



***Guyana: Launch of the New GDP Series Presentation Seminar
Opening Remarks by Therese Turner-Jones
Programme Coordinator
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Mr. Chairman and Chief Statistician, Mr. Lennox Benjamin
Honorable Minister of Finance, Dr. Ashni Singh
Distinguished Seminar Participants

First of all, on behalf of the Caribbean Regional Technical Assistance Centre (CARTAC), I would like to congratulate the Bureau of Statistics on reaching this important milestone in the development of Guyana's national accounts statistics. CARTAC is currently providing technical assistance to national accounts rebasing exercises that are underway in the Eastern Caribbean and in Suriname, and we are pleased to see Guyana reaching the point they are at today—disseminating their first national accounts publication, and providing this public forum for users to be aware of the scope of the national accounts revision exercise, the results, and importantly: to helping you understand how the data should be interpreted, and what levels of detail exist.

Avenues for promoting user awareness of statistics are an important pillar in the construct of modern statistical offices. This seminar, and the launching of the national accounts publication signal Guyana's commitment to the fundamental principles of official statistics, as designated by the United Nations. One of these principles calls for official statistics to be made available on an impartial basis by official statistical agencies to honor citizens' entitlement to public information. A second principle is that to facilitate a correct interpretation of the data, the statistical agencies are to present information according to scientific standards on the sources, methods and procedures of the statistics.

Mr. Chairman, before I address the subject of this occasion, please allow me the opportunity to introduce my organization, CARTAC. As many of you already know, CARTAC is one of 7 regional technical assistance centers (RTACs) of the IMF globally. Mr. Paul Austin, the CARTAC Statistics adviser who contributed to the GDP rebasing exercise here, worked previously in Lebanon at the RTAC operating in the Middle East. CARTAC's value lies in our ability to pool resources from a variety of donors (including Canada, UK, European

Union, CDB and member states) to carry out a fairly large set of technical assistance activities in 21 countries in the Caribbean. Delivering technical assistance is at the core of CARTAC's work in strengthening economic and financial governance in the Caribbean. In the areas of economic and financial statistics, CARTAC assists countries in improving the quality of their macroeconomic statistics by helping to establish and maintain underlying basic data collection; guiding in the use of concepts and internationally accepted methodologies; developing compilation procedures; and advising on the dissemination of data in line with best practices.

As a donor-funded agency, we have an obligation to ensure that our technical assistance interventions result in tangible benefits for our recipient countries. We are therefore heartened that our partnership with the Guyana Bureau of Statistics in the area of national accounts and price statistics is yielding positive outcomes.

Last week I came across an appealing metaphor for today "*statistics are like bikinis, more interesting may be what is omitted than what is revealed*". Put differently, statistics represent the raw materials, for good and effective decision making, whether at the level of the individual, household, firm, industry, government, central bank, or external agency. National accounts statistics make the size, composition and development of an economy and its major components visible. As a consequence, it can be monitored, analyzed, forecasted and used for decision-making. Key-indicators like GDP-volume growth, national income per capita and government deficit/debt to GDP ratios, play a central role in managing and analyzing economies all over the world. Overall and sectoral growth trends and projections help inform decision making at the level of firms, whether in the area of investing, marketing, or financing. In those CARICOM economies where tourism dominates, GDP growth trends in the United States, Canada, and Europe are closely monitored to identify (from both the micro and macro standpoints) the economic prospects for, and inform policy decisions in, the tourism sector.

Sound national accounts statistics aim to give a comprehensive and systematic, quantitative description of economic phenomena in a country. Economic reality, however, evolves rapidly in a way that makes statistical monitoring increasingly complex; or expressed more positively: the work of statisticians becomes more challenging. What are some of these evolving realities? First, the increasing importance of services in society. Transactions of services are by their nature more difficult to measure than transactions of goods. Second, as economies become more open, traditional administrative data sources become less reliable as inputs for national accounts; this requires the recasting of data collection systems, with a greater emphasis on surveys. These two factors are among the many that have shaped the work on revising Guyana's system of national accounts, and they will continue to be the source of your challenges in the future.

But as we mark today's milestone, I would also like to offer three broader challenges:

First, the momentum that this new national accounts system has engendered should be sustained, through a well-established, and well-resourced work program geared to

maintaining and enhancing the quality of the new compilation system. Economic surveys are the basic building blocks of robust national accounts; these surveys should therefore be the “bread and butter” of national statistics offices, and should be accorded priority in their work programs. I recognize that such surveys need not be on the scale as required for the periodic rebenchmarking, and I am advised that there is a menu of options, such as revolving samples, or alternating industries, that could help address issues such as costs and respondent burden. I also ask the private sector in Guyana to intensify its support of the Bureau’s survey initiatives; the investment your company makes in terms of the time spent on completing a survey form will provide you with returns many times over, in terms of the potential for effective decisions that are informed by reliable economic statistics.

Second, **the Bureau of Statistics should set their sights on higher goals for national accounts.** Perhaps you may consider the development of quarterly national accounts, or other short-term indicators such a production index. As will be noted in later presentations, the GDP by production is only one dimension of the national accounts. I encourage you to expand the scope of your national accounts to generate new statistical outputs such as institutional sector accounts, and independent estimates of GDP by expenditure. The latest international methodology for national accounts, the *System of National Accounts 2008* was launched in 2009, and most advanced (G20) economies are aiming to implement the new standards around 2014. At both the national and regional level, efforts should commence to adopt the new standards in step with the rest of the global community.

Third, **in line with best practices in data dissemination, the Bureau of Statistics should consider adopting a well-articulated data release and revision policy for its statistical products.** National accounts, unlike company’s accounts, are not audited statements, and are derived from multiple data sources, including surveys, company financials, administrative records; and government finance, price, and monetary and financial statistics. This means that national accountants depend on an extensive supply change but at the same time they need to balance the data quality attributes of timeliness, accuracy and reliability. In most countries, preliminary national accounts are usually available within a specified, and publicly-known time frame after the end of the reference year, and are followed by a revision (using more comprehensive and updated source data), again within a known time frame, at which time the accounts are deemed final. The common tool for making known these time frames is the advance release calendar, used by many statistical offices to alert the public in advance of planned data releases.

These challenges are perhaps fitting at a time when the global financial crisis has led to a renewed focus on macroeconomic statistics, particularly in the areas of coverage, timeliness, and in the use and dissemination of statistics. While official statistics are important for guiding public policymakers, the statistical needs of the broader community, including the private business sector are equally important. In this regard, I hope today’s seminar will be only one of many opportunities for the Bureau’s interface with users. Periodically taking the pulse of data users is an important indicator of the health of a statistics office, and in this particular context, can help to make national accounts outputs and guidelines, as well as

national, regional and international statistical programmes much more balanced and effective.

In closing may I once again congratulate the Bureau of Statistics, and in particular its young, motivated team of national accountants. This CARTAC project has benefited from the support and cooperation of a number of institutions and persons outside the Bureau. In particular, I acknowledge the cooperation of the Honorable Minister of Finance and the staff of his ministry.

I hope this seminar would contribute to a more informed assessment of the quality of Guyana's national accounts statistics. Finally, CARTAC stands ready to support Guyana as it strives to improve its statistical capacity in the years ahead.

Thank You.