

***NEW YEAR MESSAGE 2013***

***BY***

***CHIEF STATISTICIAN MALAYSIA***

## ***Assalamualaikum/Salam Sejahtera/Salam 1Malaysia/Salam 1Statistik***

### ***Ladies/Gentlemen,***

- 1. Alhamdulillah, thanks to Allah Almighty with HIS blessings, we have braced through year 2012. We will move forward into a more challenging 2013 with stronger determination and great fervour. I am taking this opportunity to wish each and everyone in the Department of Statistics Malaysia "Happy New Year."*
- 2. Throughout 2012, the Department has achieved some astounding achievements in terms of new products, continuous improvements in service delivery system and smart partnerships with relevant agencies and institutions. Alhamdulillah, with the spirit of team work, greater sense of responsibility and high commitment of everyone in the Department have contributed to the success of the activities planned.*
- 3. The Department's Strategic Plan 2010 – 2014 has already surpassed the third year of its implementation. The plan outlined the way forward of the Department towards becoming one of the leading statistical organisation in the world by 2020. Implementation of the activities are being reviewed every half yearly and has taken into consideration the latest development and present need. The status of the implementation of the plan of actions can be accessed through the intranet. The document serves as the main reference for everyone so as to ensure that all activities will be implemented.*

4. *In 2012, the Department continues to develop new products and among the new products produced include Tourism Satellite Accounts, Information & Communication Technology Satellite Accounts (ICTSA), indicators for ETP such as Gross National Income by 11 NKEAs, Foreign Direct Investment (FDI) in Malaysia by Sector and Country, Statistics on Direct Investment Abroad by Sector and Country, Index of Distributive Trade and others. The first report on Economic Census 2011 which was the KPI for Minister of the Prime Minister's Department, has been released and presented at the Press Conference in June, 2012.*
  
5. *A special report on Small and Medium Enterprise was launched in September 2012. As at end of 2012, all 21 publications that include Crops; Manufacturing; Food and Beverages; Transport and Storage Services; Business Services; Health and Social Work; Education; Accommodation; Information and Communication Technology; Construction; and Mining & Quarrying have been published. The reports produced by the Department will be used by the government as input to policy formulation, Malaysia Plan and Economic Transformation Programme as well as measuring the success of government's development programme. The economic census data also helps business communities to make better decisions with regards to their businesses.*
  
6. *My heartfelt thanks to everyone who has given their fullest commitment in ensuring that the report could be produced according to scheduled release. This success could be attributed to the planning and continuous monitoring of all parties concerned encompassing management, subject matter divisions and state offices.*

7. *The developments of new products will be continued in 2013 in a few areas which include Index of Services, Services Production Price Index and at the same time to strengthen Statistics of International Trade in Services (SITS). The Department will further strengthen the ICTSA by adding more main tables.*
  
8. *In tandem with the Department's ICT Strategic Plan, the Department undertake continuous enhancement in various aspects of the Generic Business Statistical Process Model that is applied in carrying out the Department's main function. As a result, beginning 2008, the Department started to develop the National Enterprise Wide Statistical System (NEWSS) and it was fully utilised for SSE, Labour Force Survey and Monthly Manufacturing Survey in 2010. Via NEWSS, survey activities are implemented in an integrated manner and this has increased the efficiency of conducting surveys. Starting 2013, NEWSS will be expanded to Quarterly Distributive Trade, Quarterly Construction Survey and Quarterly Services Survey. Paradigm shift or mindset changes are required at all levels and Alhamdulillah, with the support of each and every member of the Department, the transition, overall, has been smooth.*
  
9. *Concurrent with the government's effort to enhance the quality of public service and the Department's mission to produce data of integrity and reliable, the Department is committed to produce timely and quality data. Quality data can be attributed to response rate and quality of data supplied by respondents. Therefore, the Department has taken steps to enhance the ties with respondents. In 2012, all state offices have conducted the session*

*with respondents focusing on establishments covered in economic surveys. The sessions have given the Department the opportunity to tighten the ties with the respondents and to give better understanding of the need for quality data and the use of the data compiled. The good rapport will be further strengthened to ensure continuous cooperation from respondents. For 2013, I hope that the session will be extended to households particularly those communities residing in the town area such as apartment, condominium and elite housing areas where it is difficult to obtain cooperation. Therefore, the state offices have to identify the said areas and start off the communication with the relevant society or management of the apartments/condominiums.*

- 10. Smart partnership was further enhanced through continued collaboration with the existing data providers and users. Starting from 2012, this smart partnership networking was extended to institutions of higher learning so as to enhance synergies in terms of knowledge sharing and to expand the usage and analysis of data. Efforts are being made to establish a Memorandum of Understanding (MoU) with the University Teknologi Mara (UiTM) and the University of Malaya. The Department will continue to collaborate with data provider agencies such as the Companies Commission of Malaysia and the Employees Provident Fund by renewing existing MOUs and making courtesy calls to those agencies. Other courtesy calls are planned for 2013 among others include National Registration Department, Royal Malaysian Customs Department and the Inland Revenue Board. In addition, courtesy calls to the media agencies such as Media Prima, RTM, New Straits Times and Utusan Malaysia are also planned to be carried out*

*in 2013. The rapport with these agencies will be sustained in line with the role of the Department as a Producer of National Statistics.*

- 11. The Department had also participated in statistical activities organised by other agencies such as the 1<sup>st</sup> ISM National Statistics Conference by the Institute of Statistics Malaysia (ISM) held in Johor Bahru, Johor, International Conference on Statistics in Science, Business and Engineering 2012 by UiTM in Langkawi and the National Statistics Conference 2012 jointly organised by the Department and Bank Negara Malaysia. During those seminars, the Department has contributed in the form of keynote address and presentations entitled The Role of Business Register in Malaysia Business Statistics, Business Tendency Statistics and Identifying National Industrial Clusters in Malaysia.*
- 12. The Department's website will continue to be used strategically in data dissemination. In 2012, once again the Department's website had been able to maintain the 5-Star rating and has also won the Strategic Achievers Award from MDEC. These have all been possible due to the hard work and continuous efforts by the Department. Improvement of the website contents will be continuously undertaken and in 2012, the Department's facebook was created in May and MysIDC which contains various time series data of socio-economic indicators have been uploaded to the website in October 2012. The free download service has been expanded to include all of the Department's publications. As of December 2012, a total of 108 publications are available for free on-line download as compared to only 80 publications in 2011 and the number of hits has increased significantly to*

*383,722 hits for the period January to November 2012 compared to 221,691 hits for the same period in 2011. I hope that in the year 2013, the Department's website, being the medium of information dissemination, will continue to provide informative and user-oriented services. This is to ensure that it is widely used and can be accessed easily and quickly.*

- 13. In line with its vision to become a leading statistical organisation internationally by 2020, the Department steps forward to ensure its involvement in the international arena is eminent. The Department actively participates in international meetings including high level statistical meeting i.e. the 43<sup>rd</sup> Session of the United Nations Statistical Commission in New York; the Second Session of the OIC Statistical Commissions in Turkey; the Seminar on Micro Data & 13<sup>th</sup> East Asian Statistical Conference in Japan; the ISI Conference in South Korea; the Second Meeting of the ASEAN Community Statistical System (ACSS) Committee in Cambodia; SIAP Governing Council in Japan; and ESCAP meeting in Bangkok which was attended by senior management/management representatives. The Department also plays an active role in ASEAN in particular at the ACSS level. Apart from participating in the working group on ASEAN-related statistics in the Foreign Direct Investment, Trade in Services, International Merchandise Trading, Millennium Development Goals and ACPMS, the Department headed by the Chief Statistician had also been entrusted to be the Chairman of the Working Group on Data Dissemination and Analysis (WGDSA) for another two years up to 2014. WGDSA plays an important role in developing ASEAN data dissemination policy. Meanwhile, in 2012 at the OIC level, the Department had contributed its expertise in the field of*

*short-term economic indicators, labour force statistics, consumer price index and national accounts statistics in countries such as Afghanistan, Pakistan and Maldives.*

14. *As in previous years, the Department continues to receive study visits from other national statistical bodies and international institutions. In 2012 alone, the Department has received 11 delegations from Ethiopia, Bangladesh, Mozambique, South Korea and international agencies such as the UN Children's Emergency Fund (UNICEF), The Reserve Bank of India and from the H.E. Ambassador of Ukraine to Malaysia. In improving human capital development (capacity building) and to undertake benchmarking to develop new indicators such as the compilation of Services Statistics and Services Producer Price Index, the Department had sent officers to Switzerland, France, Spain and the United States. Participation in international workshops, seminars, meetings and expert groups on specific areas have contributed to the development of statistics at the international level and at the same time increased the capacity of the Department. The Department had also assisted agencies in providing consultations in terms of statistical research methodology. A total of 41 statistical consultations were provided in 2012 compared to 15 in 2011.*

***Ladies and Gentlemen,***

15. *Innovation and creativity in the Department are being fostered through various activities such as competitions 1 Idea 1 Change, innovation tree and Innovative and Creative (KIK) groups activities. The activities*



*undertaken have created new ideas in improving the services provided by the Department. Congratulations to the team which entered the KIK Convention of the Prime Minister's Office (PMO) and won second place in the competition with the title "Delay in Producing the Input-Output (I-O) Tables and the Distribution & Use of Income Accounts and Capital Account Publications". This has proved that cooperation, hard work and due attention has contributed to the success and placed the Department among the best agencies under PMO. Well done and congratulations! Hopefully in 2013 the Department will gain more success and we will be more active by creating new ideas for improving statistical services.*

- 16. The Department is also committed to optimise the use of technology and innovation as well as creativity in routine work activities. Use of personal digital assistant (PDA) and computer assisted telephone interview (CATI) are currently being tested meanwhile e-survey is being improved and extended to other routine surveys conducted by the Department. The number of respondents using e-survey for Monthly Manufacturing Survey has shown significant increase to 2,004 establishments in November, 2012 as compared to 39 establishments in the same month in 2010. Quarterly Survey of Services has embarked on using e-survey beginning from the third quarter of 2012. Thus, all of us should equip ourselves with the necessary skills in using the technology adopted by the Department.*
  
- 17. The year 2012 marked a milestone in history as the Statistical Training Institute had begun its operations in Sungkai, Perak, on January 3, 2012. A total of 91 courses have been conducted in 2012. Beginning 2013, apart*

*from the Department personnel, selected courses will be offered to other government agencies. This is part of the Department's efforts to improve the literacy in statistics.*

- 18. In 2013, I will continue with the "Management by Walking About" as being practiced by the Honourable Prime Minister of Malaysia to visit the state operational centres following my visit to all the state offices in 2012. Through this walk about, I have seen and learnt many things and suggested improvements. In addition, this four-eyed meeting foster greater ties and clarified issues raised by the staff of the Department.*
- 19. Conducive working environment will have an impact on productivity of the Department's personnel. Department is gearing towards obtaining 5S certification in September, 2013 and the preparation has surpassed the training stage and still concentrating on the sorting, straightening and sweeping phases. Internal audit is expected to be carried out in February 2013. Therefore, I urge everybody to join hands together to ensure the successful implementation of 5S in the Department.*
- 20. The International Year of Statistics will be celebrated in year 2013. Thus, various activities are planned to celebrate the International Year of Statistics and it is my hope that all of us will support and participate in the activities.*
- 21. The Department will be facing many challenges following the global economic and social changes. World economic giants such as the United*

*States is still struggling to improve its economic performance, while Greece and Spain are being assisted by the EU to take out the country from indebtedness and other related economic problems. Unrest in the Arab region should it continue, will also affect the performance of the world economy. The 2012/2013 Economic Report foresees global economic environment will improve and the country's economic growth is projected to grow much stronger at 4.5 to 5.5 percent. This positive growth was driven by investment and private consumption by 13.3 percent and 5.7 percent. The construction sector is expected to further strengthen to 11.2 per cent, followed by the services sector at 5.6 per cent. Survival of the ETP and GTP programme and the role of the Department in providing the necessary data to monitor and measure the success of the programme will continue in 2013. Among the indicators used in the monitoring the ETP are:*

- a. Foreign direct investment and gross domestic investment from the Survey of International Trade in Services and GDP data sources;*
- b. Job Opportunities from the Labour Force Survey; and*
- c. Economic growth from GDP.*

*22. Alan B. Krueger, chairman of the White House Council of Economic Advisers, in his speech at the Joint Statistical Meetings, November 2012 had outlined six (6) major challenges for statistical community, of which four (4) are relevant to the situation in our country. The four (4) challenges are:*

- i. **methods and infrastructure** - developing appropriate methods and infrastructure to make full use of administrative data sources, commercial data and data collected in a new manner such as from the credit card transactions, wholesale sales and others which are also known as Big Data;
- ii. **weight in normal survey** - methods adopted can be applied in other data sources;
- iii. **seasonalised data** – other than providing seasonalised data, continued studies should be undertaken to isolate the business cycle from seasonalised factors as well as the use of non-parametric and semi-parametric and computational methods in improving seasonalised rate estimates; and
- iv. **assessment methods** - using evidence based method in decision making.

23. I hope that 2013 will bring more success and excellence to the Department. I am confident that with continuous efforts and enthusiasm of the Department's personnel to give the best, together we will be able to contribute to the success of the Department to achieve its vision and mission. I would like to quote the following statement on the transformation programme led by the Prime Minister Dato' Seri Najib Tun Razak and President Barack Obama's statement during the appointment of the chairman of the White House Council of Economic Advisers as guidance for us to carry through year 2013.

*'The challenge for Najib and his transformational agenda lies not in its feasibility but the willingness of the country's political leaders and policy implementers to turn his intention into reality. And to do this, they must be **willing to change their mindset**. Without change in mindset, Malaysia will have a long, long way to go in joining the league of developed countries.'*

*"I rely on the Council of Economic Advisers to provide **unvarnished analysis and recommendations** not based on politics, not based on narrow interests, but **based on the best evidence**, based on what's going to do the most good for the most people in this country."*

***Happy New Year 2013.***

*Thank you.*

***DR. ABDUL RAHMAN BIN HASAN  
CHIEF STATISTICIAN MALAYSIA  
1 JANUARY 2013***