

Changes to ABS merchandise export statistics and its impact on partner country aggregates

Introduction

From June month 2013 onwards the Australian Bureau of Statistics (ABS) has been required to apply country level restrictions to a number of commodities to maintain confidentiality within its monthly export data. This has resulted in some commodities being excluded from partner country totals and State/Territory totals. At this stage 55 export commodities¹ will be excluded, with the major ones being *Cane sugar*, *Nickel Mattes*, *Nickel alloys unworked* and *Non-industrial diamonds*. **From this period onwards a number of Country/State totals for exports will be under-reported in ABS monthly trade statistics.** The ABS stated that data was confidentialised in this way to ensure that trade to individual countries/states could not be identified, even if they were unusually large².

The 55 confidential export commodity codes excluded from partner country totals may not remain consistent over time. The ABS reviews confidentiality on a monthly basis and may add or remove some exports codes from this list. For example the ABS added a new commodity, *Fresh or dried macadamia nuts* to the list from October 2013. **Appendix G – DFAT adjustments to ABS official trade data**³ contains the full list of the export commodities affected at this stage and the time period the restriction covers.

Impact of this change

This change will have an impact on the useability of ABS merchandise trade statistics from June 2013 onwards. It means that users can no longer accurately determine the trend movements in exports by partner country (and by State) at the total level. For example, ABS published export data may show exports to the United States falling (excluding these confidential export commodities) where in fact they rose when including these confidential export commodities.

Table A shows that in 2013-14, the 55 export commodities in aggregate represented 2.1 per cent of total Australian merchandise exports in the period June 2013 to June 2014 that will not be allocated to a partner country total.

Month	No country details A\$m	Total goods exports A\$m	Share of total exports %
2012-13	596	246,982	0.2
2013-14	5,679	272,913	2.1

Based on ABS trade data (September 2014) on DFAT STARS database.

Unpublished ABS export data for selected partner countries

Given the importance of accurate trade data, the Department of Foreign Affairs and Trade (DFAT) is working with the ABS to find a solution which will allow accurate partner country export totals on a financial and calendar year basis to be published while maintaining business confidentiality. As an interim solution, the ABS was able to provide annual export totals to DFAT for selected trading partners for 2013-14 that included the 55 confidential codes as an unpublished dataset.

The ABS provided actual merchandise export totals for Belgium, Brazil, Brunei, China, Fiji, France, Germany, Hong Kong (SAR of China), India, Indonesia, Italy, Japan, Luxembourg, Netherlands, New Zealand, Papua New Guinea, Philippines, Qatar, the Republic of Korea, Saudi Arabia, South Africa, Taiwan, Thailand, United Arab

¹ Australian Harmonised Export Classification codes (AHECC) at the 8-digit level that have the confidentiality restrictions 'No commodity details' or 'No value details'. See the ABS publication *International Merchandise Trade: Confidential Commodities List* (catalogue 7352.055.001) - [appendix 1 for a list of restrictions](#).

² [International Trade in goods and services Australia](#), June 2013-14 issue, page 4 (catalogue 5368.0).

³ Data is included in total value of goods exports for Australia.

Emirates, the United Kingdom, the United States and Vietnam. These countries in aggregate accounted for around 73 per cent of the export data not allocated to a partner country in 2013-14 – \$4.2 billion of the \$5.7 billion (refer to **Table B**). The ABS was also able to provide actual merchandise exports totals for China, India, Japan, New Zealand, Taiwan, Thailand, the United Kingdom and the United States for 2012-13.

Table B: Merchandise exports Comparison between ABS annualised monthly published data and the unpublished actual export totals for 2013-14				
Country	Exports		Difference	
	Actual	ABS published (a)	\$m	%
Belgium	1,195	1,087	108	9.9
Brazil	815	772	42	5.5
Brunei Darussalam	40	39	1	1.7
China	100,090	99,563	527	0.5
Fiji	308	305	3	0.9
France	1,186	1,183	3	0.2
Germany	1,819	1,798	22	1.2
Hong Kong (SAR of China)	2,781	2,762	19	0.7
India	8,360	8,325	35	0.4
Indonesia	5,619	4,889	730	14.9
Italy	686	665	21	3.2
Japan	49,024	48,313	711	1.5
Luxembourg	2	2	0	0.0
Netherlands	2,180	1,993	187	9.4
New Zealand	7,664	7,539	125	1.7
Papua New Guinea	2,446	2,395	51	2.1
Philippines	1,560	1,475	86	5.8
Qatar	491	491	0	0.1
Republic of Korea	20,889	20,442	447	2.2
Saudi Arabia	2,244	2,229	15	0.7
South Africa	1,278	1,231	46	3.8
Taiwan	7,404	7,161	243	3.4
Thailand	4,758	4,733	25	0.5
United Arab Emirates	2,739	2,722	18	0.7
United Kingdom	3,686	3,588	98	2.7
United States	10,632	10,057	575	5.7
Vietnam	2,748	2,722	26	1.0
Total above			4,163	
Total confidential items excluded from partner country totals			5,679	
Proportion covered above - %			73.3	

(a) Published ABS annualised monthly merchandise trade data.
Based on ABS trade data (September 2014) on DFAT STARS database and unpublished ABS data.

The movement in exports between 2012-13 and 2013-14 will also be different when comparing the ABS annualised published monthly export data compared to the unpublished actual annual data – refer to **Table C**.

**Table C: Merchandise exports
Movements between 2012-13 and 2013-14 for selected countries**

Country	ABS Data	2012-13 A\$m	2013-14 A\$m	Growth	
				A\$m	%
Belgium	Actual	..	1,195	-241	-16.8
	Published (a)	1,436	1,087	-348	-24.3
Brazil	Actual	..	815	78	10.6
	Published (a)	737	772	36	4.8
Brunei	Actual	..	40	-6	-13.5
	Published (a)	46	39	-7	-14.9
China	Actual	78,000	100,090	22,090	28.3
	Published (a)	77,952	99,563	21,611	27.7
Fiji	Actual	..	308	3	1.1
	Published (a)	305	305	1	0.2
France	Actual	..	1,186	-4	-0.4
	Published (a)	1,190	1,183	-7	-0.6
Germany	Actual	..	1,819	-166	-8.4
	Published (a)	1,985	1,798	-188	-9.5
Hong Kong (SAR of China)	Actual	..	2,781	329	13.4
	Published (a)	2,452	2,762	310	12.6
India	Actual	11,416	8,360	-3,054	-26.8
	Published (a)	11,415	8,325	-3,089	-27.1
Indonesia	Actual	..	5,619	869	18.3
	Published (a)	4,750	4,889	140	2.9
Italy	Actual	..	686	-29	-4.1
	Published (a)	715	665	-51	-7.1
Japan	Actual	46,522	49,024	2,501	5.4
	Published (a)	46,462	48,313	1,851	4.0
Netherlands	Actual	..	2,180	-405	-16.3
	Published (a)	2,485	1,993	-492	-19.8
New Zealand	Actual	7,315	7,664	348	4.8
	Published (a)	7,309	7,539	229	3.1
Papua New Guinea	Actual	..	2,446	-311	-11.3
	Published (a)	2,757	2,395	-362	-13.1
Philippines	Actual	..	1,560	-120	-7.2
	Published (a)	1,681	1,475	-206	-12.2
Republic of Korea	Actual	..	20,889	1,811	9.5
	Published (a)	19,079	20,442	1,364	7.1
Saudi Arabia	Actual	..	2,244	270	13.7
	Published (a)	1,974	2,229	255	12.9
South Africa	Actual	..	1,278	-103	-7.4
	Published (a)	1,380	1,231	-149	-10.8
Taiwan	Actual	7,561	7,404	-157	-2.1
	Published (a)	7,535	7,161	-373	-5.0
Thailand	Actual	4,960	4,758	-202	-4.1
	Published (a)	4,958	4,733	-225	-4.5
United Arab Emirates	Actual	..	2,739	417	18.0
	Published (a)	2,322	2,722	399	17.2
United Kingdom	Actual	5,527	3,686	-1,841	-33.3
	Published (a)	5,520	3,588	-1,932	-35.0
United States	Actual	9,082	10,632	1,551	17.1
	Published (a)	9,049	10,057	1,008	11.1
Vietnam	Actual	..	2,748	940	51.9
	Published (a)	1,809	2,722	913	50.5

(a) Published ABS annualised monthly merchandise trade data.

Based on ABS trade data (September 2014) on DFAT STARS database and unpublished ABS data.

DFAT will be using the actual export data for these countries in all its output (including in its publications, country and economic factsheets, trade pivot tables and spreadsheets)⁴. To help users identify where the actual export data has been applied in DFAT's trade statistical publications, the data cells have been shaded in the relevant tables in the statistical trade publications.

Impact of the change on countries which the ABS did not provide actual data

Users should be aware that countries not covered by the unpublished ABS annual data may not be showing the actual magnitude of exports for 2013-14 or movements in exports between 2012-13 and 2013-14. To help users determine the likely impact, DFAT has conducted an analysis of the impact by analysing partner country import data for 2013-14. This analysis included 43 of the 55 confidential codes only⁵.

It should be noted that there are differences between ABS merchandise export statistics and partner country import statistics such as timing, coverage and valuation differences which could impact on the accuracy of this analysis. Therefore this analysis should be used as a guide to the impact on the under-reporting only.

Appendix G – DFAT adjustments to ABS official trade data shows the results of this analysis for all countries that have so far reported 2013-14 trade data⁶. For most partner countries not covered by the ABS actual export data, the impact is minor and is less than 2 per cent of total exports. However for a number of key countries the impact is more significant, such as for Finland and Singapore.

Impact on country groups

In terms of country groups, DFAT has applied the actual export data for the selected countries obtained from the ABS. This means that all country group exports totals will still be underreported to some extent for the partner countries not covered by this unpublished ABS data. For example ASEAN includes the actual export data for Brunei, Indonesia, Philippines, Thailand and Vietnam, but not for, Burma, Cambodia, Laos, Malaysia and Singapore.

Conclusion

This issue is going to make it difficult to determine actual trends in Australia's total exports (and imports⁷) by partner country on an ongoing basis. DFAT is working with the ABS towards a solution that better meets the needs of trade users for accurate partner country trade data on an annual basis while maintaining the confidentiality of businesses that report data to the ABS.

All users are advised to use 2013-14 ABS partner country merchandise export data with caution for the countries not covered by the unpublished ABS data. ABS merchandise trade by State/Territory is also affected by the change though DFAT has no information to determine the magnitude of the under reporting for individual States or Territories.

For more information please refer to DFAT's [Composition of Trade](#) publication **Appendix G – DFAT adjustments to ABS official trade data**.

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⁴ DFAT has also adjusted the published ABS trade data to include exports of *Cane sugar* and *Non-industrial diamonds* by partner country that is released by the ABS as a special data service. As data for *Cane sugar* is released after a six month time lag (the ABS has released data up to March 2014 (at December 2014). DFAT estimates have been used for the June quarter 2014.

⁵ It is only possible to match ABS and partner country codes at the 6-digit level. Codes at the 8-digit level are country specific and cannot be matched. DFAT could not match 11 of the 54 AHECC codes.

⁶ On the trade databases that DFAT has access to which includes the United Nations' Comtrade database and the Global Trade Atlas.

⁷ A similar issue has existed with ABS merchandise import data since September 2008-09, refer to DFAT's article on *Australia's imports of aircraft & parts - update for 2013-14* for more details (http://www.dfat.gov.au/publications/stats-pubs/trade_statistical_articles.html).