

29. 10. 2020.

Statistics office says 2Q national accounts release could be further delayed

■ Says mid-Dec. timeline earlier set "may be further changed"

■ Cites difficulties faced by staff due to travel restrictions and health guidelines

The Department of Census and Statistics (DCS) says the mid-December timeline to publish the gross domestic product data for the second and third quarters of the economy, "may be further changed," as the widespread lockdowns is making the task more difficult. DCS said the department is forced to operate with limited staff due to travel

restrictions and health guidelines on the number of staff working in office. However, DCS said it would try its best to release the already delayed output numbers as planned as some of the officers had already begun working from home, but with limited resources.

"With all these constraints, the DCS tries its best to release the national accounts estimates as planned," a DCS statement said. Fortnight ago DCS said it wanted time till December 15 to publish the national accounts for the second quarter ended in June as it collects data on economic activities shifted online and others which had to be taken up

afresh such as conducting quarantine centres. "It was obvious that during second quarter of 2020, most of the economic activities were totally crippled and some were differently operated than usual and some economic activities also highly encouraged by COVID-19," the DCS said in a fresh statement released this week. "Therefore, it was a very unusual situation for the department and needed to pay special attention to these matters in estimating the national accounts properly for the second quarter and for the other quarters/years until the effect of Covid-19 pandemic is over," it added.

But critics and opposition legislators have frowned upon at the longer than acceptable delay, voicing their suspicions on possible foul play, as countries such as the United States and India have already announced their output numbers for the second quarter and the former is readying to release the third quarter figures. China reported a 4.9 percent growth in its third quarter a week ago. In Sri Lanka, the second quarter GDP data was due by September 15 and the third quarter by November 15.

Sri Lanka recorded a surprise 1.6 percent contraction for the first quarter although the economy was closed for about two weeks starting from mid-March.

A survey carried out by the department soon after earlier lockdowns using a sample of 18,000 enterprises covering large, small and medium and micro level businesses in industry and services sectors, had shown a, "high contractions in all three sectors; agriculture, industry and services especially in the two months; April and May".

The industrial activities in general dropped drastically during the second quarter compared to the same quarter in 2019. DCS estimates a 30 percent decline in the output value in large scale manufacturing activities, which includes 'wearing apparel' among others.

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DCS in its statement gave an extensively descriptive account of what the staff of the national accounts division had done during this period, including their efforts to gather data on both public and private economic activities, webinars they participated in on understanding methodologies used in other countries in capturing data amid the pandemic and how to incorporate such in compiling GDP estimates.

However, economic analysts say all that makes little sense as DCS has failed in the most basic duty expected of them, which is to measure how the country's economy has fared, in a timely manner.