

CENTRAL STATISTICAL OFFICE TRINIDAD AND TOBAGO

PRESENTATION TO BE MADE AT THE WORKSHOP ON STATISTICS OF INTERNATIONAL TRADE IN SERVICES SEPTEMBER 13TH - 16TH 2005, PANAMA CITY

INTRODUCTION

Some basic information about Trinidad and Tobago

• Land area	-	5,128 sq kms
• Population 2004	-	1,290.6 (000)
• GDP Current prices 2004	-	12,263.5 (\$mn USD)
• GDP per capita 2004	-	9,502 USD
• Exchange rate 2004	-	6.27 TT to USD
• Inflation rate 2004	-	3.7%
• Unemployment rate 2004	-	8.3%
• Direct Foreign Investment 2003	-	534.5 \$mn USD

Trinidad and Tobago is a gas and petroleum based economy. Exports of crude oil (2004) accounted for 12.8% of total exports (Goods); Petrochemicals (Methanol, Urea, Ammonia) 23.8% and LNG (Liquefied Natural Gas) 30.9%.

Most of the establishments operating in these industries are foreign owned. Therefore the Government of the Republic of Trinidad and Tobago through the Central Statistical Office has endeavored to always keep a close check on the extent of foreign ownership over this vital sector in the economy. As a result, the instrument used to collect data on all establishments requires information on ownership.

METHODOLOGY AND CLASSIFICATION USED

The Central Statistical Office conforms to the ISIC Rev 3 Classification currently in use. When this system is amended and ISIC Rev 4 introduced, we intend to conform as soon as possible. However for our own internal use and in the interest of our major stakeholders, we conform to our own TTSIC (Trinidad and Tobago System of Industrial Classification).

The main deviations from the ISIC Rev 3 are as follows:-

- All the Gas and Petroleum based industries are included in the Petroleum Industry or a Petroleum Satellite Accounts. Hence the Petroleum Industry includes:
 - i. Exploration and Production of Oil, Natural Gas and Asphalt;
 - ii. Refining of Crude Petroleum, Natural Gas and Processing of Natural Gas;
 - iii. Manufacture of Petrochemicals (Ammonia, Urea and Methanol);
 - iv. Service Contractors to the Petroleum Industry;
 - v. Distribution of Natural Gas, Gasoline and Other Petroleum based products (LPG etc).
- Sugar Production and Distillers (Rum Manufacturers) are included under Sugar which forms part of Agriculture;
- Quarrying (sand, gravel and limestone) included with Construction;
- Restaurants included with Distribution.

However as a result of the detailed level (6 digits) at which we compile our National Accounts, we are subsequently able to convert quite easily back to ISIC Rev 3.

DATA SOURCES AND COMPILATION

- The data are derived from an Annual Survey of Establishments in which the significant firms in each industry are selected with certainty, and a simple random sample drawn from the other establishments. Most industries in Trinidad and Tobago are either monopolistic oligopolistic in nature. The exception are Bakeries, Furniture Manufacturers, Distribution, Construction, Service Contractors and Business and Professional Services, where in addition to the major players there are several small producers. Administrative records (VAT) which provides data on output (sales) and inputs purchased at the level of the establishments are used where non-response is a significant factor.

- The frame used for this annual survey is the Business Register in which all known establishments operating in Trinidad and Tobago are listed. This Register is updated daily using information obtained from :-
 - i. Value Added Tax Division;
 - ii. Registrar General;
 - iii. Data bases from other Institutions - National Insurance Board, Telephone Company of Trinidad and Tobago etc;
 - iv. Yellow Pages, Newspapers;
 - v. General observation.

Before an establishment is included on the Register in the appropriate industry the following information is obtained:-

- i. Name, Address, Telephone, Fax, e-mail (if any);
- ii. Name and Address of enterprise operating establishment;
- iii. Date began operation;
- iv. Activity (in order of importance);
- v. Employment;
- vi. Type of ownership;
- vii. Ownership of equity - % National - %Foreign and Country of ownership.

From this database the C.S.O is able to list establishments by Industry, Region, Community, Size, Ownership, etc. The system also provides a cut-off point whereby the C.S.O. could provide a Register of Establishments as at the end of 2004 etc. In our society however, establishments are under no legal obligation to indicate when they cease operations, and hence there is need for constant vigilance to ensure that defunct establishments are deleted as soon as information is available. On the other hand, because of the informal nature of some activities especially in the Services Industries, establishments can enter and be in operation for a substantial period of time before they are identified are included in the Register.

- The Annual Survey of Establishments is conducted under the Statistics Act Ch. 19:02 of the Revised Laws of Trinidad and Tobago 1981. This Act empowers the Director of Statistics to conduct censuses and surveys within Trinidad and Tobago. It also requires that all respondents provide the information requested on an accurate and timely basis. Failure to comply could result in a fine of \$2000.00 TT and imprisonment for 6 months.

However the Central Statistical Office prefers voluntary compliance via moral suasion, rather than to penalize non-respondents in accordance with the provisions of the Act. Response rate for the year 2002 was 64%. Two samples are selected. As stated earlier, significant establishments (those accounting for >50% of output within an industry) are selected with certainty. Smaller ones are randomly selected. For the 2004 Survey, 1,305 establishments have been selected with certainty while 1,385 have been randomly selected.

- Establishments are both producers of services and consumers of services produced by other establishments. On the production side, services produced comprise the following:
 - i. Service Contractors – Petroleum Industry;
 - ii. Electricity;
 - iii. Construction;
 - iv. Distribution including Restaurants;
 - v. Hotels and Guests Houses;
 - vi. Airlines;
 - vii. Telecommunications;
 - viii. Finance;
 - ix. Insurance;
 - x. Professional and Technical Services – Legal Services, Accountants and Actuaries, Architects and Quantity Surveyors, Engineers, Information Technology, Medical;

- xi. Advertising;
 - xii. Machinery and Equipment Rental;
 - xiii. Miscellaneous Business Services.
- The Value Added Tax (VAT) Division provides the only independent source by which the C.S.O. can crosscheck data from responding establishments for both consistency and accuracy. Usually the data reported is found to be consistent notwithstanding the fact that some establishments report to C.S.O. on a financial year basis, while they report to VAT on the basis of a calendar year.

ORGANISATION AND DATA PROCESSING

- The National Accounts Division, which is responsible for the production of the estimates of GDP of Trinidad and Tobago and the other macro-economic aggregates comprises 17 members. The Business Surveys Division which is responsible for :-
 - i. Maintaining and updating the Register of Establishments;
 - ii. Execution of the Annual Survey of Establishments;
 - iii. Editing and querying (where necessary) of the data reported, is staffed by 16 members.
- The data from responding firms (after careful edit for accuracy and consistency) are entered on Excel Spreadsheets by sector Specialists. These industry worksheets are then aggregated and transferred to a central data base stored within the National Accounts Division.
- The Central Statistical Office is responsible for the collection, compilation and dissemination of the official statistical of Trinidad and Tobago.

DATA AVAILABILITY

- Data on production of services via mode #3 Commercial Presence are available from 1998 onwards;

- There is a lag of about 2 years between the current year and the last available year (due to the fact that the Survey is conducted one (1) year after the year to which it relates, and it also remains on the field for approximately one year);
- Estimated data are revised as soon as actual data become available;
- Where there are less than 5 establishments within an industry, the C.S.O. (in accordance with the Statistics Act) is not permitted to publish or provide sensitive data to anyone.

PRIORITIES AND PLANS FOR THE FUTURE

- Improve and develop our ability to provide data with respect to mode #3 - Commercial Presence;
- Try to capture data on outward FATS. This would need the collaboration of the Central Bank of Trinidad and Tobago;
- Continue work (in collaboration with other Agencies - Ministry of Tourism, Tourism and Industrial Development Company, Yachting Association of Trinidad and Tobago) on a Tourism Satellite Account;
- Have the relevant agencies (Central Bank) institute measures whereby we can monitor export and import of services via mode #4 - Presence of Natural Persons.

Appendix I

GROSS SALES OF D.F.I. ESTABLISHMENTS IN THE SERVICES SECTOR IN TRINIDAD & TOBAGO 1998 - 2002 (\$000 TT)

INDUSTRIES	1998	1999	2000	2001	2002(p)
Service Contractors - Petroleum	845,351.4	456,593.9	351,870.9	685,117.1	779,089.1
Electricity & Construction	1,772,666.6	1,322,088.4	1,564,976.7	2,008,786.1	1,616,436.6
Distribution	501,982.2	707,000.0	746,592.0	704,185.6	776,616.6
Hotels & Guest Houses	119,918.9	122,859.3	118,335.2	132,529.8	138,198.6
Transport, Storage, Communication	2,910,981.3	3,223,157.0	3,442,318.5	3,925,460.3	3,844,825.1
Finance	424,621.0	497,177.0	507,784.0	509,784.0	733,453.0
Insurance	280,542.3	252,849.6	290,109.2	298,778.4	309,235.6
Business Services	597,593.8	275,667.4	278,201.4(r)	172,578.5	798,120.3
TOTAL	7,453,657.5	6,857,392.6	7,300,187.9(r)	8,437,219.8	8,995,974.9

(i) *Electricity & Construction are combined because of the paucity of firms in Electricity*

(ii) *Business Services increased significantly in 2002 due to the output of Bechtel which provided Engineering Services for ALNG.*

(iii) *Source of Data : Annual Survey of Establishments and VAT*

Exchange Rates USD	1998	-	6.28
	1999	-	6.27
	2000	-	6.28
	2001	-	6.20
	2002	-	6.21

Appendix II

**FATS
TRINIDAD & TOBAGO 1998 - 2002
(\$000 TT)**

INDUSTRIES	1998	1999	2000	2001	2002_(p)
Service Contractors - Petroleum	798,418.7	411,972.8	311,370.6	674,375.8	695,967.1
Electricity & Construction	1,242,988.5	765,920.3	1,018,746.8	1,440,288.1	1,039,266.4
Distribution	477,232.1	680,220.4	719,911.4	676,465.4	749,391.5
Hotels & Guest Houses	117,965.5	121,198.2	116,477.3	130,982.3	136,509.8
Transport, Storage, Communication	153,036.7	260,579.1	283,765.5	341,675.4	157,458.2
Finance	121,973.0	125,030.0	97,085.0	136,670.0	226,243.0
Insurance	119,216.6	87,206.4	84,769.3	77,546.4	91,779.6
Business Services etc.	595,535.6	264,173.8	267,284.0	152,978.2	785,188.3
TOTAL	3,626,367.7	2,716,301.0	2,899,409.9	3,630,981.6	3,881,803.9