



United States Statistics on Trade in Services

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and International Negotiations*

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Collection / dissemination agency

- Bureau of Economic Analysis
 - Part of the Department of Commerce
 - Compiles national and international accounts
 - Gross domestic product
 - Balance of payments
 - Regional statistics
 - Industry statistics, including I/O accounts



Significance of Trade in Services in the United States (2003 estimates)

	Total	Private
Exports of services	\$305 billion	\$291 billion
Imports of services	\$246 billion	\$219 billion
Balance	+\$59 billion	+\$72 billion

Total trade in goods and services:

Exports: \$1,019 billion

Imports: \$1,509 billion



Services Delivered Through Affiliates (2001 estimates)

- Sold abroad by majority-owned foreign affiliates of U.S. firms
 - \$432 billion
 - 57% higher than cross-border exports
- Sold in the United States by majority-owned U.S. affiliates of foreign firms
 - \$367 billion
 - 82% higher than cross-border imports



System of data collection - cross-border

- Largely survey-based
- Mandatory surveys authorized by International Investment and Trade in Services Survey Act
- Several surveys or survey groups
 - Financial services
 - Insurance
 - Misc. services and intangible assets
 - Transportation (several surveys)
 - Intrafirm (affiliated) transactions



Data collection - Cross-border trade (cont'd)

- Some use of outside sources
 - Travel
 - Education
 - Transportation (certain components)
 - Mirror (partner-country) data
 - A data source
 - A cross-check on our own survey results



Improvements - Cross-border trade

- Mandatory collection authority
- New surveys, including quarterly
- Coverage of additional services
- Realignment of classifications
 - To reflect most recent domestic and int'l standards
 - To clarify treatment of new ways of doing business (e.g. Internet)



Improvements - Cross-border trade (Cont'd)

- Improved measurement methodologies
 - Insurance
 - Greater use of gross recording
 - Better integration of affiliated and unaffiliated transactions (still in progress)



Data Collection - Sales by affiliates

- Built on an existing system
 - Shows several indicators of affiliate operations (sales, employment, assets, profits, etc.)
- Modifications to improve information on services
 - Added industry codes for services
 - Sales broken down between goods and services
 - North American Industry Classification System (1997) gave greater emphasis to services



Data presentation - sales by affiliates

- Broken down by industry rather than by type of service (but with services separately identified)
- Geographic classification
 - Foreign affiliates - by country of location
 - U.S. affiliates - by country of UBO
- What the data show:
 - Foreign affiliates - sales of services abroad
 - U.S. affiliates - sales of services in the U.S.



Planned and in-progress improvements: Sales by affiliates

- Coverage of banks in benchmark years (every 5 years)
- Improved measure of insurance
- Improved measure of wholesale and retail trade
- Gathering ingredients for estimating unpriced financial services