

Reaction (to the paper on “The Usefulness of International Tourism and Air Transport Statistics”) by P. Porciuncula

(Note: The reactions are limited to some general comments and air transport as there is another discussant for the tourism part).

Introduction

1st paragraph

The introductory part implies that current government statistical reporting, measurement and dissemination is serving only one or two industry players. The author must clarify this or prove this serious allegation. It goes without saying that government statistics or information are publicly available except for some classified or sensitive information. Nonetheless, access is possible subject to some qualifications and requirements.

2nd paragraph

We are glad that the author clearly recognized at the outset that demand for air transport is a derived demand. This is important as this suggests the need for strong statistical linkage and coordination with the final demand sectors e.g. tourism, OFW's & traders for passengers and trade and exports for cargoes. The paper also identified that the needed information have to be comprehensive, accurate, relevant and timely. These 4 are good measures for the improvement of the current statistical systems and processes.

International Air Transport

The paper stated that capacity is not monitored by the CAB. This (mis)impression by the author may have come about as the CAB do not regularly provide regular capacity reports except for use in air services negotiations. Nonetheless, capacity figures are easily extracted and monitored. The main sources for capacity estimates start from the (bilateral) air services agreement (ASA) entitlements and the ad-hoc approvals (mostly charter flights) by the CAB. The relevant capacity figures though are those from the approved airline schedules which indicates the type of aircraft and /or the capacity in terms of frequency or seats to be operated at a given time. The CAB may not have a complete picture (considering the capacity from other routes) but it is not ignorant on the (RP-side) capacity during ASA negotiations.

The author is suggesting the automatic use of the statistics to institutionalize the trigger mechanism during ASA negotiations. However, ASA negotiations are dynamic and need flexibility. Every country demands different approaches. Air transport statistics is only one indicator during negotiation. The real opportunities or trade-offs in negotiations are on the final demand. Hence, it was noted earlier that the recognition by the author at the outset of air transport as a derived demand is very important. The other aspect of the

ASA negotiation is to have very good and reliable information on either tourism, trade, exports, OFW opportunities. Even (unofficial) political network (which is not captured in the statistics), in some cases, is crucial during negotiations.

The paper recognized the depth by which traffic flows are to be pursued. Indeed there is a need to have information on true or ultimate Origins-Destinations (O-D). The current airline reporting system admittedly does not capture such information but with the linkage with the DOT and minor software reprogramming of the desired outputs (e.g. by flight and true O-D) from the A/D cards, the information could be better and more useful (this was earlier raised by the Discussant during the inter-agency meeting at the DOT on Tourism Satellite Account – the DOT may be able to give a better update on this during the open forum).

The CAB is also working on (since last year) together with the Manila International Airport Authority (MIAA) and airlines, to establish a **daily and on-line reporting** of the passenger movement (currently reported on a quarterly basis). However, there may be compromises as some data may not be easily accommodated as the inputs are not at the fingertips of the people in the Philippines. Nonetheless, the CAB is hoping that the linkage and coordination with the DOT and BID will enable a more comprehensive, accurate, relevant and timely information. But it cannot be captured from one source or statistical system.

The paper mentioned the need for the CAB to establish the air travel price index. This is a good observation as consumer information is admittedly one weakness to the statistical report production. The consumer welfare is one area that the CAB will need to develop. The statistical system must therefore be developed to generate reports on efficiency and productivity. Individual airlines may have the latter measurements in their respective annual reports on which some researchers may be interested.

Conclusion and Recommendations

The author need to elaborate on the statement that the paper is an initial attempt to stimulate discussion on increasing transparency. There was no issue in the paper on transparency. The 4 aspects that the author mentioned in the introductory part were: comprehensive, accurate, relevant and timely information. Transparency though may be part of the accuracy and access by the public to the information.

It would have been better had the author discussed the 4 qualities point-by-point in relation to the existing statistical system and identify the needed changes or improvements. The paper can thus be developed further and hopefully pursue these 4 information measurements.