

**WIPO-CARICOM MEETING OF EXPERTS ON THE CREATIVE INDUSTRIES
AND INTELLECTUAL PROPERTY**

organised by
the World Intellectual Property Organization (WIPO)

in cooperation with
the Caribbean Community (CARICOM) Secretariat

Georgetown, Guyana, February 8 and 9, 2006

**ISSUES AND CHALLENGES IN DATA COLLECTION- SUGGESTIONS FOR
MEASURING THE CREATIVE INDUSTRIES – A REGIONAL PERSPECTIVE**

1. Introduction

The mapping of the Creative Industries and Intellectual Property is perhaps the latest in a list of new and emerging areas required to be measured in the CARICOM Region. The objective of the paper is to explore some of the resource challenges that might be faced, to outline an approach to measuring the contribution to the economy of the creative [copy-right based] industries and to suggest a way forward to measure these industries.

Section 2 therefore highlights challenges faced by statistical organizations in the Region, Section 3 gives a synopsis of approaches that can be used to measure the contribution of these industries and Section 4 draws out some conclusions and recommendations relative to the next steps.

2. Challenges Faced by Statistical Agencies in the CARICOM Region

The challenges faced by statistical agencies in the Region are well known within the statistical arena and are often reflected through the inability to provide data that are relevant, timely and of the highest quality. Situational assessments that have been conducted highlight the following issues (*Paper SCCS/2003/28/14*):

- (i) Inadequate human, material and financial resources. Severe financial constraints mainly due to low priority attached to statistics by governments. This leads to other problems like staff shortages, lack of trained staff, high staff turnover; low morale; poor remuneration, working conditions, under equipped offices and a general lack of direction;
- (ii) Lack of clearly defined priorities, the absence of coherent implementation plans and inadequate capacity for the collection of relevant and reliable statistics;
- (iii) Non-functioning statistical coordinating mechanism at the national level which may imply disparate and isolated national statistical systems leading to a lack of comprehensive internal harmonisation;
- (iv) Outputs that perhaps are not often demand-driven and therefore do not target the needs of users. The need exists for closer collaboration to establish a judicious balance to ensure that statistics produced are used and also gain the confidence of users;
- (v) Because of the gaps that exist between users and producers, often users attempt to conduct surveys to fill data gaps. Most of these have been motivated by the need to monitor and evaluate specific development projects;

- (vi) Inadequate attention is paid to Social Statistics due to the traditional pre-occupation with Economic Statistics. This does not imply however that Economic Statistics are at a desired level of development. Even as we note the inadequacies in Social Statistics there is still considerable work required in Economic Statistics;
- (vii) There is also a lack of standardisation of definitions, methodologies of data collection procedures, methods of analysis and dissemination of data and common classification systems. This makes regional comparison difficult due to an absence of harmonisation;
- (viii) Other major problems include the lack of computer hardware and software and the absence of training in critical areas of Information Technology (IT). At the same time, it appears that different Member States have different preferences in the uses of computer software;
- (ix) Another major challenge relates to the need for statistical organisations to be more autonomous. Increased autonomy will enhance timeliness and the quality and perhaps the perception of objectivity relative to the output of the offices of the Region.

These are some of the major challenges that affect the ability of statistical agencies to produce the required statistics to fulfill current needs and to also develop the new and emerging areas being demanded. However, there are lessons to be learnt from these challenges that can enable the development of any new area of statistics to be conducted in a way that can be efficient in resource use and to be harmonized and of high quality across the Region.

3. Measurement of the Creative Industries and Intellectual Property

The measurement of the creative industries can be approached from two angles:

- (i) Compilation of data that are currently available;
- (ii) Expansion into methodological approaches that may require the collection and compilation of new data sets.

The paper focuses mainly on (i), the current data available and explores the approach that can be used to expand the statistical base. The compilation of the data that are currently available will require an examination of the data available from production, the National Accounts framework, Trade in Goods and Services and Employment. A fundamental aspect of measuring the creative industries using this data is the ability to assemble the data using classification systems by industry, merchandise trade and product classifications. The issue of classifications will be incorporated in the discussions.

3.1 Compilation from Current Data Sets

(a) Production of Copyright-based Industries – the National Accounts framework

The 1993 System of National Accounts (1993 SNA) is the international framework that underpins the measurement of production of the economic activities and sectors of the economy of any country. The 1993 SNA is moreover an integrated set of macroeconomic accounts that provides a comprehensive and detailed record of the complex economic activities taking place within an economy and of the interaction between the different economic agents. In addition, suggested in the 1993 SNA is Satellite analysis which allows for the annexation of accounts that may share some of the basic concepts of the 1993 SNA but may differ with regard to some fundamental issues.

Essentially the National Accounts tables submitted by Member States to the CARICOM Secretariat Statistics Sub-programme are highly aggregated. There are differences however in the classification of Gross Domestic Product (GDP) by Industry estimated across Member States. The OECS Member States have a common system of classifying GDP by industry. The basic data source for the production of GDP is Establishment Surveys. GDP by industry is essentially estimated throughout the Region using the value added approach, by finding the Gross Output and subtracting the Total Intermediate Costs. The sum of the value added by industry then adds to the GDP for the economy. Data on Expenditure of the GDP is available for most Member States but sometimes this estimate is not totally independent of the Value-added approach.

In using the currently available data to produce an estimate of the contribution of the copyright-based industries, Member States would have to identify the activities in the National Accounts that are core copyright industries. Undoubtedly there would be gaps in the data that would be indicative of issues, such as, lack of coverage of some activities in establishment surveys. For example, coverage of *calypsonians* will not form part of the establishment survey.

The use of employment data or information from lists of associations may assist in the estimation of output of some of these industries. Additional data sources, some of which are currently used in the compilation of National Accounts can assist in copyright-industries that may not be establishment-based.

The International Standard Industrial Classification (ISIC) is the system used by Member States, however supplementing its use with the United Nations Central Product Classification (UNCPC) can enable the identification of copyright-based activities that may otherwise be aggregated under the major activity of an establishment.

The Supply and Use Tables that link the total supply - production and imports to total use – intermediates, final demand and exports, can provide a foundation for estimating the linkages of the copyright-based industries and other industries.

Development of the Supply and Use framework can be expanded to incorporate Satellite analysis by looking at the demand and supply of Copyright-based industries, incorporating indicators such as employment.

(b) Trade in Goods and Services

Trade data can be used to estimate the contribution of the copyright-based industries in the economy through trade in goods and in services. Firstly, trade data can enable the estimation of the contribution of copyright-based industries to exports and imports. The commodities imported can be an indicator of economic activity, being used in the process of production as intermediate inputs. It is possible therefore to identify the share of copyright materials in imports and exports and to estimate these products by economic end use to enable the estimation of intermediate inputs.

Estimation of trade in services, in general, is likely to be more difficult since this is an area in which developmental work is being put in place across the Region. Coverage with respect to trade in services is invariably lower than that of production in Member States. The main source of data with respect to Trade in Services is the services component of the Balance of Payments.

(c) Employment

Employment is another area that can provide a measure of the contribution of copyright-based industries to economic activity. The main sources of data will be household surveys and censuses. Classification of the labour force by industry and occupation would be the main tables. However data may not be available at the detailed level of classification by occupation and industry except for Census data which may have its own issue of accuracy. Survey data may not provide reliable estimates at such a detailed level due to sampling error. Sources of data may well be administrative sources such as National Insurance schemes and professional and other membership lists.

4. Recommendations and Possible Next Steps

The following are some recommendations and next steps to expand the measurement of the copyright-based industries:

- Preparation of a common approach to estimating production of these industries using common classification systems to assemble existing data in the National Accounts. This should include the following:

- Review of the current data that are readily available and that can be easily produced by Member States;
 - Identify the core copy-right based industries in the Region;
 - Identify the key sources of data for these industries;
 - Document the relevant classifications to be used for each industry;
 - Compile and assemble the existing data;
 - Identify problems with coverage, reliability etc;
- Submission of the data to the regional office to commence the compilation of a regional database of comparable data;
- Identification at the regional level from the Trade Information System imports and exports of copyright-based commodities;
- Continuation of the development work in Trade in Services to include a special study of the core copyright-based industries;
- Outline an approach to identifying sources of data on employment;