

SEMINAR ON DEVELOPING A PROGRAMME FOR THE IMPLEMENTATION OF THE 2008 SNA AND SUPPORTING STATISTICS IN THE CARICOM REGION:

Kingston, Jamaica; 30 January - 1 February 2013

THE BAHAMAS COUNTRY PAPER:

(A) AN OVERVIEW OF THE MAIN POLICY ISSUES AND THEIR RELATIONSHIP WITH THE SCOPE AND DETAIL OF THE NATIONAL ACCOUNTS FRAMEWORK AND SHORT-TERM ECONOMIC STATISTICS TAKING TO ACCOUNT:

- The changing structure of the economy:
 - The main national policy challenges:
 - The Statistics Act: efforts are being made to revise this act to reflect current circumstances; also enforcement of the current act is difficult.
 - Assisting with the development and strengthening of the National Statistical System through encouraging in the utilization of the most recent classification systems, estimation techniques and expansion of type and scope of data collected.
 - The need for proper automation of Administrative Recordkeeping.
 - Improved response rates especially from business establishments. If a tax system such as Income Tax existed in The Bahamas it would have eased the response burden of the establishments as this would have been a good source of financial data, however, this currently does not exist.
 - The implications for the scope and detail of the accounts:
 - Expanding the accounts is based on the ability to gather more diverse data from respondents who are already expressing concerns of being over-burdened by the current data load.
 - The Business Establishment concerns regarding the required man-hours to compile the data in the requested format.
 - The Administrative data providers who site lack of sufficient manpower or resistance from their respondents.
 - The short-term economic statistics/indicator template taking into account the different stages of socio-economic development :
 - The Bahamas is currently attempting to improve its short-term economic statistics by:
 - Introducing Quarterly GDP estimates
 - Import and Export Price indexes
 - Updating of the Consumer Price Index basket based on 2012 Household Expenditure Survey.
- The exhaustive measure of economic activities:
 - The Department of Statistics (DOS) as the main statistical agency collects a wide variety of data from Censuses, surveys and administrative data. The main data sets include:

- Census of Population and Housing data (10yr intervals)
 - Labour Force data (bi-annually)
 - Labour Market and Occupational Wage data (annual 3yr intervals)
 - Vital Statistics (Births, Deaths etc.)
 - Consumer Price Index (CPI) (monthly)
 - External Trade of Goods – Imports and Exports (monthly)
 - Business Establishment Statistics (annually)
 - National Accounts data (Expenditure & Production Approach GDP in Current and Constant Prices/Supply & Use Tables/ Environmental Statistics/Tourism Satellite Account etc.)
 - Building Construction Statistics
 - Living Conditions & Household Expenditure Survey (last one was 2006 and next one scheduled February to April 2013)
- Other Agencies which include:
 - Ministry of Finance (financial and other data)
 - The Central Bank of The Bahamas (monetary and fiscal statistics)
 - The Insurance Registrar (financial and other data)
 - The Ministry of Tourism (marketing, arrivals and expenditure data)
 - The Ministry of Agriculture & Dept. of Fisheries (financial and other data)
 - Other Governmental Agencies (administrative data)
- Domestic and external economic and financial vulnerabilities:
 - Tourism is the main economic activity and therefore The Bahamas is particularly vulnerable to what happens in the economies from which the majority of tourist originates, currently that is the North American market.
 - The bulk of the supply is imported, which also makes the country vulnerable.
 - The market is also consumer driven which means movement in this sector such as high unemployment and thus decreased household spending can also have a major impact.
 - The archipelagic nature of the Bahamas presents a significant financial burden in providing and maintaining all modern amenities (roads, airports, schools, medical facilities, utilities etc.) necessary for economic development and growth in the islands.
- Availability of short-term economic statistics to facilitate an early warning of recent changes in economic conditions:
 - The Central Bank monetary and fiscal statistics are available quarterly.
 - Labour Force data is bi-annual - Employment and Unemployment data

- CPI is available monthly
 - Trade of Goods and Services are quarterly data sets.
 - Building Construction Statistics are monthly
 - Tourism Arrivals by Type (Stopovers, Cruise, Day visitors) are monthly.
- Global production issues related to goods for processing, merchanting and intellectual property products:
 - Goods for Processing: We are not currently aware of any businesses that are can be classified as having “Goods sent out of the country to be processed”.
 - Merchanting: We are not currently aware of the existence of this type of global wholesaling and retailing being done by businesses in The Bahamas.
 - Intellectual Property Products: The population is small and so the variety and extensiveness of these type products would not be as significant as in large populated countries, therefore the country is mainly dependent on the imports of these types of products.

(B) AN INVENTORY OF CURRENT COMPILATION PRACTICES:

- The current compilation practices and metadata for estimates of value added by economic activity, final consumption (households, NPISHs, general government) capital formation imports and exports, supply and use tables and the integrated economic accounts by institutional sector.
 - General: The Bahamas implemented the United Nations System of National Accounts 1993.
 - Value Added by Economic Activity: Data is compiled in Current and Constant Prices on an annual basis. The data is collected through annual Business Establishment surveys, Central Bank and Insurance Registrar regulatory requirements with the financial institutions, Government Agriculture & Fisheries data collection etc.
 - Final Consumption: Data is compiled in Current and Constant Prices on an annual basis. The government data is collected from the Government Treasury Accounts and the Central Bank. The household data is benchmarked to the Household Expenditure 2006 Survey and the 2007 Supply & Use Tables with annual adjustments based on the Production side revenues obtained from households. The Capital Formation data comes from the Construction Industry business survey, Government Accounts, Public Corporations Reports, and Balance of Payments etc. The Machinery & Transport Equipment from Imports adjusted for duties, trade and transport margin, business portion etc. The Import and Export of Goods data from the Customs Department and Services from the Balance of Payments.
 - Supply and Use table were calculated for 2007 based on expanded and new data sets and is the benchmark for the current GDP. A new SUT is planned for 2012 utilizing the results of a 2012 Household Expenditure Survey and an expanded Business Establishment Survey being conducted for 2012.
 - The integrated economic accounts by institutional sector: not currently being estimated.

- The institutional environment (legal framework, memoranda of understanding, service agreements signed with source data providers, etc.)
 - The Legal framework is based on the 1973 Statistics Act

- Memoranda of Understanding do exist with the Central Bank, The Ministry of Tourism and the Department of Statistics (DOS) for the creation of the Tourism Satellite Account. There are also formal and informal liaisons that are established with the Central Bank, the Insurance Registrar, Government Departments, Environmental Agencies, and Ministry of Tourism etc.
 - Service Agreements with data providers do not currently exist.

- The major components of statistical production process (standards, business registers, source data (administrative sources and surveys) and dissemination)
 - Standards: International Standards are followed for all data sets produced by the DOS.
 - Business Registers: The DOS has a Business Establishment Register that is updated on an annual basis through various processes (Road Work, Directories, and Newspapers etc.)
 - Source Data (administrative sources and surveys): Data is collected, analyzed, queried and utilized on a regular basis.
 - Dissemination: The DOS statistics are published to all users through hard and soft publications on a regular basis.

- The new requirements for the changeover to the 2008 SNA, changeover to ISIC Rev 4 and extending the scope of short-term statistics template (such as need for new source data, new scope and detail; required periodicity and timeliness; adjustments to business registers and surveys; and institutional arrangements).
 - Efforts have started to begin the changeover to the 2008 SNA within the data availability and possibilities of The Bahamas. Efforts have begun with the expansion of the items on the business establishment questionnaires, other efforts are being considered as the National Accounts staff gains a better understanding of the SNA 2008 recommended revisions.
 - The ISIC Rev 4 has already been instituted by the DOS.
 - Extending the scope of short-term statistics template: The development of a Quarterly GDP methodology is being sponsored by CARTAC; and two missions were held during 2012.

- The main statistical actions by priorities based on a gradual and phased changeover from 2014 onwards with its completion by 2018.
 - The 2014 Report should be published in April 2015, it is intended that the 2008 SNA revisions that can be implemented would be apart of that particular publication. The plans after that period are still being considered.

- Current technical assistance on economic statistics received by the country
 - The technical assistance currently being received is from CARTAC for the development of a Quarterly GDP series
 - The development of a Tourism Satellite Account featuring Direct, Indirect and Induced effects: the technical assistance is being provided by Statistics Canada under the sponsorship by the Ministry of Tourism.

- Completed survey on the implementation of the SNA
 - The most current 2008 SNA implementation survey was requested by ECLAC - December 2012.