

International conference on International Outreach and Coordination in National Accounts for Sustainable Growth and Development

Session 4 - Institutional capacity building in countries

Title: Economic statistics in South Africa

Institution: Statistics South Africa

Summary

South Africa's system of economic statistics is different from the expected as it is fragmented with role-players other than the official statistics agency. Although Statistics South Africa (StatsSA) largely collects the data that provide the basis of macro economic analysis, there are notable exceptions. Trade in goods is primarily the responsibility of the department of customs and exercise, while capital flows, trade in services and international accounts is the responsibility of the South African Reserve Bank (SARB). The division of labour for basic macro-economic analysis continues at the level of compilation of national accounts, as well as some of the source data that informs estimates of the GDP.

The paper will, by way of background, provide a broad overview of South Africa's system of economic statistics; identify the sources of data used to estimate GDP and review practices and challenges in national accounts relating to both quarterly and annual estimates of GDP. In addition, other important aspects of activities related to national accounts such as annual supply and use tables; Social Accounting Matrices, Tourism Satellite Accounts and Environmental Economic Accounts will also be discussed.

A high level of co-ordination and co-operation has historically existed between the SARB and StatsSA. The latter is responsible for estimating the official GDP, which is done from the production and income side, while the SARB estimates GDP from the expenditure approach. Indeed, this division of labour may be unusual by international standards but, by and large works very well. We are, however in a situation where the expenditure side of the GDP is not currently considered as official statistics. The paper will provide some detail as to what the actual division of labour is between the two organizations. In addition, we will discuss both the formal and informal institutional arrangements between the two organizations.

Other government departments, such as the minerals and energy and agriculture also provide economic statistics which serves as input to the national accounts. Hence, South Africa's system of economic statistics requires a level of co-ordination at several levels. The challenges these pose will be examined.

The paper will conclude with a critical reflection of both the advantages and disadvantages of the current institutional arrangements, as well as identify problems of capacity. Typically, South Africa, at one level has a critical skills base to carry out limited economic statistics – this base is however, often thin and even more severely limited when we go beyond core national accounts activities to aspects such as producing environmental accounts, input/output tables and others.