



**INTERNATIONAL TELECOMMUNICATION UNION**  
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This paper provides a backgrounder to, and also a description of the status of telecommunication statistics collection and dissemination as well as provide key statistics from the Communications and Multimedia Sector (C&M) in Malaysia.

### **Background**

With the enactment of the Malaysian Communications and Multimedia Commission Act 1998 and the Communications and Multimedia Act 1998 an era closed and a new one dawned. The twin acts of parliament effectively paved the way for the formation of the Malaysian Communications and Multimedia Commission (MCMC) and regulation of the communications and multimedia industry on a technology independent and converged platform from 1 November 1998.

Further, from 1 November 2001 the MCMC was empowered to undertake regulatory functions under the Postal Services Act (1991) and the Digital Signature Act (1997)

Hence it can be seen that the jurisdiction of the MCMC extends to Groups 641 (Post and courier activities) and 642 (Telecommunications) or the entire Division 64 Category I of the Malaysia Standard Industrial Classification 2000 (MSIC 2000) which conforms closely to the latest International Standard Classification of all Economic Activities (ISIC) Rev 3 published by the United Nations.

The ICT sector on the other hand is generally accepted as encompassing the following ISIC Classes.

#### **Manufacturing**

3000 - Office, accounting and computing machinery

3130 – Insulated wire and cable

3210 – Electronic valves and tubes and other electronic components

3220 – TV and radio transmitters and apparatus for line telephony and line telegraphy

3230 – TV and radio receivers, sound or video recording or reproducing apparatus, and associated goods

3312 – Instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process equipment

3313 - Industrial process control equipment

## Services

5151 – Wholesaling of machinery, equipment and supplies

7123 – Renting of office machinery and equipment (including computers)

642 - Telecommunications

72 – Computers and related activities

On comparison, it can be seen that the C&M sector and the ICT sector as defined above form 2 intersecting sets. This observation is important because it points to a possible basis to be used to delineate data collection and dissemination between the regulator which is Malaysian Communications and Multimedia Commission and the national statistical organisation (NSO) namely the Department of Statistics, Malaysia (DOSM).

Although the Statistics Act 1965 (Revised 1989) empowers the DOSM to conduct just about any survey in the country, it is only natural and vital to MCMC's functions that it should want to collect and disseminate data for Groups 641 (Post and courier activities) and 642 (Telecommunications) from its licensees. In fact, the CMA specifically empowers and requires that it does so. Besides, being the license issuer and regulator, it is possible and much easier for the MCMC than the NSO to garner cooperation from the licensees.

On the other hand, all other components of the ICT sector fall outside the jurisdiction of the CMA and indeed, the NSO with its sprawling infrastructure, sampling frames and expertise should be in a better position to collect data, make scientific national estimates and disseminate data pertaining to them. The same can also be said about surveys where practices of companies, households and individuals are the statistical units of any study with an ICT focus.

### **Status of C&M statistics collection and dissemination**

The MCMC conducts a number of surveys covering its licensees. Among the surveys conducted by the MCMC under the CMA are surveys that cover:

- Cellular operators
- Fixed line operators
- Internet service providers
- VoIP operators
- Public Mobile Radio operators
- Messaging Service operators
- Certification authorities

These surveys are canvassed on a quarterly basis and replies are founded on the administrative records of the licensees. The practice is for licensees to either send in a hard copy or email a soft copy. These submissions would then undergo rather stringent quality checks and unusual changes referred back to their originators. The statistics compiled therefrom would at least in theory address supply side questions satisfactorily.

To keep up with changing trends, the questionnaires are reviewed periodically. Recent reviews have found it necessary to include questions on SMS usage as well as the broadband subscriber base.

A major portion of what is collected is published and disseminated in a quarterly statistical bulletin. Selected key statistics are also published on MCMC's website (<http://www.emc.gov.my>)

Users of statistics include industry players, academia, researchers, state and federal governments, central planning agencies, the private sector and members of the public.

The MCMC also outsources Consumer Satisfaction Surveys in periodic waves and from its results compute the Consumer Satisfaction Indices benchmark against set targets specified in the Framework for Industry Development. These indices are also posted on the website.

A sampling of the latest available key statistics accompanies this paper as Appendix 1.

### **Looking ahead**

Although the response to the above surveys is generally satisfactory, it could be better in terms of completeness and timeliness. With an eye on improving performance vis-à-vis these two aspects, the MCMC is taking a hard look at exercising its legislative powers to compel licensees to keep a predetermined set of records of sufficient detail under Record Keeping Rules (Section 268 of the Communications and Multimedia Act 1998) to be submitted at regular intervals through a secure state-of-art online delivery system. This will ultimately replace all other modes of submission.

With issues of completeness and timeliness out of the way, the MCMC will make available the data aggregated from the submissions of the licensees “on tap” through the aforementioned state-of-art delivery system<sup>1</sup>

### Covergence issues

While it cannot be denied that traditional indicators have not outlived their usefulness, a need is felt for new indicators to take cognizance of the convergence of communication technologies. Work in this area is in progress and some possible indications are given in Appendix B

### Collaboration with the DOSM

It is generally felt that there is a weakness in demand side statistics and indicators. To address this, the DOSM has on its part done some work on ICT statistics. In the Population and Housing Census 2000, questions were included that touched on

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<sup>1</sup> This state-of-art delivery and retrieval system being a part of the proposed Industry Knowledge Resource Centre or IKRC

possession of ICT equipment in households. The results provide a comprehensive picture of ICT access in the nation<sup>1</sup> but the lack of figures for the inter-censal years are of concern. In addition there is need for data on the “who, when, what, where and why” of users and usage of ICT including gender issues and sentiments of users pertaining to barriers and problems of ICT access and usage. Realising this, the MCMC has initiated efforts to get interested parties including the DOSM itself to explore various modes of collaboration with a view to conducting an annual ICT survey.

In the recent Economic Census 2001 to collect data from all operating establishments undertaking economic activities for reference year 2000, the DOSM emphasized on the ICT industries. The preliminary report of this census may be viewed at the DOSM website. (<http://www.statistics.gov.my>)

In conclusion, it may be asserted that the awareness of the need of quality ICT statistics has always been felt in Malaysia. Concrete steps are underway in both the MCMC and the DOSM and in the near future, a collage of the output of their separate but coordinated efforts will go a long way in painting the bigger picture of the state of ICT in Malaysia.

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<sup>1</sup> Question B7 in the Census questionnaire touched on possession of radio/hifi, TV, Video/VCD/DVD, fixed line telephone, mobile phone, PC and Internet subscription.