a variety of private label and regional brand names. The distillery shipped a record 8.0 million proof gallons of rum to the US in fiscal year 2008.

Shipments for the first two quarters of fiscal year 2009 (most recent available data) totaled 4,001,663 proof gallons compared to

3,512,086 proof gallons for the same period in 2008.



As a result of the increased production, the government has seen an increase in matching fund revenues. Last year, the Territory received \$91.9 million or a 6 percent increase in excise taxes from the federal government, which imposes and collects federal excise taxes on rum produced in the Virgin Islands and exported to the United States. For each proof gallon of rum produced in the Virgin Islands, the federal government pays \$13.50 in excise taxes, from which \$13.25 is rebated to the Territory.

The acquisition of Cruzan by Fortune Brand Inc. is considered critical to the stability and growth of the Cruzan rum brand in the overall strategy to develop and expand the rum industry. In 2008, the government announced a landmark 30-year public-private initiative with Diageo, the world's leading spirits, wine and beer company for

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the construction and operation of a high capacity distillery on St. Croix.

Construction of the \$165 million facility will begin in May 2009. Production at the 20 million proof gallon capacity distillery will begin in 2011, and beginning in 2012, the distillery will supply all bulk rum used to make Captain Morgan branded products for the United States. Captain Morgan is the sixth premium spirit and the second leading premium rum consumed worldwide. Its brands include Johnny Walker, Guinness, Red Stripe, Smirnoff, Cuero, Tanqueray, J & B, Crown Royal, Beaulieu Vineyard and Sterling Vineyard wines.

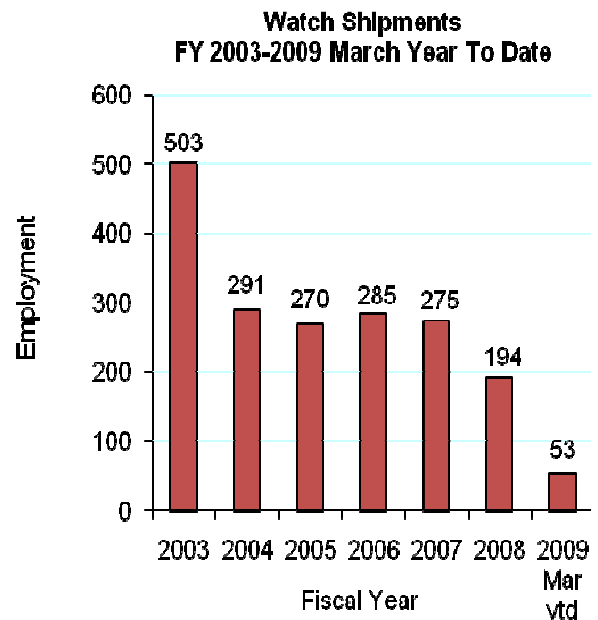
## Watch Industry

Competition from countries with low labor and input costs has resulted in the collapse of the watch industry. The industry now consists of a single company—Belair Quartz. In November 2008, Hampden Watch Co. closed its operation on St. Croix, attributing the closing of the company to poor economic conditions and revenue losses. Tropex Watch Company soon followed with the closure of the company in April 2009.

The drop in watch production has gone from 1 million annually at the industry's peak to 193,870 in fiscal year 2008, down from 274,625 the previous year. The first two quarters of the fiscal year showed a continuing decline in watch shipments which have dropped 32 percent, down from 78,700 to 53,246 for the same period in 2008.

The survival of the Virgin Islands' watch industry is in question. Despite efforts by the US Department of Commerce to boost the industry's competitiveness by increasing the

value of watches and watch movements manufactured in the Territory entitled to duty-free entry into the U.S. market, the industry continues to fold. The new rules enacted in 2007 increased the value limits for watches produced in the Territory to \$3,000 and watch movements to \$300. Under the old regulations, duty-free benefits were limited to watches valued under \$800 and to watch movements costing no more than \$35. Because of soaring prices of gold and other materials used in the manufacture of watches, local manufacturers were up against the old limits, thereby threatening their duty-free status.



## Construction

Construction activity, as measured by both the number and value of approved permits as well as the change in credit for construction and land development, has come to a virtual stand-still. This sector is affected by factors tied to the weak economy, tighter lending conditions and the sub-prime mortgage market collapse on the mainland. Although banks in the Territory do not



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engaged in sub-prime lending, the decline in housing prices nationwide has led to a decline in housing construction, especially of second homes. Both residential and nonresidential real estate remained soft as the number of building permits issued in recent months fell short of year-earlier level.

The value of building permits in the first six months decreased 12 percent to \$95.3 million from \$ 108.2 million in the corresponding period of the previous year. A significant decrease in activity resulted from a slow-down or end to private non-residential construction such as hotel and other tourism development. Public infrastructure projects, encompassing mainly road construction and repairs, port and housing development continued to be carried out. However, these activities were countered by the decline in private sector investment projects.

Jobs in the construction sector remained weak and declined further during the first two quarters. Construction jobs declined 8.0 percent in the first quarter and an even more dramatic 29.9 percent in the second quarter of fiscal year 2009. The number of construction jobs averaged 2,748 for the first six months compared to 3,395 for the corresponding period in fiscal year 2008.

Construction activity is projected to increase—stemming from a number of projects funded under the *American Recovery and Reinvestment Act* of 2009 (ARRA), road construction and improvements, seaport expansion, public housing renovation and weatherization. The Diageo rum distillery and storage facility is expected to break ground in May of 2009. Other hotel developments, affordable housing and a commercial shopping center should provide anchor for the construction sector next year.

## Trade, Transportation and Utilities

The trade sector makes a significant contribution to the Virgin Islands' economy, employing some 8,743 jobs or 19 percent of jobs in the economy and accounting for 12 percent of output. Retail activity accounts for 10 percent and wholesale, just about 2 percent. The trade sector contributes neatly \$2 billion in sales or about 40 percent of sales annually. Retail trade, particularly, supports the trade sector.

The effects of the slowing economy were also evident in the trade, transportation, and utilities sector as consumers cut back on spending, travel and other transportation-related services. Nonetheless, jobs remained relatively stable in retail, but wholesale and transportation and warehouse have shown some decline. Retail trade jobs, which represent 90 percent of the trade sector's total employment, were flat for the first two fiscal quarters, averaging 6,358. Wholesale trade jobs averaged 753 and decreased 4.1 percent from last fiscal year. Jobs in transportation, warehouse and utility increased 1.1 percent to a six-month average of 1,650 jobs.

## Financial, Insurance and Real Estate

The prolonged housing downturn on the US mainland and weakness in the housing and credit markets have had an effect on the US Virgin Islands' real estate in terms a drop in average home prices, and fewer transactions of homes and real estate development. While numbers are not available for 2009, in 2008 the average price for homes in the Territory fell 12 percent to \$462,678 from \$525,048 the previous year. The number of homes sold fell 26 percent to 335 from 454, the lowest in past 10 years. The market for condominiums also declined. The average sale price of

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condominiums declined 2 percent, while the number sold declined 11 percent from the year before.

Economic activities in the banking sub-sector have shown a similar downward trend, although not as dramatic as in the real estate sector. The combined total assets of commercial banks domiciled in the US Virgin Islands at the end of 2008 declined imperceptibly to \$2,649.6. Total assets fell by just \$3.3 million or a 0.1 percent decline over the previous year's total assets of \$2,653.9 billion—mainly due to a decrease in credit to businesses and industry and private household for construction and land development, purchase of homes and consumer durables.

While the decline in assets is insignificant, what is telling is that this was the first year since 2003 that there has been no annual growth in the assets of commercial banks. The recession and the credit crunch, in particular, have induced banks to tighten lending. Real estate loans for the construction of homes and land development, for example, declined by \$68 million in 2008.

Bank deposits—which consist of savings demand accounts, demand deposits and time deposits—increased by 2 percent or by \$67 million to \$2,322.6 billion from \$2,372.2 billion in 2007. Overall deposits of private individuals, partnerships and corporation fell \$15 million to about \$1,688.4 billion in 2008 from \$1,703.1 billion in 2007.

For the first half of fiscal year 2009, the number of jobs in the financial, insurance and real estate sector averaged 2,453 compared to 2,459 for the corresponding period in 2008.

## Professional and Business Services

The business and professional services sector has seen a turn in business conditions over the past year which has resulted in lower volumes and profitability. Firms in this industry are experiencing not only the effects from the slowing economy and the credit crunch, but also the effects from the loss of EDC companies and the requisite services that were provided to them. The loss of jobs in the business and professional services sector has accelerated in past months reflecting the regressive business environment. First quarter job loss was 1.5 percent and 6.3 percent in the second quarter. Overall, the number of jobs in the six months averaged 3,435, down 3.9 percent from 3,574 in the corresponding period in 2008. Expectations for business expansion in the next 12 months are negative given the flagging state of the economy.

## Labor Force Trends

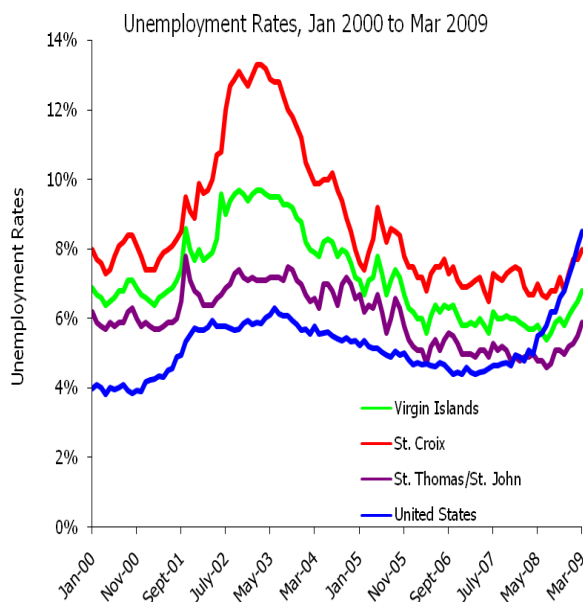
The labor market reflects the spreading deterioration in the economy as the number of jobs shrank with each successive quarter. There were 48,939 persons employed in civilian jobs during the six-month period—21,044 on St. Croix and 27,895 on St. Thomas and St. John. This is a 0.8 percent decrease from the 49,346 persons employed for the corresponding period in fiscal year 2008.

## Unemployment

The jobless rate averaged 6.3 percent in the first six months, up from 5.9 percent in 2008. The rate for St. Croix moved to 7.5 percent in the first six months from 7.2 percent in the same period last year, while the rate for St. Thomas and St. John increased year-over-year to 5.3 percent from 4.9 percent. The

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unemployment rate will continue to rise as long as the economy remains sluggish, certainly through the rest of 2009 and into 2010.



## Non-Agriculture Wage and Salary Employment

Ninety percent of these jobs in the economy are in the service-producing industries and ten percent are in the goods producing industries. Government; trade, transportation and utilities; and leisure and hospitality are the industries with the largest number of jobs. These three sectors account for 62 percent of all jobs. Professional and business services, construction and financial activities account for 8 percent, 7 percent and 6 percent, respectively. Manufacturing and educational and health services account for 5 percent each, while other services and information account for the remainder of the jobs.

An average 45,745 persons were employed in the nonagricultural wage and salary jobs in the first half of the fiscal year, about 0.8 percent below the corresponding six-month period last year. First quarter jobs averaged 46,062, up a marginally 0.4 percent; however, second quarter jobs averaged 45,432 or a 1.8 percent decline from last year.

## Public and Private Sector Jobs

The decline in private sector jobs which account for 73 percent of total wage and salary jobs underpin weaknesses in the economy. The private sector lost 578 jobs in the first six months of the fiscal year. There were 32,832 private sector jobs in the first six months compared to 33,410 last year, or an overall six-month 1.7 percent decline.

The number of private sector jobs declined in the first quarter—albeit a small 0.4 percent—when compared to the same quarter of fiscal year 2008. In the second quarter, however, jobs decreased 3.0 percent signaling that businesses are facing tough times. This is likely to worsen as the months progress.

Public sector jobs, which comprise 27 percent of total nonagricultural jobs, increased 1.6 percent in the first quarter and 1.2 percent in the second quarter. The increase occurred primarily in federal government jobs which increased 3 percent to average 975 for the six months. Local government jobs averaged 11,940, up 2.3 percent over fiscal year 2008.

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## FISCAL YEAR ECONOMIC INDICATORS United States Virgin Islands

Indicators	1st QUARTER			2nd QUARTER			YEAR-TO-DATE		
	2008	2009	% Annual Change	2008	2009	% Annual Change	2008	2009	% Annual Change
<b>Labor Force</b>	52,439	52,273	-0.3	52,445	52,120	-0.6	52,442	52,197	-0.5
Civilian employed	49,291	49,163	-0.3	49,402	48,715	-1.4	49,346	48,939	-0.8
Civilian unemployed	3,149	3,110	-1.2	3,043	3,405	11.9	3,096	3,258	5.2
Unemployment rate (%)	6.0	6.0	-	5.8	6.5	-	5.9	6.3	-
<b>Total Nonfarm</b>	45,983	46,062	0.2	46,284	45,432	-1.8	46,133	45,747	-0.8
<b>Total Private</b>	33,210	33,078	-0.4	33,610	32,586	-3.0	33,410	32,832	-1.7
<b>Production Sectors</b>									
Natural Resources & Construction	3,370	3,099	-8.0	3,420	2,397	-29.9	3,395	2,748	-19.1
Manufacturing	2,311	2,296	-0.7	2,306	2,358	2.3	2,309	2,327	0.8
<b>Trade, Transportation &amp; Utilities</b>	8,727	8,728	0.0	8,777	8,816	0.4	8,752	8,772	0.2
Wholesale Trade	786	754	-4.1	784	752	-4.1	785	753	-4.1
Retail Trade	6,312	6,347	0.6	6,357	6,368	0.2	6,334	6,358	0.4
Transp., Warehousing, Utilities	1,629	1,628	-0.1	1,636	1,672	2.2	1,633	1,650	1.1
<b>Service Sectors</b>									
Information	779	794	2.0	790	789	-0.2	785	791	0.9
Financial Activities	2,452	2,447	-0.2	2,467	2,459	-0.3	2,459	2,453	-0.3
Professional & Business Services	3,564	3,511	-1.5	3,584	3,359	-6.3	3,574	3,435	-3.9
Education and Health	2,378	2,411	1.4	2,377	2,408	1.3	2,378	2,410	1.4
Leisure & Hospitality	7,487	7,448	-0.5	7,565	7,689	1.6	7,526	7,569	0.6
Arts and Entertainment	819	837	2.3	815	882	8.3	817	860	5.3
Accommodation & Food	6,668	6,611	-0.9	6,750	6,806	0.8	6,709	6,709	0.0
Accommodation	4,158	4,076	-2.0	4,236	4,116	-2.8	4,197	4,096	-2.4
Food Services & Drink	2,510	2,535	1.0	2,517	2,690	6.9	2,514	2,613	4.0
Other Services	2,142	2,329	8.7	2,330	2,311	-0.8	2,236	2,320	3.8
<b>Government</b>	12,773	12,984	1.7	12,674	12,846	1.4	12,724	12,915	1.5
Federal	947	975	3.0	947	975	3.0	947	975	3.0
Local	11,826	12,009	1.6	11,727	11,871	1.2	11,777	11,940	1.4
<b>General fund revenues (\$1,000)</b>									
Individual	64,370	62,617	-2.7	101,041	78,142	-22.7	165,411	140,759	-14.9
Corporate	23,453	10,260	-56.3	12,537	14,872	18.6	35,989	25,133	-30.2
Real Property	5,547	11,260	103.0	5,085	7,183	41.3	10,632	18,443	73.5
Trade and Excise	6,081	5,465	-10.1	5,036	5,157	2.4	11,116	10,622	-4.4
Gross Receipts	32,901	28,456	-13.5	35,284	33,862	-4.0	68,185	62,317	-8.6
<b>Visitor Arrivals</b>									
Air	160,393	137,230	-14.4	212,017	184,158	-13.1	372,410	321,388	-13.7
Cruise	552,867	454,156	-17.9	651,902	549,406	-15.7	1,204,769	1,003,562	-16.7