



Bahagian 4

Nota Teknikal
Technical Notes

1. SCOPE AND COVERAGE

*This publication used data from Economic Census 2023 (reference year 2022). The census covered all registered establishments engaged in **personal services and other activities** which included main activities as follows:*

- i. Activities of business, employers and professional membership Organisations;*
- ii. Activities of trade unions;*
- iii. Activities of other membership organisations;*
- iv. Repair of computer and communication equipment*
- v. Repair of personal and household goods*
- vi. Washing and dry-cleaning of textile and fur products*
- vii. Hairdressing and other beauty treatment*
- viii. Funeral and related activities of human or animal corpses and related activities*
- ix. Other services activities*

*Overall, coverage of the census for personal services and other activities was 49 industries at 3-digit and 4-digit level referring to Malaysia Standard Industrial Classification (MSIC), 2008 Ver.1.0, Which is in accordance with the International Standard Industrial Classification of All Economic Activities (ISIC), Rev.4 United Nations. The complete lists of industries are shown in **Appendix**.*

2. SOURCE OF FRAME

The main source for the establishment statistics frame is from the Malaysia Statistical Business Register (MSBR). MSBR is a list of organisations/enterprise operating in Malaysia which includes the Register of Companies (ROC), Register of Business (ROB) and Limited Liability Partnership (LLP) registered with the Companies Commission of Malaysia (CCM) as well as organisations registered with local authorities (LA) and professional bodies. The list in the MSBR is updated regularly based on surveys and censuses conducted by the Department of Statistics Malaysia and administrative data sources from various agencies. The main source of administrative data is from the (CCM).

In addition DOSM also works together to obtain the latest information from other agencies such as the Employees' Provident Fund (EPF), the Royal Malaysian Customs Department, the Inland Revenue Board (IRB), local authorities (LA) and professional bodies. The frame is updated to taking into account new establishments and to any changes in the status of the establishments such as closed down, not in operation, change in activity and location/ correspondence address so as to ensure that the frame is at the most current status.

3. TYPE OF BUSINESS ACTIVITY

Type of business activity refers to both principal and secondary activities. The principal activity refers to the activity to which the establishment devoted most of its resources or activity which derived most of its income. Secondary activities are defined as those incidental or ancillary to the principal activity. The classification of the industry of the establishment is based on the principal activity and is in accordance with the Malaysia Standard Industrial Classification (MSIC), 2008 Ver 1.0. The MSIC 2008 conforms to the International Standard Industrial Classification of All Economic Activities (ISIC), Rev. 4, United Nations, with modifications to suit local conditions.

4. CONCEPTS AND DEFINITIONS

Concepts and definition used are based on the recommendations of the International Recommendations for Industrial Statistics, United Nations Statistical Division. The definitions of services used in this census accordance with the MSIC 2008 Ver 1.0.

Personal services & other activities include activities of membership organisations, activities of business, employers and professional membership organisations, activities of trade unions, activities of others membership organisations, repair of computers and personal and household goods and others personal services activities such as washing and dry-cleaning of textiles and fur products; hairdressing and other beauty treatment and funeral and other services activities.

4.1 Activities of membership organisations

This activity includes of organisations representing interests of special group or promoting Ideas to the general public. These organisations usually have a constituency of members, but their activities may involve and benefit non-members as well. The primary breakdown of this division is determined by the purpose of organisations serve; namely interests of employees, self-employed individuals and the specific community, interests of employees or promotion of religious, political, cultural, educational or recreational ideas and activities.

i. Activities of business, employers and professional membership organisations

This activity includes that promote the interests of the members of business and employers organisations. In the case of professional membership organisations it also includes the activities of promoting the professional interest of members of the profession.

ii. Activities of trade unions

This activity includes that promote the interests of organisations labour and union employees, activities of associations whose members are employees interested chiefly in the representation of their views concerning the salary and work situation, and in concerted action through organisation and activities of single plant unions, of unions composed of affiliated branches labour organisations composed of affiliated unions on the basis of trade, region, organisational structure or other criteria.

iii. Activities of others membership organisations

This activity includes promote the interests of their members except business and employers organisations, professional organisations and trade unions. This is include activities of religious organisations, activities of political organisations and activities of other membership organisations such as consumer associations, automobile associations, associations of youth and senior citizens.

4.2 Repair of computers and personal and household goods

This activity includes the repair and maintenance of computers peripheral equipment such as desktops, laptops, computer terminals, storage devices and printers. It also includes the repair of communications equipment such as fax machine; two-way radios and consumer electronic such as radios and TVs; home and garden equipment such as lawn-mowers and blowers; footwear and leather goods; furniture and home furnishings; clothing and clothing accessories; sporting goods; musical instruments; hobby articles and other personal and household goods. Excluded from this division is the repair of medical and diagnostic imaging equipment, measuring and surveying instruments, laboratory instruments, radar and sonar equipments.

i. Repair of computers and communication equipment

This activity includes repair of computers and peripheral equipment and repair and maintenance of communication equipment.

ii. Repair of personal and household goods

This activity of consumer electronics; repair of household appliances and home and garden equipment; repair of footwear and leathers goods; repair of furniture and home furnishings and repair of personal and household goods.

4.3 Others personal services activities

This activity includes all service activities not mentioned elsewhere in the classification. Notably it includes types of services such as washing and dry-cleaning of textiles and fur products; hairdressing and other beauty treatment and funeral and related activities.

i. Washing and dry-cleaning of textiles and fur products

This activity includes the laundering and dry-cleaning, pressing; carpet and rug shampooing; drapery and curtain cleaning whether on clients' premises or not, provision of linens, work uniform and related items by laundries; and diaper supply services.

ii. Hairdressing and other beauty treatment

This activity includes the hairdressing and others beauty treatment; and the activities of sauna, steam baths and massage salons. Excludes manufacture of wigs and activities of fitness centres.

iii. Funeral services and related activities

This activity to the preparing the dead for burial or cremation and embalming and morticians' services; providing burial or cremation services; rental of equipped space in funeral parlours; rental or sale of graves; and maintenance of graves and mausoleums. Excludes religious funeral services activities.

iv. Other service activities

This activity the astrological and spiritualists' activities; social activities such as escort services, dating services, services of marriage bureau; pet care services; shoe shiners, porters, valet car parkers; concession operation of coin-operated personal service machines such as photo booths, weighing machines and coin-operated machines; and other service activities.

5. CENSUS YEAR

Refers to the year in which a census was conducted.

6. REFERENCE YEAR

The reference year of the census was the calendar year 2022. Establishments whose accounting year differed from calendar year were requested to report according to the accounting year or financial year covering at least six (6) months in the reference year.

7. METHOD OF COLLECTION

This census was generally conducted through three (3) methods of data collection, namely:

7.1 Online method through the e-BE portal

This method targets respondents who have used this method for previous routine surveys.

7.2 Data collection method via e-mail, post, fax and telephone

This method targets respondents who have used this method for previous routine surveys. Respondents were given a period of one month to complete and return the questionnaire to the DOSM.

7.3 Face-to-face data collection method

Field work operation is carried out to get feedback from establishments that have not yet given answers from the two methods above and this method also targets establishments that have never been involved in a routine survey of DOSM.

8. REPORTING UNIT

*The reporting unit used in the Economic Census 2023 is the **establishment**. As establishment is defined as "an economic unit that engaged in one activity, under a single legal entity and operating in a single physical location". Each establishment was assigned to an industry classification based on its principal activity and not according to the activities of the parent company.*

Thus, each branch of a multi-branch organisation at a different location was conceptually treated as a different establishment. The establishment was requested to give separate returns for each activity in terms of value. However, if in practice, the accounts were centrally kept such that it was not possible to obtain separate data for each individual unit or branch. That entity or enterprise was treated as a single reporting unit and allowed to submit a consolidated questionnaire covering all units or branches.

9. LEGAL STATUS

The legal status of an establishment has been defined as follows:

9.1 Individual proprietorship

Refers to a business, owned and operated by one person for his own profit. The owner has the exclusive right to control the operation of the establishment.

9.2 Partnership

Refers to a group of individuals who agree to contract and to carry out a business with the objective of profit making. All shareholders or anyone could manage the business for all parties. A trading partnership must comprise of at least two members and should not exceed a maximum of twenty members.

9.3 Limited liabilities partnership

Refers to business entity regulated under the Limited Liability Partnerships Act 2012. It is featured with the protection of limited liability to its partners similar to the limited liability enjoyed by shareholders of a company coupled with flexibility of internal business regulation through partnership arrangement similar to a conventional partnership.

9.4 Private limited company

A private company established to undertake a business with the objective of making a profit. The shares are closely held by the shareholders of the company who have control over its operation.

Characteristics:

- i. Regulated under the Companies Act 1965 and is a legal entity separate from the owners;*
- ii. Number of its shareholders between 2 - 50 members;*
- iii. Company owners have limited liability;*
- iv. Shareholders who own 51 per cent or more of the total shares shall be entitled to manage the company. The company's shares can be traded but not in the open market;*
- v. Trading of share must be with the consent of the other shareholders;*
- vi. Not listed on the Stock Exchange; and*
- vii. Business life expectancy is longer and can be identified by the words "Sendirian Berhad" (Sdn. Bhd.) at the end of the company name.*

9.5 Public limited company

A public limited company is a company established with limited liability, by a minimum of two persons to operate the business with the objective of making a profit. The shares in a public limited company are openly held and in the case of company listed on the Bursa Malaysia, the shares are freely transferable.

Characteristic:

- i. Regulated under the Companies Act 1965 and is a legal entity separate from the owner;*
- ii. Owned by the shareholders and there is no limit to the shareholder;*
- iii. Management of the company is under the board of director responsibilities as appointed by shareholders; and*
- iv. Listed on Bursa Malaysia.*

9.6 Co-operative

Refer to a voluntary association with unrestricted number of members and registered under the Co-operatives Act 1993. Funds are collectively owned to meet the needs of members.

9.7 Public corporation

Refer to an undertaking set up under a Special Act Parliament or by the State Legislature.

9.8 Private non-profit making organization

Refer to non-stock company set up with limited liability. It comprises mainly welfare, religious, educational, health, cultural, recreational and other organisations providing social and community services to households. These services are provided free of charge or at prices, which do not necessarily or fully cover the cost of providing such services (subsidy). Any profit made is reinvested in the organisation.

10. OWNERSHIP

The ownership of an establishment is classified by the residential status of the owner (s) of the majority (more than 50%) of the paid-up capital and not by their citizenship status. In instances where each party (Malaysian Resident and Non- Malaysian Resident) held equal shares in the business, the establishments were classified as "Joint Ownership".

A Malaysian Resident is any individual, company or other organization ordinarily domiciled in Malaysia for a period of at least one year. Malaysian registered branches and incorporated subsidiaries of foreign based/origins are also regarded as Residents.

A Non-Malaysian Resident is any individual, company or other organization ordinarily domiciled in a country other than Malaysia. Foreign branches and/or subsidiaries abroad owned by Malaysian Residents are also regarded as Non-Residents.

11. VALUE OF GROSS OUTPUT

11.1 Value of gross output of **personal services and other activities** is defined to include the following items:

- Revenue from services provided
- + Value of sales (goods / materials purchased for resale without undergoing further processing)
- + Income from management services
- + Commissions and brokerage earned
- + Income from Fees earned from membership
Professional fees received (e.g. accounting, management, engineering, legal services, research and development etc.)
- + Rental income received (except for rent of land)
- + Research and development expenditure
- + Royalties, copyrights, licensing dan franchise fees
- + Other operating income
- + Buillt / self-produced fixed assets
- Cost of goods sold (goods/material purchased for resale without undergoing further processing)

12. VALUE OF INTERMEDIATE INPUT

12.1 The value of intermediate input of **personal services and other activities** is defined to include the following items:

- Purchase of goods, materials and services*
- + *Insurance premiums except workers' compensation work*
- + *Payments for repairs and maintenance*
- + *Expenditure for stationery, office supplies and others*
- + *Water and electricity purchased*
- + *Fuel, lubricants and gas*
- + *Transportation of goods (carriage outwards)*
- + *Research and development expenditure*
- + *Telecommunication, postage and printing cost*
- + *Advertising, marketing and promotion*
- + *Accounting, secretarial and audit Legal and other professional services fees*
- + *Other operating expenditure*
- *Changes in stock (Closing stocks - Opening Stocks)*

13. VALUE ADDED

Value added is the difference between the value of gross output and intermediate input. It is approximately equivalent to commercial profit, salaries and wages, depreciation and indirect taxes; plus, interest paid less interest received

14. NUMBER OF PERSONS ENGAGED

Labour force statistics employ various terminologies to explain the labour market, depending on the definition, scope, and coverage of the published statistics.

The term number of **employed persons** in the statistics published by DOSM through the Labour Force Survey (LFS) refers to all persons aged 15 to 64 years who, at any time during the reference week, worked at least one hour for pay, profit, or family gain (as an employer, employee, own-account worker, or unpaid family worker).

On the other hand, the number of **filled jobs** in the Employment Statistics refers to the persons employed at the end of each reference quarter, including full-time and part-time employees, permanent, short-term or seasonal employees, employees paid with monthly salaries or based on hours worked, employees on short vacation such as sick leave or annual leave, and newly hired employees to fill the vacancy in the current quarter. These statistics exclude proprietors and partners of unincorporated businesses, unpaid family workers, employees on strike during the quarter, employees on unpaid leave during the entire quarter, and employees provided by other agencies such as subcontractors and consultants.

Meanwhile, the number of **formal employees** in Employee Wages Statistics is refer to the person who works under a contract of service or apprenticeship with the employer and receives remuneration for the work completed. Formal employees do not include those who fall under non-standard employment, including self-employed, gig-workers, own-account workers, unpaid family workers, etc.

In the Economic Census 2023 publication, the number of persons engaged refers to all working persons who worked for the establishments which has been censused; in December or the last pay period of the reference year. The number of persons engaged was classified under the following categories:

14.1 Working proprietors and unpaid family workers

i. Working proprietors and active business partners

This category refers to all individual proprietors and partners (full-time or part-time) who are actively engaged in the work of the establishment. It therefore, excludes silent and inactive partners; and

ii. Unpaid family workers

Include all household members (full-time or part-time) to the owners of the establishment who perform a specified job and work for a minimum of one third of the normal working time for the establishment, but do not receive regular payment either in cash or in kind for the work done. Such workers generally receive food, shelter and other support as part of the household of an owner but this would continue whether they worked in the establishment or not.

14.2 Paid full-time employees

Refer to all paid workers (full-time) who work for at least six hours a day and/or 20 days a month. All such employees are to be categorised according to Malaysia Standard Classification of Occupations 2020 (MASCO) as follows:

i. **Manager, professional and researcher included:**

a. **Manager**

Refer to those who devise, analyse, formulate, direct and advise on government policy, and make, amend and repeal laws, public rules and regulations, and represent and act on behalf of the government, and oversee the interpretation and implementation of policies and government legislation, or carry out similar tasks on behalf of special interest organisations, or plan, organise, lead, control and coordinate the policies and activities of enterprises, organisations, departments or the internal section; and

b. **Professional**

Refer to those responsible for increase the existing stock of knowledge, apply scientific or artistic concepts and theories, teach about the foregoing in a systematic manner, or engage in any combination of these three activities.

ii. **Technicians and associate professionals**

Refer to those who perform technical and related tasks connected with research and the application of scientific or artistic concepts and operational methods, and government or business regulations.

iii. **Clerical, services & sales workers, craft workers, plant & machine operators and related occupations includes:**

a. **Clerical support workers**

Refer to those who record, organise, store and retrieve related information and perform clerical duties especially in connection with administrative operations, handling of money, travel arrangements and requests for information and appointments;

b. Service and sales workers

Refer to those who provide personal services related to travel, housekeeping, catering, personal care, or protection against fire and unlawful acts, or demonstrate and sell goods in wholesale or retail shops and similar establishments as well as at stalls and markets;

c. Craft and related trades workers

Refer to those who apply their specific knowledge and skills in the fields of mining and construction, metal forming, and erect metal structures, make, fit, maintain and repair machinery, equipment or tools, carry out printing work as well as produce or process foodstuffs, textiles, or wooden, metal and other articles including handicraft goods; and

d. Plant & machine operators, and assemblers

Refer to those who operate and monitor industrial and agricultural machinery and equipment, drive and operate trains, motor vehicles and mobile machinery and equipment, or assemble product component parts according to strict specifications and procedures.

iv. Elementary occupations

Refer to those who perform simple, routine and non-systematic tasks which mainly require the use of handheld tools or with the assistance of simple machines, and in some cases considerable physical effort.

14.3 Paid part-time employees

Refer to all paid workers (part-time) who work less than six hours a day and/ or 20 days a month.

15. CATEGORY OF SKILLS

Category of skills has been categorized according to Malaysia Standard Classification of Occupations (MASCO) 2020 as follow:

i. High-skilled workers

Managers; Professionals; Technician & associate professionals;

ii. Semi-skilled workers

Clerical support workers; Service & sales workers; Skilled agricultural, forestry, livestock & fishery workers; Craft & related trades workers; Plant & machine operators and assemblers; and

iii. Low-skilled workers

Elementary occupations.

16. SALARIES & WAGES

All payments (salaries, wages, bonuses, commissions, overtime pay and cash allowances including cost of living, housing, car, food, etc.) made throughout the reference year to all paid employees in each category. For all directly employed workers, total payments made before deductions for income tax and employees' contributions to Employees' Provident Fund (EPF)/ Social Security Organisation (SOCSO)/ Other provident/ Retirement Funds Incorporated (KWAP). The Employer's contribution to such funds as mentioned above should be excluded.

17. VALUE OF FIXED ASSETS

Fixed assets cover all goods, new or used, tangible or intangible, which have a normal economics life span of more than one year. For instance land, building & structure, transport equipment, computer, machinery & equipment, furniture & fittings and other assets. Other assets also include biological assets namely trees/ crops (except for logging trees that intended for logging), livestock and aquaculture fisheries which can produce products repeatedly and have a life expectancy of more than one year.

Value of assets as at the beginning and end of 2022 was based on net book value. Purchases alterations and major repairs or capital expenditure during the year were valued at actual costs incurred. Value of assets sold during the year refers to the actual value.

18. WOMEN-OWNED ESTABLISHMENT

Women-owned establishment refers to a minimum of 51 per cent of the equity held by a women OR the biggest shareholders are women and the establishment is managed by a women OR the Chief Executive Officer or Managing Director is women that owns at least 10 per cent of the equity.

19. ROUNDING

The sum of the component figures may not tally with the sub-total or total figures due to rounding.

20. COMPOUND ANNUAL GROWTH RATE (CAGR)

The calculation of compound annual growth rate (r) is based on the following formula:

$$y_t = y_0 (1 + r)^t$$

where,

$$r = \left[e^{\frac{1}{t} \ln \left(\frac{y_t}{y_0} \right)} - 1 \right] \times 100$$

where,

y_t	= Value at current year
y_0	= Value at previous year
t	= Number of years, , $y_t - y_0$
r	= Annual growth rate

21. SYMBOLS AND ABBREVIATIONS

0	: Less than 500
&	: and
%	: per cent
<	: less than
}	: combined
b	: billion
etc.	: ec cetera
CAGR	: compound annual growth rate
RM	: Ringgit Malaysia
n.e.c	: not elsewhere classified
W.P.	: Federal Territory