

Measuring Services and Improving Statistics for International trade: the experience of Malaysia

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Commonwealth Secretariat Services Conference

Mauritius

20-22 April 2010

Objectives of Paper

Based on Malaysia's experience:

- **issues of concern when measuring services**
- **new statistical requirements for development and trade within the global environment**
- **process and administration issues with suggestions going forward**

I Issues of Concern when Measuring Services

1.1 Statistical data type, form and availability

- *Highly aggregated*
- *Subsectors and location*
- *Data format*
- *Unavailable – unprocessed, unpublished, inaccessible*
- *Approach used for non-services*

I Issues of Concern when Measuring Services (cont)

1.2 Timeliness, frequency, consistency of services statistics

- *Timing and timeliness*
- *Definition and classification*

1.3 Incomplete statistics for trade in services

- *Partial data in balance of payments*
- *Missing modes 3 and 4 international trade in services data*

II New statistical requirements for global environment

2.1 Identifying data and knowledge gaps

- *Stock Take of services statistics available*
- *Requirements of services statistics users*
- *Listing of reachable statistical websites*

2.2 Devising ways to fill gaps

- *First national statistics workshop to awaken users & compilers to need for change*
- *Awareness among users & data providers*

II New statistical requirements for global environment (cont)

2.3 Services Statistics Activity Program (SSAP over 16 months)

- *Accelerate implementation of measures*
- *Provide platform for multi-party effort*
- *Educative process*
- *Worked on range of issues, ideas to fill gaps*
- *Opening new channels, links for future with stakeholders*

II New statistical requirements for global environment (cont)

2.3 Services Statistics Activity Program (SSAP) (cont)

Steps 1: data collected but unpublished

2: minor modifications (regrouping) of data

3: adjustments to existing (specific need)

4: new surveys, collaboration OGAs, new ITS (by subsectors)

new indices - SPPI

- IoS

- ITS index

II New statistical requirements for global environment (cont)

2.4 Sharing and learning from others

SSAP resultant tasks for 4 types of 'change agents'

- i Dept of Statistics (DOSM)
- ii TFSS Secretariat / successor
- iii OGAs & other stats compilers
- iv Focus Groups of MSDC & MLC (data providers & users)

i Department Of Statistics

- 1 Response / Follow up on issues raised during SSAP meetings**
 - National Accounts (GDP & GFCF, Investment, Equity, Assets)**
 - International Trade in Services (ITS)**
 - Census of Distributive Trade**
 - Domestic Tourism Survey (DTS)**

- 2 How to derive indicators (proxies) to fill the data gaps. Creating new indicators from available data, collected from existing surveys & censuses. E.G. through application of:**
 - retail/wholesale sales indicator**
 - price index (consumer/ producer)**
 - CPI by industry (services), output**

3. Data Dissemination including issues of timelines. (reflecting efforts undertaken by various departments)

- Data to be published on website in PDF & Excel File format**
- Directory with samples/illustrations**
- What information is available free/payment expected**
- Dissemination of sensitive data issue of legality and ownership.**

4 MOUs with OGAs.

Partnership between OGAs to improve data collection in the services sector.

5. How best to maximize use of input-output table.

ii TFSS Secretariat

1 Specific meeting to discuss:

- Franchising**
- Oil & Gas Consultancy**
- Biotech**
- R&D / D&D**
- Call centers**
- Outsourcing**
- Estate management**

2 Workshop on SSAP findings

3. Administration of the SSAP programs (planning and execution)

4. SSAP Implementation - response to specific data request from Focus Groups involved in SSAP meetings

5. Concept Papers on Establishment of Working Group on Services Indices (WGSI) and Work Group on Services Statistics (WGSS)¹¹

iii OGAs & Private sector

1. Sharing of data available from other government agencies & Private Sector stakeholders:

- Ministry of Transport (MOT)
- Ministry of Health (MOH)
- Ministry of Tourism (MOTOUR)
- Ministry of Higher Education (MOHE)
- EPU
- RAM
- MIER
- Others

iv MSDC & MLC (Relevant FGs)

1 Educative process for better understanding of services statistics such as:

- Code used in services statistics. (MSIC, MASCO, CPC & MCPA)**
- Determination of correct source to use data (Economic & Household Survey)**
- 4 modes of International Trade in Services**

2. Modification of survey forms.

- Suggestions made to improve DOSM's existing surveys & census forms**
- How best to translate elements of 4 modes of ITS into questionnaires**
- How to maximize use of resources to collect comprehensive data to meet user needs**
- Survey proforma output – eliminate, add, adjust.**

- 3. Cooperation with the Working Group on Services Indices**
- 4. Statistical integration efforts to develop new indicators/ measurements related to production, productivity, price and capital formation indices**

III Process and administration issues

3.1 Supply Side – Statistics Producers

- Resource constraints - larger base & changing demands
- Knowledge limitations for new data expectations
- Technical treatment for measuring services activities and outputs
- Evolving services business models need research for deeper insights & understanding within cultural context
- Multi-agency collaboration, communication, relationships
- Approach for data dissemination

III Process and administration issues

(cont)

3.2 Demand Side – Statistics Users

- Data users' role in producing statistics (clients as co-producers of services)
- Stakeholders: - public/private sectors
- compilers/users/providers
- Raise level of awareness generally
- Newer motivations & approaches to increase survey response rate

IV Concluding Remarks

- Malaysia's modern commercial services sector developing
- Still learning to measure services activities, outputs and trade (summary of TFSS)
- Adopt international framework of concepts (MSITS)
- OECD countries ahead
- Improve by learning and sharing

Thank you

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