



Gross Economic Contribution of the Financial Sector in The Bahamas (2020)

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GROSS ECONOMIC CONTRIBUTION OF THE FINANCIAL SECTOR IN THE BAHAMAS (2020)

INTRODUCTION

The financial services sector is estimated as the second largest contributor to the domestic economy, accounting for approximately 10%-15% of the country's Gross Domestic Product (GDP). The industry, which employs a significant number of highly skilled workers, has direct effects on both employment and spending, while indirectly impacting other sectors, such as construction, real estate and wholesale & retail trade. In terms of the product offerings, the domestic sector is more retail and labour intensive, while the international sector products focus on more high net worth clients and targets more specialist higher priced labour.

According to The Bahamas' financial services sector 2020 survey, the business footprint of the sector remained structurally challenged, with further reduction in balance sheet and fiduciary activities. Of note, the international sector continues to adjust to tightening standards for tax cooperation and transparency; and further strengthening of regulatory and other standards for anti-money laundering (AML), counter-financing of terrorism (CFT) and anti-proliferation. Increased operations efficiency, also remained a focus, including for supplies of domestic financial services, with gradually reducing levels of employment. The annual outcomes nevertheless continue to indicate incremental gains in value-added from expenditures in the economy, given modest increases in taxes and Government fees and a firming in other operating costs.

In 2020, the estimated balance sheet size of financial sector operations reduced, evidenced by a decline in assets holdings within the banking sector. Specifically, on balance sheet assets contracted by approximately \$13.5 billion (7.2%) to \$172.8 billion, as the falloff in international banks assets, outweighed the growth in domestic banks assets. With regard to fiduciary assets, a reduction of \$39.4 billion (15.0%) was registered in 2020, for an end balance of \$223.2 billion. In contrast, international assets under management increased for the securities industry during the review year. Further, credit unions provided expanded contributions, exhibited by gains in balance sheet assets. Meanwhile, onshore insurance operations reverted to trend, after a significant growth in the previous year, which was due to undisbursed re-insurance claims settlements following the passage of Hurricane Dorian.

During the year, the Central Bank continued to follow a risk-based approach to financial supervision, ensuring that the system remained stable, amidst the shock of the pandemic. In 2020, owing to the uncertainty surrounding the severity of the impact of the pandemic, domestic banks maintained healthy capital buffers to absorb any credit losses. Meanwhile, surveillance increased for both domestic and international supervised financial institutions (SFIs), in terms of their adjustments to the financial and business continuity risks posed by the spread of the virus. In addition, the Bank released COVID-19 Guidance Notes to help inform SFIs' risk management practices and to delineate areas in which regulatory forbearance was forthcoming on prudential matters. Enrolment of the credit unions in the Deposit Insurance Scheme also bolstered confidence in the sector.

Further, a major accomplishment in 2020 was the removal of The Bahamas from the Financial Action Task Force's (FATF) list of Jurisdictions under enhanced monitoring, to which the jurisdiction had been subject since the 2017 Mutual Evaluation Report of effectiveness in anti-money laundering (AML) and counter-financing of terrorists (CFT) measure.

GOVERNMENT REVENUES

An analysis of the financial sector performance revealed that total taxes and fees collected by the Government grew by 4.4% in 2020 to \$164.4 million. Contributing to this outturn was a 9.2% rise in transactional taxes on domestic intermediation activities to \$94.0 million, bolstered by increases in stamp taxes on banking transactions (18.3%) and insurance premium taxes (7.9%). Providing some offset, license and registration fees declined by 1.4% to \$70.4 million, owing mainly to an 8.6% contraction in receivables from international business companies (17.3% of the total) and a 0.1% softening from banks and trust companies (71.8% of the total). Conversely, collections from investment funds (9.8% of the total) moved higher by 4.6%.

THE BANKING SECTOR

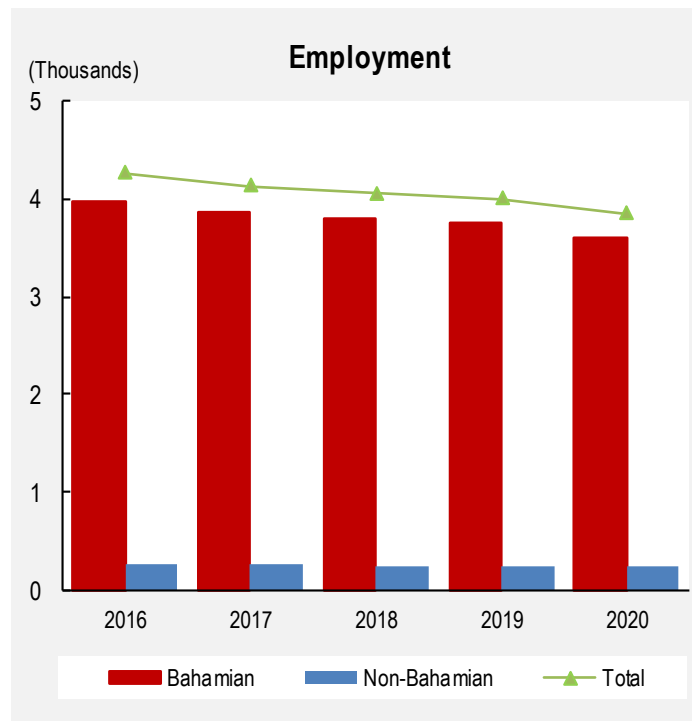
The banking sector remained the dominated component within the financial sector, despite the adverse impact of the ongoing pandemic. On the domestic side, local banks sustained elevated liquidity levels amid a contraction in credit, slowed deposits growth, and a persistent conservative lending stance.

The total number of banks and trust companies licensed in The Bahamas reduced further by 4 to 217 in 2020, after a decrease of 10 in 2019. Public banks & trust companies and restricted, non-active & nominees, declined by 1 and 3 to 84 and 133, respectively. The public institutions, which provide a combination of domestic and international services, comprised of 49 Bahamian incorporated entities and 13 euro-currency branches of foreign banks operating inside The Bahamas. In addition, there were 22 authorized dealers & agents, that encompassed 14 authorised agents (resident trust companies)³ and 8 authorised dealers (commercial banks).

Total domestic assets within the banking sector grew by 2.0% to \$10.9 billion in 2020, albeit lower than the 7.4% growth in 2019, and average annual growth of 2.1% over the past five years, largely explained by an expansion in credit to the Government. In contrast, total assets of the international banking sector contracted by 8.7% to \$153.3 billion, a reversal from a 1.1% gain in the previous year. This however continued an average annual decrease of 4.9% over the last five years.

EMPLOYMENT

Total employment within banks and trust companies declined by 158 (3.9%) to approximately 3,843 in 2020, extending the 1.2% decrease in 2019 and an average yearly falloff of 2.2% over the past five years. An analysis by nationality revealed that both Bahamian and non-Bahamian positions

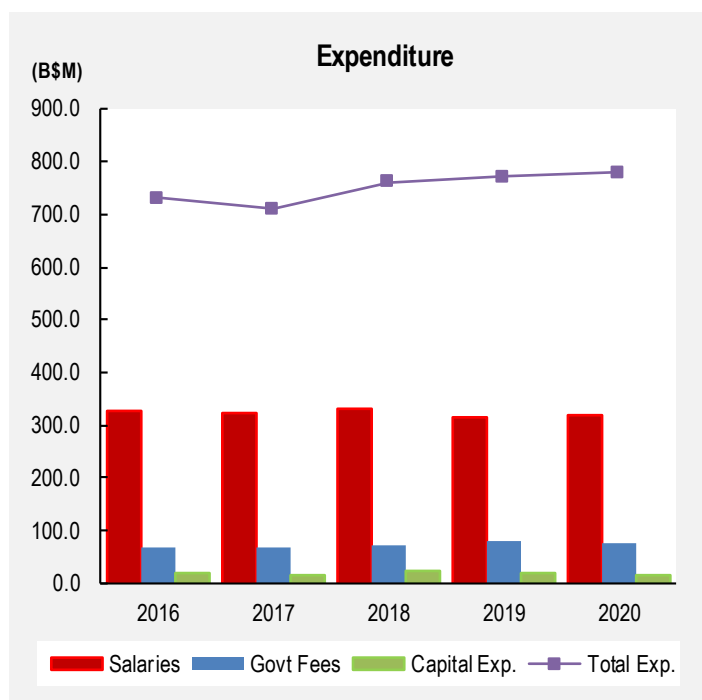


³ These entities have mostly international clientele, but are also licensed under Exchange Regulations to provide foreign currency trust services to domestic clients.

reduced by 155 (4.1%) and 3 (1.2%) to 3,599 and 244, respectively. Consequently, the ratio of Bahamians in the banking sector narrowed by 10 basis points to 93.7%, vis-à-vis the same period in 2019. A disaggregation by assigned functions showed that a majority of Bahamians were engaged in local banking roles (66.6%), followed by international banking (13.9%), trust administration (11.3%) and other wealth management related activities (8.2%).

EXPENDITURES

During 2020, total expenditure in the banking sector grew by \$9.0 million (1.2%) to \$779.8 million, just below the 1.4% increase a year earlier; and average annual spending gains of 1.5% over the last five years. Contributing to this outturn, total operational costs—representing 97.8% of expenditure—increased by \$10.4 million (1.4%) to \$762.7 million, although below the 2.4% growth last year. In terms of the components, salaries were higher by \$4.4 million (1.4%) at \$319.5 million, a turnaround from a 4.4% reduction in 2019. This reflected a 2.1% gain in base salaries, which offset the 2.6% decline in bonuses. Further, other administrative costs advanced by \$11.1 million (3.1%) to \$364.0 million, albeit lower than the 7.2% growth last year, attributed to a rise in local banking merchant fees. In contrast, Government fees reduced by \$3.7 million (4.6%) to \$78.0 million, a reversal from a 12.0% increase in 2019, underpinned by decreases for work permits and stamp duty. In addition, spending on staff training lessened by \$1.4 million (53.2%) to \$1.2 million, extending the 13.8% falloff in 2019.



Banks and trust companies' capital expenditure—which includes outlays for renovations, construction and other fixed assets—reduced by \$1.4 million (7.5%) to \$17.1 million, relative to a 27.4% contraction in 2019.

DOMESTIC VERSUS INTERNATIONAL BANKING

A breakdown of the banking sector into domestic and international operations permits for a more detailed comparison between the domestic sector's retail-oriented services and international banking, which focuses on wealth management-related activities.

During the year, total employment in the domestic banking sector decreased by 71 (2.2%) to 3,124, a turnaround from a 0.4% increase in 2019 and an average yearly reduction of 0.4% between 2015 and 2019. Similarly, international sector employees contracted by 87 (10.8%) to 719, extending the 7.0% falloff in the year prior and an average yearly contraction of 7.8% over the past five years.

In terms of the composition, the total number of Bahamians within the domestic banking sector fell by 65 (2.1%) to 3,051, after remaining unchanged during the previous year. In addition, total non-Bahamian

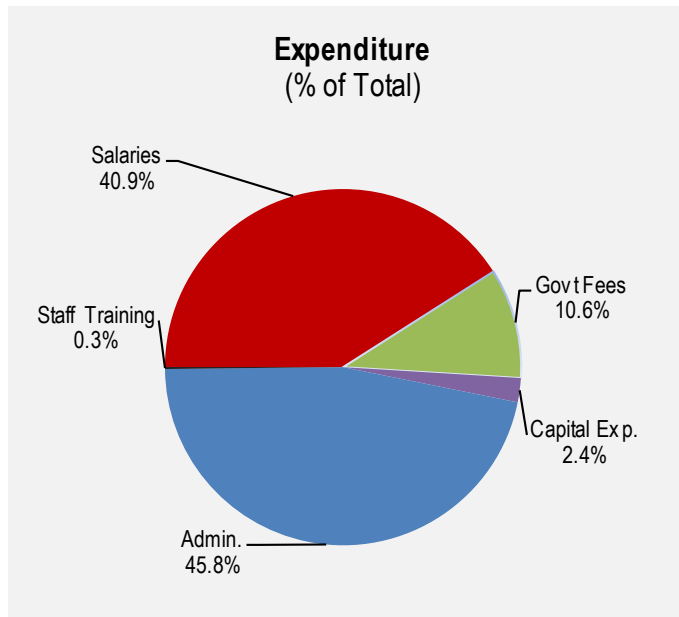
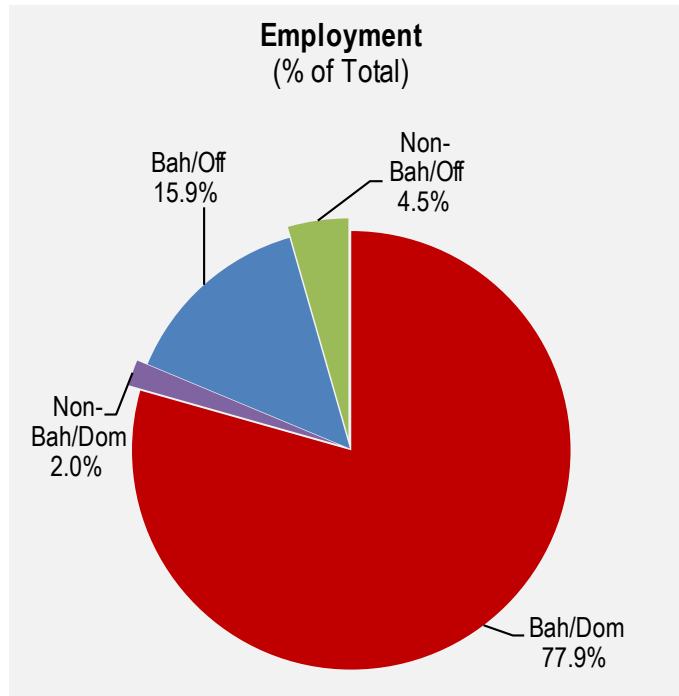
employees declined by 6 (7.6%) to 73, contrasting with a 19.7% growth in 2019. As a result, the ratio of Bahamian to non-Bahamian employees firmed to 41:1 from 39:1 in the prior year.

In the international sector, total Bahamian staff lessened by 90 (14.1%) to 548, compared to a 6.7% falloff in 2019. However, the number of non-Bahamians rose slightly by 3 (1.8%) to 171, vis-à-vis an 8.2% decline last year. Consequently, the ratio of Bahamian to non-Bahamian employees narrowed to 3.2:1 from 3.8:1 a year earlier.

With regard to compensation, both the international and domestic sectors registered gains in earnings, amid general salary increases, but also significant severance payouts. Specifically, average compensation in the international sector grew by \$10,807 (9.6%) to \$123,227 per annum. In addition, the average salary for the domestic banks rose by \$3,703 (6.6%) to \$59,411 per annum.

Upward trends in expenses within the domestic banking sector persisted during the year, contrasting with the reduction in the international sector. Specifically, total expenditure in domestic operations increased by 3.9% to \$545.1 million, exceeding the 2.6% growth last year and the average annual gains of 3.7% over the last five years. Underlying this development, total operational costs—representing 97.0% of the total—expanded by 4.1% to \$530.0 million, following a 2.7% increase in 2019. In particular, salary outlays advanced by 3.8% to \$203.3 million, vis-à-vis a slight 0.1% moderation in the prior year, as the 4.3% rise in base pay outstripped the 0.5% decrease in bonuses. In addition, non-staff administrative costs moved higher by 7.2% to \$256.1 million, extending the 2.1% uptick in 2019. In a slight offset, government fees fell by 4.3% to \$69.7 million, a reversal from the 14.4% expansion a year prior. Further, outlays for staff training contracted by 42.5% to \$0.9 million, surpassing the 24.3% decline in the previous period. Capital expenditure also reduced by 1.5% to \$15.1 million, a turnaround from the 1.0% uptick in 2019.

In the international banking sector, total expenditure contracted by 4.8% to \$234.6 million, extending the 1.1% decline in 2019 and the 2.4% annual average falloff over the 2015 to 2019 period, amid reductions across major expense categories. Specifically, the high valued salary component declined by 2.6% to \$116.2 million, albeit lower than the 10.7% decrease last year. Further, government fees fell by 6.8% to \$8.3 million,



after a 4.9% decrease last year, while spending on staff training reduced by 69.9% to \$0.3 million, a reversal from a 10.3% increase in 2019. Non-staff administrative costs also declined by 5.4% to \$107.9 million, vis-à-vis a 19.9% growth in the previous year. In addition, capital expenditure contracted by 37.5% to \$1.9 million, albeit lower than the 69.6% falloff a year earlier.

OTHER FINANCIAL SECTOR ACTIVITIES

SECURITIES INDUSTRY

For the securities industry, comprehensive data on expenditure and employment is not available. However, indications are that the securities industry's contribution to the domestic economy contracted. Specifically, information from the Securities Commission of The Bahamas (SCB), showed that the number of licensed investment fund administrators decreased by 9 to 48. In addition, the number of licensed investment funds under administration reduced by 30 to 712. Nevertheless, total assets under management increased to just \$49.7 billion in 2020 from \$38.4 billion in 2019.

The SCB supervises the financial and corporate services providers (FCSPs), which are domestic professional firms that offer services to the financial sector. In 2020, the number of FCSPs lessened by 9 to 340, reflecting a decline in demand for these services.

INSURANCE SECTOR

During 2020, the local insurance sector remained relatively stable despite the challenges presented by the COVID-19 pandemic. The latest data from the Insurance Commission of The Bahamas (ICB), revealed that the number of licensed insurers, brokers and agents decreased by 1 to 159 in 2020. In particular, domestic intermediaries and insurers remained stable at 127, while the number of external insurers and intermediaries fell by 1 to 32. Similarly, total assets of domestic companies contracted by 34.8% to \$2,197.8 million in 2020. Notably, general insurance assets returned to trend, declining to \$682.3 million, after surging to \$1,886.6 million in 2019, due to accumulated undisbursed reinsurance inflows following the passage of Hurricane Dorian. Conversely, the long-term insurance asset base increased marginally by 2.0% to \$1,515.5 million.

In terms of employment, the number of persons employed in the sector declined by 179 to 914 in 2020, with the estimated average annual salary almost \$40,000. Despite the absence of a comprehensive estimate, indications are that overall expenditures contracted during the review year. In particular, outlays among domestic long-term insurers were projected at \$104.0 million, from \$132.0 million in 2019, which represented 98.7% of operating cost.

CREDIT UNIONS

While the number of credit union entities, inclusive of the Bahamas Co-operative League Limited, remained at 10, the sector's balance sheet grew marginally by 1.3% to \$482.3 million in 2020. This was led by a 32.2% expansion in long-term financial assets, as well as a 32.0% rise in liquid investments, mainly fixed deposits—both against a 30.0% reduction in cash balances to \$22.1 million. Credit unions also reduced substantially holdings of short-term marketable securities (to \$0.1 million from \$3.5 million). Net loans to members decreased by 4.6% to \$216.4 million, owing to reductions across almost all loan facilities. Meanwhile, funding resources from primarily members' deposits, increased by 1.4% to \$416.9 million.

Meanwhile, credit unions' total expenditure—exclusive of intermediation costs—reduced by \$2.6 million (8.2%) to \$29.0 million in 2020. Specifically, operational outlays fell by \$1.7 million (8.6%) to \$17.6 million,

attributed to declines in general business expenses (12.9%), personnel expenses (5.1%)—inclusive of base salaries, bonuses and staff expenses, marketing costs and organizational expenses. In addition, non-capital costs decreased by 9.9% to \$5.9 million. Meanwhile, capital expenditure (investment property expenses) moved lower by 10.4% to \$1.5 million in 2020. With regard to employment, the staff complement firmed by 7 to 190 persons at end-2020, with annual salaries close to \$30,000 per annum.

SELECTED SUPERVISORY AND REGULATORY DEVELOPMENTS

During the year, initiatives in the financial sector remained focused on improving The Bahamas supervisory regime, with sustained focus on adherence to international regulatory standards, jurisdictional cooperation and transparency and financial crimes risk reduction. Further, with the COVID-19 pandemic in 2020, the Central Bank's policies were geared towards mitigating financial sector disruptions and strengthening resilience.

In this context, all regulators released COVID-19 Guidance Notes, which provided certain temporary relaxed accommodations to supervised financial institutions (SFIs) to alleviate some of the difficulties presented by the pandemic. Further, SFIs sustained their efforts to comply with the most recent legislative requirements embodied in the Beneficial Ownership Registry and the Commercial Entities (Substance Requirement) Act. In addition, all regulators continued to participate in The Bahamas' Identified Risk Framework Steering Committee (IRFSC), which meets weekly to discuss related work within the jurisdiction. The IRFSC spearheaded through the Attorney General's Office, the official efforts to remediate deficiencies cited in the AML/CFT Mutual Evaluation Report of The Bahamas, which was issued by the Caribbean Financial Action Task Force (CFATF) in July 2017. As a result of these efforts and a follow-up assessment, in November 2020, the FATF removed The Bahamas from its list of Jurisdictions under Increased Monitoring, which has subsequently led to the removal of The Bahamas from several blacklists within the European Union.

In 2020, the Group of Financial Services Regulators (GFSR) work centered on the review and amendments to the GFSR Memorandum of Understanding, that was finalized during the last month of the year. Further, a standardized reporting framework for data collection and a centralized depository for the group's communication was developed and approved during the period. Upcoming work for the group will focus on harmonizing some of the common Anti-Money Laundering/Countering the Financing of Terrorism/Proliferation Financing (AML/CFT/PF) reporting for SFIs.

CENTRAL BANK SUPERVISED ACTIVITIES

Across Central Bank supervised sectors and activities, regulatory initiatives were sustained on multiple initiatives, in addition to surveillance and guidance to SFIs to ensure a stable adjustment process to effects of the pandemic. The Bank also continued to focus on effective supervisory interventions and refining its administrative processes for supervision. In this regard, SFIs maintained healthy progress in remediating requirements and directives emanating from supervisory examinations, despite constrained employee working arrangements caused by the pandemic.

During the year, the domestic banking sector received guidance on the accounting, provisioning and write-off approaches for COVID-19 impacted loans. The sector opted to continue with pre-existing IFRS9 provisioning methodologies, which reflected underlying financial strength. Additional reporting requirements were also implemented for domestic banks, which included monthly reporting on the level of loan deferrals and non-performing loans (NPLs), due to the pandemic. Broad observations from consolidated results indicated that the domestic systemically important banks (DSIBs) remain resilient, despite the challenges posed by COVID-19.

As regard AML/CFT initiatives, outreach intensified and the Bank continued to pursue access to improved data and analytics. In collaboration with the Inter-American Development Bank and the Association of Supervisors of Banks of The Americas (ASBA), the Bank hosted an inaugural global research conference in January 2020, focusing on empirical approaches to anti-money laundering and financial crime suppression. It established The Bahamas as the first jurisdiction to hold a global conference on empirical approaches to AML and financial crime. In addition, in March 2020, the second edition of the newsletter to correspondent banks was issued; an initiative that seeks to improve external stakeholders' understanding of the quality of AML/CFT supervision within the jurisdiction and to provide a better assessment of ML/TF risk and related risk management practices within The Bahamas. As regard, analytics, the Bank also commenced work on the implementation of automated tools to monitor SWIFT wire transfers departing or entering The Bahamas annually, which will provide new insights on the characteristic of Bahamian cross-border payments, identifying patterns of relevance in the sectors, jurisdictions and institutions of counterparties and intermediaries.

The Bank maintained its focus on implementing the remaining elements of the Basel III supervisory framework, by virtue of industry engagement with the release of its draft Capital Regulations and Guidelines in November 2020, with the second round of consultation ending in January 2021. Given delays caused by the COVID-19 pandemic, the Central Bank extended full implementation of the framework by one year to January, 2022. Further, recognizing that outsourcing is no longer an unusual risk requiring an extraordinarily high level of supervisory intervention, the Bank, in 2020, moved away from an approval regime to one of notification. The revised Guidelines on Minimum Standards for the Outsourcing of Material Functions were released in November, 2020.

A major step towards formalizing the financial sector crisis management framework was the passage of revamped legislation. These were the Central Bank of The Bahamas Act, 2020, the Banks and Trust Companies Regulation Act, 2020 and the Protection of Depositors (Amendment) Act, 2020, all of which came into effect on 1st September, 2020. The legislation address governance around the resolution of distressed banks and trust companies, requirements for self-drafted resolution plans by banks and the authority and powers of the Central Bank in the midst of interventions in troubled banks. With the legal framework in place, the Bank is currently working towards operationalizing the framework to produce both internal policies and external guidance notes for SFIs.

The Bank provided supervisory and administrative support to the operations of the Deposit Insurance Corporation (DIC), as well as the responsibility to oversee the Deposit Insurance Fund, providing technical resources for its regulatory mandate, and administrative support for its operations. The DIC provided protection coverage of up to a maximum of \$50,000 for any single depositor in each of its 18 member institutions. During 2020, the DIC achieved important reform milestones, which strengthened and expanded the insurance mechanism and governance arrangements. In addition to enhanced crisis preparedness and management frameworks for the DIC, the reforms extended compulsory membership to credit unions.

The Bank's financial inclusion and payments modernization efforts were curtailed as the momentum of the launch of the Project Sand Dollar pilots in the Exuma and Abaco was interrupted by the COVID-19 global pandemic. As a result, focus intensified on the development of the core infrastructures and the security posture of both the Sand Dollar system and the participating financial institutions. This permitted the Bank to transition to the gradual nationwide launch in October, 2020. An initial six authorized financial institutions (AFIs) were approved, having satisfactorily completed the security assessments—four money transmission businesses (MTBs) and two payment service institutions (PSPs).

In terms of the credit bureau, the official kick-off of CRIF Information Services Bahamas Limited (CRIF Bahamas) was in January, 2020. The CRIF Bahamas project team worked with the 35 identified credit information providers to achieve live data reporting by the end of 2020. These providers include supervised entities of the Central Bank, Insurance Commission of The Bahamas and the Securities Commission of The Bahamas. The constrained logistic of the pandemic shifted the credit bureau reporting transition to the first quarter of 2021. In addition to the regulated financial institutions, the Bank intended to designate the utilities companies and certain non-financial providers as credit information providers in 2021. The Ministry of Finance has also been engaged, so that information from certain tax registries can also be supplied into the credit information system. Once operational, the credit bureau will offer significant benefits to both lenders and borrowers. Lending institutions will be able to better assess the creditworthiness of borrowers and to establish both pricing and supply of credit by risk profiles. Public awareness efforts will be advanced by the credit bureau throughout 2021.

CONCLUSION AND OUTLOOK

The 2020 survey of financial sector activities showed that despite the headwinds faced during the year, as a result of the COVID-19 pandemic, where SFIs had to adjust operations to comply with the Emergency Powers (COVID-19) Order, 2020, the overall sector remained relatively stable. Modest gains were recorded in tax revenues and expenditures in the local economy. However, cost considerations and subdued credit market conditions, curtailed the operation prospects for the domestic sector. Further, The Bahamas continued to experience employment retrenchment across the domestic and the international sectors, due in part to the pandemic and offering of severance packages. Nevertheless, the sound regulatory regime and pool of professionals supporting the industry, continue to promote The Bahamas as a choice jurisdiction, adding value for clients in varied dimensions.

With the passage of revised legislation for most of the sector during the year, strategic initiatives to strengthen market competitiveness will be a key focus in 2021 for all regulators. As such, the Central Bank will remain focused on its efforts to strengthen the regulatory framework for its SFIs, as this remains an important component in The Bahamas' offering to international clients. In addition, the collaborative posture across all regulators will continue to be strengthened, to support a medium-term growth and resilience posture for financial services.

Table A: Government Revenue from Financial Sector Activities (B\$ Millions)

Period	2016p	2017p	2018p	2019p	2020p
A. Taxes on Transactions	88.4	98.5	109.2	86.0	94.0
Gross Insurance Premium Tax 1/	21.7	22.1	23.2	24.3	26.2
Stamp Tax on Mortgages	15.5	15.2	18.5	8.3	4.6
Stamp Tax on Other Banking Transactions	51.0	61.0	67.3	53.2	62.9
Stamp Tax on Instruments & Bonds	0.2	0.2	0.3	0.4	0.3
B. Licence & Registration Fees	67.5	71.0	73.1	71.5	70.4
International Business Companies (IBCs)	14.4	15.1	14.7	13.3	12.2
Banks and Trust Companies 3/	47.6	50.5	51.0	50.6	50.6
Insurance Companies, Brokers & Agents	0.4	0.3	0.3	0.4	0.3
Financial & Corp. Svcs. Providers	0.5	0.6	0.6	0.6	0.5
Investment Funds 2/	4.6	4.5	6.5	6.6	6.9
C. Total Revenues	155.9	169.5	182.3	157.5	164.4

Sources: Bahamas Government's Treasury Department, Insurance Commission of The Bahamas, and Securities Commission of The Bahamas.

Notes: 1/ Premium Tax collected from Insurance Companies.

2/ Amounts collected by the Securities Commission.

3/ Amounts revised to include other fees payable.

Table B. Gross Economic Contribution of Banks and Trust Companies in The Bahamas

Period	2016p	2017p	2018p	2019p	2020p
A. Total Employment	4,256	4,129	4,049	4,001	3,843
1. Non-Bahamians	277	267	249	247	244
2. Bahamians (of which)	3,979	3,862	3,800	3,754	3,599
i) Local Banking	2,614	2,500	2,430	2,457	2,398
ii) Offshore Banking	552	588	627	590	500
iii) Trust Administration	450	525	483	447	406
iv) Other	363	249	260	260	295
			(B\$ Millions)		
B. Total Operational Costs (1+2+3+4)	708.0	694.9	734.8	752.3	762.7
1. Salaries ¹	327.0	324.4	329.7	315.1	319.5
i) Base Salaries	278.5	271.6	275.5	268.6	274.2
ii) Bonuses	48.5	52.8	54.2	46.5	45.3
2. Government Fees	69.0	67.2	73.0	81.7	78.0
i) Licence	47.7	50.5	51.0	50.6	50.6
ii) Company Registration	0.4	0.7	0.6	0.4	0.4
iii) Work Permits	2.7	2.6	2.7	2.6	2.4
iv) Other Government Fees	18.2	13.5	18.6	28.1	24.7
3. Staff Training	2.9	2.6	3.0	2.6	1.2
4. Other Administrative Costs	309.1	300.6	329.1	352.9	364.0
C. Capital Expenditure²	21.7	15.6	25.4	18.4	17.1
D. Total Expenditure (B+C)	729.7	710.4	760.1	770.8	779.8
E. Average Salary (B\$)³	65,445	65,784	68,032	67,132	71,351

Source: Central Bank of The Bahamas

¹ Includes bonuses.

² Includes construction, renovation expenses and other fixed assets.

³ Excludes bonuses.

Table C. Gross Economic Contribution of Banks and Trust Companies by Group

Period	2016p	2017p	2018p	2019p	2020p	2016p	2017p	2018p	2019p	2020p
	Domestic					International				
A. Total Employment	3,163	3,133	3,182	3,195	3,124	1,093	996	867	806	719
1. Non-Bahamians	34	54	66	79	73	243	213	183	168	171
2. Bahamians (of which)	3,129	3,079	3,116	3,116	3,051	850	783	684	638	548
i) Local Banking	2,610	2,500	2,430	2,457	2,398	--	--	--	--	--
ii) Offshore Banking	15	97	182	200	193	541	491	445	390	307
iii) Trust Administration	263	310	317	292	266	187	215	166	155	140
iv) Other	241	172	187	167	194	122	77	73	93	101
	(B\$ Millions)									
B. Total Operational Costs (1+2+3+4)	444.3	452.0	495.8	509.1	530.0	263.7	242.8	239.0	243.2	232.7
1. Salaries ¹	178.8	182.9	196.0	195.8	203.3	148.2	141.5	133.7	119.3	116.2
i) Base Salaries	162.2	166.1	179.1	178.0	185.6	116.3	105.5	96.3	90.6	88.6
ii) Bonuses	16.6	16.8	16.9	17.8	17.7	31.9	36.0	37.3	28.7	27.6
2. Government Fees	57.7	57.5	63.7	72.8	69.7	11.3	9.8	9.4	8.9	8.3
i) Licence	40.7	44.3	44.9	44.5	44.4	6.9	6.2	6.2	6.1	6.1
ii) Company Registration	0.0	0.0	0.4	0.1	0.2	0.3	0.7	0.2	0.2	0.2
iii) Work Permits	0.5	0.6	0.9	0.7	0.9	2.2	2.0	1.8	1.9	1.5
iv) Other Government Fees	16.4	12.5	17.5	27.5	24.2	1.8	0.9	1.1	0.6	0.5
3. Staff Training	2.0	1.7	2.1	1.6	0.9	1.0	0.9	0.9	1.0	0.3
4. Other Administrative Costs	205.9	210.0	234.1	238.9	256.1	103.2	90.6	95.0	114.0	107.9
C. Capital Expenditure²	14.4	12.6	15.2	15.4	15.1	7.3	3.0	10.2	3.1	1.9
D. Total Expenditure (B+C)	458.7	464.6	511.0	524.5	545.1	271.0	245.8	249.2	246.3	234.6
E. Average Salary (B\$)³	51,291	53,028	56,289	55,708	59,411	106,405	105,911	111,129	112,419	123,227

Source: Central Bank of The Bahamas

¹ Includes bonuses.

² Includes construction, renovation expenses and other fixed assets.

³ Excludes bonuses.

Table D: Other Selected Financial Sector Statistics

	Unit	2016r	2017r	2018r	2019r	2020p
Investment Funds						
Licensed Investment Funds	Number	859	783	748	742	712
Licensed Administrators	Number	64	62	62	57	48
Net Asset Value	<i>B\$ Billions</i>	<i>136.8</i>	<i>86.3</i>	<i>n/a</i>	38.4	49.7
Insurance Companies and Agents						
	Number	142	144	151	160	159
Domestic Companies and Agents	Number	112	115	118	127	127
Total Domestic Assets	<i>B\$ Millions</i>	2,305.0	2,185.3	2,055.5	3,372.0	2,197.8
Employment*	<i>Number</i>	1,391	1,393	1,389	1,027	914
Average Annual Salaries*	<i>B\$</i>	44,390	44,746	43,571	41,047	36,544
Operating Costs / Total Expenditure	<i>%</i>	97.1	97.0	97.0	90.4	98.7
External Insurers & Intermediaries	Number	30	29	33	33	32
Credit Unions (Active)						
Number of Unions	Number	10	10	10	10	10
Total Assets	<i>B\$ Millions</i>	395.5	420.8	450.9	476.0	482.3
Employment	<i>Number</i>	162	165	182	183	190
Average Annual Salaries	<i>B\$</i>	37,383	33,352	30,473	31,525	29,816
Total Expenditure	<i>B\$ Millions</i>	28.26	29.25	31.04	31.58	29.00
Operating Costs / Total Expenditures		54.2	53.1	56.7	60.8	60.6
Bahamas International Securities Exchange (BISX)						
Securities Listed	Number	53	53	49	44	47
Shares Traded	<i>Thousands</i>	5,401	5,132	8,520	28,853	5,558
Market Capitalization	<i>B\$ Billions</i>	4.44	3.27	5.40	5.53	8.76

Sources:

Bahamas International Securities Exchange (BISX), Credit Unions,
Securities Commission of The Bahamas and Insurance Commission of The Bahamas.

Notes:

*2015-2018 data is based on Central Bank estimates and surveys. 2019-2020 based on survey and includes bonus & commissions.