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National Statistics Office, Malta,
2003

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1 November 2003

Chairman
Malta Statistics Authority

In accordance with the provisions of subsection 5(g) of the Malta Statistics Authority Act XXIV of 2000, I hereby submit to you this report on the operations of the National Statistics Office for the year ended 30 September 2003.

Alfred Camilleri
Director General

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Our Mission

To serve the statistical information needs of Parliament, Government, and the community by striving for excellence through rigorous protection of confidential data, quality information from respondents and a timely, objective and responsive statistical service

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INTRODUCTION

The National Statistics Office (NSO) is Malta's official national statistical agency. It provides statistics on a wide range of social and economic matters, covering the population in general, Government and the business sectors. The NSO also has an important co-ordination function with respect to the statistical activities of other official bodies in Malta.

The NSO was established by virtue of the Malta Statistics Authority Act XXIV of 2000 and replaced the ex-Central Office of Statistics as from 1 March 2001. Section 10 of this Act determines the functions and responsibilities of the Office which include the collection, compilation, extraction and release of official statistics relating to the demographic, social, environmental, economic and general activities and conditions of Malta. More specifically, the NSO is required to:

- provide on an impartial basis, quantitative and representative information about the economic, demographic, gender issues, social and environmental situation in Malta, to all users including Parliament, the Government, institutions, social and economic operators, academic institutions and bodies and the general public. Where possible such data should be provided on a regional basis;
- produce the data which shall be subject to the principles of reliability, objectivity, relevance, statistical confidentiality, transparency, specificity, and proportionality. Moreover, the Office shall produce statistics which aim to mirror as faithfully as possible the real situations, disseminate the results to the public and the users thereof in a neutral and impartial way, focus on the phenomena which are essential for decision makers and honour the citizens' right to public information. Individual information in identifiable form, collected for statistical purposes, shall not be used for other purposes than as provided for in the Act;
- supply the information necessary to evaluate the quality of official statistics, and make accessible to the public the methods used for their production, and how the principles under which such statistics are gathered are complied with;
- provide such technical explanations of the result so as to avoid erroneous interpretation;
- conduct research on and further develop statistical methodology and technology;
- monitor and coordinate the carrying out of tasks with statistical implications imposed on other public bodies;
- co-ordinate the production of official statistics systems, including the necessary methodologies, with a view to ensuring timeliness and standardisation of information, efficiency and the meeting of user requirements; as well as to provide appropriate classifications and conformity with international requirements and standards; and
- collect the necessary information, compile the results at appropriate levels and breakdowns and disseminate them to users.

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ORGANISATIONAL DEVELOPMENT

Since the enactment of the Malta Statistics Authority Act in 2000 and its subsequent enforcement as from 1 March 2001, the NSO carried out intensive work for the development of an organisation structure that meets current needs and serves as a good platform for future challenges.

ORGANISATION STRUCTURE

The Office was organised into four divisions that in turn were organised into a number of functional units as follows:

SOCIAL STATISTICS

- ◆ Population
- ◆ Education and Culture
- ◆ Labour Market
- ◆ Living Conditions

BUSINESS STATISTICS

- ◆ Business Structures
- ◆ Enterprise Short-term Statistics
- ◆ Agriculture and Fisheries
- ◆ Tourism
- ◆ Transport

ECONOMIC STATISTICS

- ◆ National Accounts
- ◆ Government and Financial Institutions
- ◆ Balance of International Payments
- ◆ International Trade
- ◆ Consumer Prices and Purchasing Power Parities
- ◆ Environment, Energy and Regional Statistics

CORPORATE SERVICES

- ◆ Management Services
- ◆ Information Services
- ◆ Information Systems

In addition to the above-mentioned divisions and units another unit, Research and Methodology, has been placed under the direct responsibility of the Director General. Its objectives include statistical co-ordination among all public sector organisations.

The organisation structure was approved by the Malta Statistics Authority Board.

The creation of the new organisation structure was accompanied by the drawing up of unit descriptions that provide an analysis of the work of each unit as well as by a staff complementing exercise. In addition to this, new staff positions were created while detailed job descriptions in respect of each position were devised.

In February 2003, a management team was appointed to take charge of all the units within the new organisation structure. This development signified a turning point in the history of the NSO because for the first time, after a lapse of many years, persons were appointed to occupy management positions within the Office. This development clarified the lines of authority within the Office and contributed towards increased accountability.

COLLECTIVE AGREEMENT

The above-mentioned framework served as an effective platform for the negotiation of the first Collective Agreement for the employees of the Office. This Collective Agreement was negotiated between the recognised trade union and the management of the Malta Statistics Authority between December 2001 and May 2002. The agreement, covering the three-year period 2002 - 2004, was signed on 30 August 2002.

After the ratification of the Collective Agreement, the Human Resources Unit of the NSO had the arduous task of assimilating all the ex-COS employees into the new grading structure. Alongside the assimilation, all employees were offered employment with the Malta Statistics Authority on the basis of the new terms and conditions negotiated with the Union. Employees were given a six-month period during which they were asked to decide on whether they wanted to retain their employment with the Authority or else to revert to Government service. The vast majority of the employees accepted the Authority's offer of employment. Thereby, the NSO did not lose valuable and experienced staff members to other Government Departments.

CODE OF CONDUCT AND PRACTICE

The adoption of this Code brings the NSO nearer to current developments in the more advanced countries. This Code is also deemed to be a natural extension and a reinforcement of the provisions of the Malta Statistics Authority Act. In particular it was established that:

- (a) The Code of Conduct and Practice demands the exercise of the highest professional standards on the part of all MSA employees and encapsulates the enduring principles guiding the production and dissemination of official statistics. These are enshrined in the seven principles of statistical integrity, impartiality, reliability, objectivity, relevance, statistical confidentiality and transparency - basic principles that the MSA expects all its employees to respect and observe.
- (b) Employees are to conduct themselves in line with the Code of Conduct and Practice.

- (c) In carrying out their statistical work, employees have clear and distinct obligations towards their funding agencies, society at large, the data providers and users, and their professional colleagues. Therefore, in carrying out their statistical work, employees are expected to:
- ◆ Operate with the utmost honesty, independence and integrity;
 - ◆ Produce statistics in an objective, scientific and unbiased manner;
 - ◆ Be open about all aspects of the statistical process;
 - ◆ Continuously seek to improve their professional competence, with respect to both their technical and management skills;
 - ◆ Set challenging service and quality standards and seek to achieve them;
 - ◆ Continuously seek to provide better value for money;
 - ◆ Maintain the relevance of their statistical activities to the needs of Parliament, the Government and the wider community;
 - ◆ Provide statistics that are fit for the purpose intended;
 - ◆ Complement statistics with interpretation and statistical advice;
 - ◆ Make statistics accessible to all;
 - ◆ Place the minimum load necessary on data providers and treat them with honesty;
 - ◆ Respect the confidentiality of all information given in confidence.

STATISTICAL POLICIES

In implementing the provisions of the Malta Statistics Authority Act and the above-mentioned Code, the NSO continued to draw up and to introduce a number of statistical and other policies to act as guides to its operations and actions. These policies, covering the release of data subject to error, the promotion of statistical literacy, the documentation of data quality and methodology, internal training and the office environment are being reproduced as appendices to this report for ease of reference. Another draft policy dealing with the rounding of numbers is in an advanced stage of preparation.

A draft policy and procedures for the implementation of the co-ordination functions of the NSO have already been drawn up and submitted to the Malta Statistics Authority Board for discussion and approval.

DATA PROTECTION

Since its inception the NSO has always operated within a culture of strict confidentiality. With effect from 15 July 2003, it is also bound by the provisions of the Data Protection Act, 2000.

This Act seeks to make provision for the protection of individuals against the violation of their privacy by the processing of personal data.

In this respect, the NSO has appointed one of its officials as Data Controller, responsible for ensuring that all NSO processes involving data relating to individual persons conform fully with the Data Protection Act.

These processes are presently being analysed in order to ensure compliance with the Act. NSO staff are being apprised of the Data Protection Act and made conscious of their responsibilities relating to the protection of personal data. In this connection, the NSO is also looking at best practices of data management and data protection in international statistical institutions.

The NSO is in the process of preparations for submitting the notification of its work processes involving personal data to the Commissioner of Data Protection in terms of Article 29 of the Data Protection Act.

STATISTICAL INFRASTRUCTURE

Apart from the strengthening of the necessary legal infrastructure, the statistical infrastructure of the Office was also improved through substantial investments in three other important aspects of the Office's operations, namely: Premises; Information Technology; Management Practices.

PREMISES

Since the premises housing the NSO are virtually complete, only relatively minor works were carried out on Office infrastructure in the past year. Indeed most of the work was concentrated on the relocation of various facilities within the Office in order to maximise the utilisation of the available spaces. Beyond that, only maintenance works were carried out.

INFORMATION TECHNOLOGY

In the past few years, the National Statistics Office embarked on an extensive computerisation programme. This covered a number of business areas within the Office with the aim of providing a varied level of computerisation to support their data requirements. The work that was carried out included data capture programs, data repository, local and international reporting needs and Electronic Data Interchange (EDI) to Eurostat.

In the past year, the NSO continued to strengthen its IT infrastructure through various initiatives including the creation of its own in-house Information Technology Unit. This Unit's objective is to supplement and complement the work that has and is being carried out by MITTS Ltd.

The NSO is committed to keeping abreast with the latest developments in data capturing, analysis and dissemination. During the year, an IT Hardware Strategy for 2003-2004 was developed and is being currently implemented.

The IT Unit has established automated procedures for hardware and software support within the NSO. This has increased efficiency while reducing the dependence on MITTS for routine support services. The IT staff benefitted from a number of training activities directly concerned with their work. The training courses attended by IT Unit staff were:

- ◆ SQL Server – Admin./Programming
- ◆ Concepts of Web Developments
- ◆ Tools and Concepts of Data Warehouse Technology
- ◆ FrontPage 2000
- ◆ MS Access 2000
- ◆ Network +
- ◆ Visual Basic 6
- ◆ Visual Basic 6 (Advanced)

The funding for some of the above-mentioned training programmes was obtained from MED-IS sub-programme of MEDSTAT, the Euro-Mediterranean Partnership on Statistics.

In the course of the year, the NSO's IT Unit embarked on a number of projects aimed at developing data capturing and processing activities for the various thematic units within the NSO.

In the course of the year, the IT Unit completed the following projects:

Illegal Migration

This information system on illegal migration to the country was carried out on behalf of the Police Authorities working in this area.

Libraries Survey

Software in support of the periodic surveys on libraries being carried out by the NSO.

Electronic Inventory System

This system provides for a comprehensive electronic inventory of all NSO property and facilitates its regular management and maintenance.

Childcare/Domestic Violence Survey

This system was created in support of the survey on childcare and domestic violence that was carried out by the NSO on behalf of the Ministry for Social Policy.

Living Space Survey

This software was created in support of the first Living Space Survey carried out by the NSO in support of its Purchasing Power Parities Programme.

Survey on Non-Governmental Organisations

A system that incorporates a data capture and data management system in support of the ongoing survey of non-governmental organisations was developed.

Balance of Payments

This major new system is still under development. It is being undertaken in support of the new system of direct reporting for balance of payments statistics. This project is being implemented in collaboration with the Central Bank of Malta.

Farm Structure Survey

Malta carried out its first Farm Structure Survey (FSS) in late 2003. Software that would also facilitate computer-aided survey interviewing was developed and implemented.

Other Projects

In the course of the year, the NSO's IT Unit also worked on the following systems:

- ◆ I-Mirror;
- ◆ Tarex;
- ◆ Work and Residence Permits.

These three systems have been completed.

Other software development projects that are currently underway include:

- ◆ Cruistat: in support of the survey on cruise passengers;
- ◆ ICT Survey: in support of the survey on Information Communication Technology in Enterprises;
- ◆ Database for the Civil Protection Directorate.

Discussions between the NSO and the Ministry of Information Technology and Investments are currently underway for the development of a new NSO website that would incorporate various new features and services.

The IT Infrastructure at the NSO was also supported by a specified IT team from MITTS Ltd. The transition from a Windows 98 to a Windows XP operating system is currently in progress.

A substantial part of the NSO's software requirements and services continued to be provided by MITTS Ltd. In the course of the past year, MITTS worked on the following systems:

Inbound Tourism Survey

With the introduction of the new tourism survey, a new system was introduced. In the past year, various enhancements were made to this survey's software in order to optimise the data transmission from the Malta International Airport to the NSO.

Accommodation Census

Apart from the required software to support data entry from paper questionnaires, the accommodation census among all hotels (Accomstat) was also developed as a web-based census. This census collects accommodation data from all hotels in the country on a monthly basis and enables hotels to submit their accommodation data electronically over the Internet. This software was re-developed to cater for the requirements set by the Central Information Management Unit (CIMU). Apart from these enhancements, further functional changes were made including the creation of a number of new reporting facilities.

Labour Force Survey

Work on the labour force survey was focused on three different areas. The quarterly questionnaire changes were incorporated in the BLAISE environment that includes the transfer of selected data from one quarter to the other. The second area within this survey is the Eurostat functionality which is a complex two-hundred column report automatically generated by another program independently from the data entry survey. The last module is the Eurostat filtering program which is based on Eurostat instructions to validate the Eurostat report outputs prior to the transmission of data. These three functional areas are all being deployed and executed for every quarterly survey.

Retail Prices Index (RPI)

Harmonised Index of Consumer Prices (HICP)

The development of the Retail Prices Index System, which covers the requirements of the Harmonised Index of Consumer Prices as well, started in 2001 and continued throughout 2002 and the best part of 2003. Apart from using the latest software technologies, the new system will allow the NSO to compile the RPI and the HICP using the same system through the combination and integration of the required price collection into a single set of interviewing sheets. This system saves on the time, effort and costs required for data collection and capture.

International Trade (Intrastat)

As part of its preparations for the eventual adoption of the EU's *acquis communautaire* in international trade statistics, intensive preparations continued to be made for the introduction of a survey-based trade statistics system that would replace the current system based on customs documentation. The eventual introduction of this survey mandated the development of the required software to support it. The data capture system for this survey has already been developed and was launched together with the piloting of the survey in mid-2003. The Intrastat system also caters for a series of reports and a report format as required by Eurostat. In 2003, various modules were

added to the system such as the threshold functionality and uploads for the HS codes and other data that need to be changed periodically within the system.

Maritime Statistics

The NSO and the Malta Maritime Authority (MMA) reached an agreement whereby the latter would supply the NSO with regular maritime statistics. A computer program was developed to accept and validate the data received from the MMA and to generate the required reports by the NSO.

Business Register/Business Statistics

In the course of the year, enhancements were developed to the current Business Register and Structural Business Statistics programs with regard to the imputation and the stratification functionalities on the current data maintained in the BLAISE software. Other modules were added to the program to cater for EU reporting and other output generation required by other units within the NSO. Work is currently being undertaken for the development of a new system that will replace the current BLAISE environment in order to adopt a consolidated approach to the maintenance of the Business Register and Structural Business Statistics data.

Road Transport Survey

MITTS carried out enhancements to the data entry program. In addition, various modifications were performed in the methodology and reporting of the software. The generation of required statistical reports for Eurostat was undertaken. Work is also being carried out to address the feedback received from Eurostat.

Library System

The NSO procured a Library Information Management System. MITTS was involved at the adjudication and implementation stages of the project. A secure Virtual Private Access (VPN) functionality for remote maintenance by the supplier was also provided.

Data Transmission

The NSO has been actively following the initiatives organised by Eurostat for the development and sub-contracting of software tools that enable the transmission of statistical data between the NSO and Eurostat.

The Stadium software, supplied by Eurostat, is currently being used for transmission of trade, balance of payments, labour, agriculture, short-term statistics, tourism and HICP data. Data are transmitted via the Statel hub located within MITTS Ltd. and is received at the Stadium server at Eurostat. The National Accounts, Balance of Payments and Short-term Statistics Units are also using a message encoding system (GESMES) for transmitting data to Eurostat. The GENEDI application is currently being used by the Short-Term-Business Statistics Unit to simplify the generation of GESMES messages and validate data at transmission level.

Advanced plans are in hand for the installation of the latest version of the STADIUM software at the NSO.

MANAGEMENT PRACTICES

In the year under review, the NSO made strenuous efforts to:

- ◆ Improve its productivity and reduce costs;
- ◆ Increase its income-earning capabilities.

To begin with, a good number of activities were critically reviewed and actions were taken in order to enhance their cost-effectiveness and thereby improve resource productivity. At the same time, attention was given to the type and level of service being provided to our customers. Thorough reviews were carried out in respect of:

- ◆ IT support services provided both in-house and by third parties;
- ◆ Data dissemination practices;
- ◆ Data collection practices;
- ◆ Use and utilisation of office facilities and equipment;
- ◆ The utilisation of the available human resources base;
- ◆ A number of other human resources practices.

These reviews resulted in various changes to a range of work practices and adjustments to the NSO's contractual relationship with its suppliers, notably in the IT field. Such actions resulted in substantial savings to the NSO. At the same time, the Office managed to maintain its statistical programme in place.

Alongside the above-mentioned reviews, the NSO embarked on a programme with the goal of generating income for the Office and thereby reducing its dependency on the subvention from Government. Although experience elsewhere shows that such activities will only manage to cover a small portion of the funding requirements of the national statistical offices, this initiative is deemed significant for the future well-being of the Office.

The NSO has social obligations to honour. A substantial part of the Office's statistical output is in the nature of a public good and must therefore be provided to users free of charge. However, beyond this, the NSO cannot provide whatever service is required for free. Such an approach is neither efficient nor desirable. Some years back, the Office introduced a cost-recovery programme in respect of various services it offers. Such a programme has and will continue to be expanded.

In addition to the above, the NSO has entered the market place with the provision of services on a competitive and commercial basis. These services include specialised surveys for third parties, various data analysis services and training. This commercial aspect of the Office's operations is already yielding positive results.

Furthermore, the NSO is making serious efforts to avail itself of any external funding opportunities that would help finance some or all of its investments in the physical

infrastructure and in its training and research programmes. In the past year, the NSO managed to obtain external funding as follows:

◆ Acquisition of IT hardware and software	Lm58,819
◆ Training	Lm58,170
◆ Statistics research programme	Lm42,750

HEALTH AND SAFETY

In the course of the year, the NSO commissioned a review of all its facilities in the light of current legislation and standards on Health and Safety at Work. This exhaustive review provided a checklist of corrective actions and recommendations that should help the Office ensure that its premises and operations are entirely in line with the relevant legislation and standards. In so doing the Office would ensure the creation of a hazard-free environment to its employees and would therefore reduce the level of exposure of the Authority to risks of this kind.

After the preparation of this basic report, the Office is now working on the creation of an Office Health and Safety Policy.

HUMAN RESOURCES AND TRAINING

The human resource base available to the NSO is its most precious asset. In the reform process of the Office, adequate attention and appreciation was given to the considerable number of experienced staff members who have been working within the Office for a long time. Their experience and willingness to carry forward the change programme for the Office was complemented by an extensive and intensive training programme as well as by the recruitment of a number of appropriately qualified staff who could be trained to assist in the change programme for the Office.

The more experienced staff members were charged with the implementation of this change programme. Under their guidance and with the assistance of new staff members, the NSO has introduced an improved methodological base for national statistics, an expanded and more varied statistical programme, and has brought about considerable improvements in service delivery.

Human Resources Management

The appointment of a cadre of unit managers substantially strengthened the management structure of the Office.

Alongside the implementation of the first phase of the new organisation structure, new management practices were put in place. An electronic time-recording system was introduced throughout the organisation. This system is fully integrated with the

Office's payroll system. In addition to this, a new regime governing all authorised absences from the Office was introduced.

As from May 2003, the Office introduced a system whereby all sick leave would be validated by the Office's medical team. This system resulted in a considerable reduction of sick leave and in savings that exceed Lm5,900.

A new Human Resources Information System was installed in the Human Resources Unit. This system provides improved information on the available human resources, their management and utilisation.

STAFF COMPLEMENT

As at the time of writing, the NSO had 131 staff members on its books, 59 men and 72 women. The following table provides a breakdown of NSO staff by age group and sex.

Structure of NSO Staff

Age Group	Males	Females	Total
18 – 30	26	49	75
31 – 40	8	9	17
41 – 50	11	8	19
51+	14	6	20
Total	59	72	131

In 2002, the NSO had a staff complement of 137 employees.

After the conclusion of the Collective Agreement, all staff had to decide whether to accept an offer of employment with the Malta Statistics Authority or else to revert to Government service by 28 February 2003. The majority of employees opted for employment with the Malta Statistics Authority.

The following table provides a breakdown of the NSO's staff complement at the time of writing.

Structure of NSO Staff (contd.)

Position	Males	Females	Total
Director General	1	-	1
Assistant Director	1	-	1
IT Advisor	1	-	1
Manager	11	1	12
Financial Controller	-	1	1
Senior Statistician	5	1	6
Statistician	20	14	34
Systems Analyst/Programmer II	2	-	2
Librarian	-	1	1
Programmer 1	2	-	2
Assistant Statistician	2	2	4
Senior Statistics Executive	3	19	22
Senior Survey Interviewer	-	8	8
Statistics Executive	3	5	8
Survey Interviewer	2	8	10
Clerk	-	11	11
Senior Messenger	2	1	3
Senior Office Attendant	1	-	1
Watchman	3	-	3
Total	59	72	131

The NSO employs a further 6 persons who are either on loan to other Government entities or who are away on long-term leave. Furthermore, the Office employs a number of Government employees as part-time interviewers in order to be in a position to carry out large-scale surveys such as the Labour Force Survey.

STAFF TRAINING

The NSO is a learning organisation. Its research activities and the wide and varied statistics programme cannot be sustained unless efforts are made to provide its staff

members with the necessary methodological training and technical expertise in the statistical domains it deals with.

Staff members are encouraged and supported to undertake further studies and to attend a range of local and/or international training courses on a regular basis. In addition to this, staff members are required to participate in a number of international statistical meetings on a regular basis in order to facilitate the harmonisation and integration of the local statistical programme with its international counterpart. Participation in these courses and training is either financed from local resources or from funding that is available under the Euro-Mediterranean programme on statistical co-operation and the EU's pre-accession strategy. The latter source has now become the major source of funding for the NSO's participation in Eurostat-sponsored training courses and meetings on statistics.

The following tables provide a broad overview of the number of local and international courses and meetings which NSO staff members participated in during the past two years.

Local Training: 2002/3

Type of Course	Males	Females	Total
Masters Degree	7	7	14
Diploma Course	-	1	1
IT Diploma Course	2	1	3
IT: Network Support Skills	5	1	6
Web Development: part I	5	1	6
Web Development: part II	5	1	6
Desk-top Publishing	1	4	5
Office Productivity Tools	9	9	18
Library Management System	1	5	6
Sampling Techniques and Data Processing	20	22	42
How the EU Operates	1	2	3
European Employment Policy	1	-	1
Language	1	2	3
Performance Management Programme	-	2	2

Total	58	58	116
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NSO Participation in International Courses: October 2002 – September 2003

Course	Duration Days	Male Part.	Female Pat.	Total Part.	Total Person Days
TES Course:- National Accounts in Practice (EN)	11	1	-	1	11
Med-Training Course:- New CPI Methods	3	-	1	1	3
TES Course:- "Economic Analysis and Flash Estimates: Applications for SNA Statistics in Practice"	5	2	-	2	10
Second on Job Training in UK Customs	3	1	-	1	3
TES Course:- "European System of Accounts - Goods and Services"	3	2	-	2	6
TES Course:- "Systems of Education Statistics"	3	-	1	1	3
TES Course:- "Seasonal Adjustment Methods"	5	1	1	2	10
TES Course:- Nomenclatures, Classification and their Harmonisation	4	-	2	2	8
TES Course:- "Theory and Practice of Regional Accounts"	3	1	-	1	3
TES Course: "Sampling Techniques and Practice"	12	1	-	1	12
TES Course: "System of Social Statistics, Social Indicators and Social Reporting"	10	1	-	1	10
Total		10	5	15	79

PARTICIPATION IN INTERNATIONAL MEETINGS

In the course of the past year, NSO staff members participated in a considerable number of international meetings and working groups on different aspects of official statistics. Participation in these meetings was financed through the pre-accession funding or by Eurostat. This participation is considered an important learning experience for staff members and contributes directly to our efforts to upgrade and harmonise the local statistical system to international standards.

**NSO Participation in International Meetings:
October 2002 - September 2003**

Type of Meeting	Duration Days	Male Part.	Female Pat.	Total Part.	Total Person Days
Second Euro-Mediterranean Seminar on Foreign Trade Statistics as Foreign Trade Experts from Malta	5	1	-	1	5
The 16th Meeting of the STNE Working Group and Collection of Raw Data Task Force Meeting	3	1	-	1	3
Measurement of the Quality of Statistics	3	2	-	2	6
Working Group "Crop Products Statistics"	3	2	-	2	6
Seminar On Quarterly and Annual BOP, ITS and FDI Compilation arrangements in Ireland	3	1	-	1	3
Meeting of the European Statistics on Accidents at Work Working Group	2	1	-	1	2
Eurostat Workshop on Dwellings	2	-	2	2	4
Eurostat Working Group on Animal Products Statistics	2	1	-	1	2
Working Group "Dissemination of Statistical Information"	2	1	-	1	2
5th Meeting of the Policy Group on Statistical co-operation of the Phare Programme	3	1	-	1	3
Med-Noe Project:- Interim Workshop on "Project Status and Data Dissemination"	2	1	-	1	2
Meeting SBS for Candidate Countries	3	2	-	2	6
Meeting of the Working Party "Statistics of the Environment" Sub-Group Waste Statistics"	3	1	-	1	3
7th Meeting of the group "Enlargement Project on External Trade Statistics"	2	1	-	1	2
Meeting of the Committee on trading of goods between Member States and third Countries	3	1	-	1	3
Meeting of the Financial Accounts Working Party	2	1	-	1	2
Meeting on Purchasing Power Parities and a joint Meeting with National Accounts	2	1	-	1	2
Phare 2000 Project on Capital Stock and the Consumption of Fixed Capital	2	-	2	2	4

Joint Meeting of the Working Groups on National Accounts and Purchasing Power Parities and the NAWP Meeting	3	1	-	1	3
Prodcom Classification and Survey	2	2	-	2	4

**NSO Participation in International Meetings:
October 2002 - September 2003 (contd.)**

Type of Meeting	Duration Days	Male Part.	Female Pat.	Total Part.	Total Person Days
Seminar on Statistics and Human Rights	3	1	-	1	3
A Meeting of the European Population Committee	3	1	-	1	3
Workshop on Private Household Consumption	2	-	2	2	4
Meeting of the Short-term Public Finance Statistics Working Group	2	1	-	1	2
Working Group Meeting on Statistics on Income and Living Conditions	2	2	-	2	4
Working Group "Economic Accounts for Agriculture Price Statistics"	2	1	-	1	2
National Principal Coordinators Meeting	2	1	-	1	2
Meeting of the Working Party "Implementation of the Council Regulation No. 1165/98 on Short-Term Statistics"	2	1	-	1	2
Eurostat: Meeting of the Task Force Capital Injections	2	1	-	1	2
Eurostat: Meeting of the Working Group "The Collection of Statistical Information in the field of Tourism".	2	1	-	1	2
Med-Migr Project:- 2nd National Co-ordinators Meeting.	2	2	-	2	4
Eurostat: 10 th Meeting of the Local Co-ordinators Group	3	2	-	2	6
Eurostat:- Forum "Statistics Serve Enlargement"	2	2	-	2	4
Meeting of the Joint Eurostat/ECB Task Force on Quarterly Financial Statistics for the Government Sector	1	1	-	1	1
Eurostat: Meeting of the Working Group "Social Protection"	2	1	-	1	2
Medstat:- Environment Final Conference	3	1	1	2	6
Eurostat: NACE/CPA Committee/Working Group Meeting.	3	1	-	1	3

Eurostat: Southern Group Purchasing Power Parities	2	2	-	2	4
Medstat: Med Coordinators Meeting	3	2	-	2	6

**NSO Participation in International Meetings:
October 2002 - September 2003 (contd.)**

Type of Meeting	Duration Days	Male Part.	Female Pat.	Total Part.	Total Person Days
Eurostat Pilot Project:- Workshop on Employment Data Reconciliation	2	1	1	2	4
Eurostat: Meeting of the Working Group "Environment Expenditure Statistics"	2	-	1	1	2
8th Meeting regarding the Enlargement project on external Trade Statistics	3	1	-	1	3
Meeting of the Collection of Raw Data (CORD) Task Force and the 17th Meeting of the STNE Working Group	3	1	-	1	3
Task Force Meeting on FISIM with the Candidate Countries	1	-	1	1	1
Meeting of the Working Group on Harmonisation of Consumer Price Indices	3	1	-	1	3
Balance of Payments Working Group	2	1	-	1	2
Management Group on Co-operation Phare	2	1	-	1	2
Joint Eurostat: Task Force on Output prices for other services in Short-Term Statistics	2	1	-	1	2
Medstat Sub-Programme on the Information Systems: Final Conference	3	2	-	2	6
FSS-Seminar	4	2	-	2	8
Phare Meeting Hazardous and non Hazardous Industrial Waste	5	1	1	2	10
Eurostat Working Group on European Statistics on Accidents at Work + Phare Meeting on Health and Safety at Work Statistics	2	1	-	1	2
Urban Audit II - Eurostat Workshop on Definitions and Estimation Methods - Work Program for Candidate Countries, phase I	1	-	1	1	1
Meeting of the Working Group "Statistics of the Environment" - Sub-Group "Waste"	2	1	-	1	2
Eurostat Working Group on Dissemination of Statistical Information	2	1	-	1	2
Meeting of the Working Group "Income, Poverty and Social Exclusion"	2	1	-	1	2

Joint ECE-Eurostat: Work Session on Migration Statistics	2	1	-	1	2
Workshop on Environment Statistics	2	1	1	2	4
Medstat Reflection Group	2	1	-	1	2

**NSO Participation in International Meetings:
October 2002 - September 2003 (contd.)**

Type of Meeting	Duration Days	Male Part.	Female Pat.	Total Part.	Total Person Days
Working Group "Fishery Statistics" of the Agricultural Statistics Committee	3	1	-	1	3
Meeting of the EODS Technical Sub-Committee "European Occupational Diseases Statistics"	2	1	-	1	2
Working Group "Structure and Typology of Agriculture Holdings"	2	1	-	1	2
Workshop on HICP for Acceding and Candidate Countries	3	2	-	2	6
Meeting of the Task Force Capital Injections and Meeting of the Financial Accounts Working Party	3	1	-	1	3
eEurope + Statistical Working Group Meeting	2	1	-	1	2
Second Workshop on Household Final Consumption Expenditure	2	1	-	1	2
49th Meeting of the Statistical Programme Committee	1	1	-	1	1
Intrastat/Extrastat Workshop	4	2	-	2	8
Meeting of the Working Group on National Accounts	3	1	-	1	3
Bilateral Meeting with Eurostat on compliance with ESA 95	1	1	-	1	1
Meeting on "Urban Audit II - State of the Art"	1	1	-	1	1
2nd Workshop on Gross Capital Formation	2	-	2	2	4
Workshop on Financial Accounts and Public Finance	2	1	-	1	2
Visit to National Centre for Social Research UK (NatCen)	2	1	1	2	4
Council of Europe: European Population Committee (CAHP)	3	1	-	1	3
Meeting of the Business Statistics Directors Working Group	2	1	-	1	2

Eurostat Working Group on Purchasing Power Parities	2	1	-	1	2
Phare Project on Foreign Direct Investment Phase II	2	1	-	1	2

**NSO Participation in International Meetings:
October 2002 - September 2003 (contd.)**

Type of Meeting	Duration Days	Male Part.	Female Pat.	Total Part.	Total Person Days
Phare 2000 Employment Data Reconciliation	2	1	1	2	4
23rd Meeting of the Statistical Programme Preparatory Committee PRODCOM	2	1	-	1	2
1st Med-Env Phase II Task Force	2	1	-	1	2
11th Meeting of the Local Co-ordinators Group	2	1	-	1	2
Workshop "Income and Living Conditions Statistics"	2	2	-	2	4
40th Meeting of the "Committee on Statistics relating to the trading of goods between Member States" and 25th Meeting of the "Committee on statistics relating to the trading of goods with non-member countries"	2	1	-	1	2
9th Meeting of the Enlargement Project on external trade statistics	1	1	-	1	1
Meeting of the Working Group on CPI Harmonization	3	1	-	1	3
Eurostat Committee on Monetary, Financial and Balance of Payments Statistics (CMFB)	2	1	-	1	2
Eurostat Working Group on Agricultural Price Statistics and Economic Accounts	2	1	-	1	2
Workshop on Input - Output Tables and Supply & Use Tables	2	1	1	2	4
Phare 2000 Prodcom	2	1	-	1	2
42nd Meeting of the GNP Committee	2	1	-	1	2
Meeting of the Agricultural Committee	2	1	-	1	2
Joint Eurostat - ECB Meeting on Quarterly Financial Accounts for the Government Sector	2	1	-	1	2
2nd Workshop on Dwellings	2	-	2	2	4
Eurostat Purchasing Power Parity Group Meeting for the practical arrangements for the Second Survey	2	1	-	1	2
89th DGINS Conference "Social Statistics in the enlarged EU"	2	2	-	2	4

Total		104	20	124	291
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STATISTICAL CLASSIFICATIONS

In the past few years, the NSO has taken significant steps towards the alignment of its statistical programme with international methodologies and standards. Such a move would facilitate the integration of the local statistical system within its international counterpart, as well as improve comparability between local and international statistics.

A basic but important step in this direction was the adoption of international statistical classifications. Apart from the adoption of these classifications in its own statistical programme, the NSO continued to work actively towards their adoption by other public sector organisations engaged in the collection and compilation of statistics. The following international classifications are already well integrated or are in the process of being introduced in the NSO statistical programme:

- ◆ *Nomenclature des Activités Economiques dans les Communautés Européennes* (NACE) Rev 1 and 1.1 for the classification of all enterprises by economic activity;
- ◆ Classification of Products by Activity (CPA) for the classification of imported or locally produced products. This classification has been or is being adopted in Business Statistics, International Trade Statistics, the Household Budgetary Survey and the National Accounts;
- ◆ Classification of Individual Consumption by Purpose (COICOP) for the classification of consumer expenditure as reported in the Household Budgetary Survey. Modified versions of this classification are also used for Consumer Prices Index purposes and in National Accounting;
- ◆ Classification of Types of Construction (CC) for the classification of construction units. This classification is being adopted in the field of Business Statistics;
- ◆ Combined Nomenclature (CN) for international trade statistics purposes;
- ◆ Country Nomenclature (Geonom) for tourism and trade statistics purposes;
- ◆ Malta Geographical Code (MGC) for the classification of Maltese territorial units in accordance with the requirements of the *Nomenclature des Unités Territoriales et Statistiques (NUTS)* as used on the European mainland;
- ◆ Government Finance Statistics (GFS) and European System of Accounts (ESA 1995) classifications for all Government budgetary items and revenue and expenditure transactions;
- ◆ Classification of Functions of Government (COFOG) for this type of functions;

- ◆ CORINE Land Use Classification, as adapted to local circumstances and needs, is being used for land use purposes in Environment and Agriculture statistics.

The implementation and maintenance of these classifications is an ongoing process that requires attention and continuity. These classifications form the core of the statistical system. Therefore, in the coming years, the NSO will persist with their implementation across the national statistical system so that an increased level of harmonisation between the different data compilers may be achieved.

RESEARCH AND METHODOLOGY

The Research and Methodology Unit of the NSO carries out research and development work in connection with all aspects of the NSO's surveying activities and provides related assistance and support to the other statistical units within the Office. The setting-up of this Unit was of strategic importance because it focused on and facilitated the development of new and alternative data collection systems and instruments in accordance with internationally harmonised methodologies. Being a new entity, this Unit was not burdened with an existing statistical programme which, had to be maintained pending its replacement with a viable alternative.

In the course of the past year this Unit carried out the following work:

- ◆ Design of the survey methodology and the relevant questionnaire for the Survey on Income and Living Conditions;
- ◆ Design of the survey methodology and the relevant questionnaire for a continuous Household Budgetary Survey;
- ◆ Carrying-out of a Lifestyle Survey;
- ◆ Continuation of the processing and analysis of the Time-Use Survey;
- ◆ Finalisation of the Household Budgetary Survey 2000 publication;
- ◆ Preparation and processing of reports from the Household Budgetary Surveys, 1994, 1995 and 2000 for the Health Promotion Department in connection with Malta's participation in the DAFNE project on health.

In addition to the above the Unit provided methodological assistance on various surveys to:

- ◆ The Labour Market Statistics Unit on the sampling and questionnaire design of Labour Costs and Earnings Survey and on the computer-aided personal interviewing (CAPI) version of the Labour Force Survey;
- ◆ The Agriculture and Fisheries Statistics Unit on the Farm Structure Survey 2003;
- ◆ The Tourism Statistics Unit on the sampling and questionnaire design of the pilot Cruise Passenger Survey and on the re-design of the weighting procedure for the Incoming Tourism Survey (Tourstat);

- ◆ The Ministry of the Environment and Rural Affairs on the implementation of the Farm Accountancy Data Network (FADN);
- ◆ The Health Promotion Department.

Furthermore, this Unit undertook consultancy and research work for third parties on a commercial basis. These projects included:

- ◆ A survey on Poverty and Social Exclusion;
- ◆ A survey on Childcare and Domestic Violence;
- ◆ An analysis of sick-leave trends for a major manufacturing concern;
- ◆ An analysis of HBS data for a number of NSO clients;
- ◆ Two week-long courses on Basic Sampling Techniques.

In line with the cost-recovery and commercialisation policy being implemented by the NSO, this Unit is providing other proposals for third-party research work. This work is either underway or will be carried out in the coming months.

This Unit carried out other work on a number of sampling frames that are regularly used for the selection of samples. In addition to this, the Unit is co-ordinating an internal working group with the objectives of the:

- ◆ Harmonisation of questionnaire design and data collection practices;
- ◆ Elimination of overlap between statistical projects;
- ◆ Reduction of response burdens on data providers.

INFORMATION SERVICES

The Library and Information Unit (LIU) is now established as the focal point of contact with the users of statistical data. The Unit has consolidated itself as a service-oriented entity. The role of the LIU within the NSO has become strategically important because the horizontal coordination and cooperation with all units has been further improved. This has facilitated the introduction of new services alongside the traditional library services in order to meet user needs.

The changing needs of NSO clients are being met with services that draw upon the latest developments in information technology. This has been further made possible by the increased cooperation between the LIU and the IT Unit within the NSO.

The main objective of the LIU collection development is to provide library materials and access to resources that meet the information needs of users. This concept has to be developed within the parameters of available resources, both financial and human. Issues such as that of access versus acquisition are a reality faced by most libraries and information services. In view of this, the preparation of a Collection Development Policy,

currently underway, is considered an important tool to make sure that resources are used effectively and for the maximum benefit of users.

The agreement that was reached with Eurostat regarding the supply of statistical publications has been consolidated. Further cooperation agreements are currently being investigated in view of the increasing interest in European statistics.

The LIU's collection now adds up to more than 11,000 items including statistical publications, textbooks, journals and an increasing number of CD-Roms. The development of an electronic library is another project under construction. Statistical methodologies in PDF format from Eurostat and other statistical institutions will eventually be made available to all NSO staff over the NSO Intranet. Outside users may also benefit from this electronic library, subject to copyright issues.

The library management system project is nearing completion. This system is expected to provide an even better library service for NSO staff and external users. It is expected that NSO staff will be able to access the library catalogue through the Local Area Network, thereby doing away with the prospect of internet connections for all individual staff members. This will also be extended to the Wide Area Network, covering all the public service. External users will be able to access the Web OPAC through a normal Internet connection via the NSO website.

The importance of the NSO website as a reference tool for the LIU cannot be overstated. Discussions are currently underway to find the best possible solution for an improved website that reflects the needs of the statistical users more comprehensively.

The staff members of the LIU continue to deal with an increasing number of information requests from a wide spectrum of statistical users. In cases where the amount of work and time required for ad hoc reports is substantial, a cost recovery charge is applicable. The situation calls for an effective pricing policy that clearly distinguishes between statistics as a public good and statistical services and products subject to cost recovery charges. The following table provides the number of information requests received by the LIU by e-mail, fax and by post for the years 1999-2003:

REQUESTS FOR INFORMATION

Year	Number of Requests	Annual % Change
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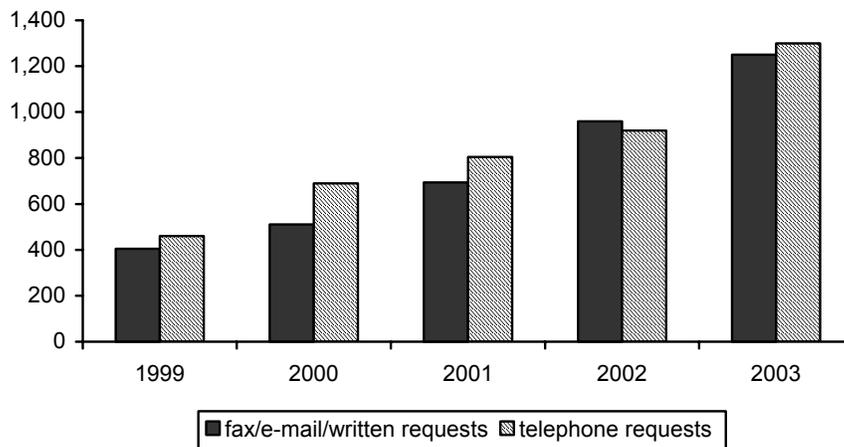
1999	405	-
2000	510	25.9
2001	693	35.9
2002	1060	53.0
2003	1260*	18.9

* projected

These user requests do not include those requests that are received and handled directly by the different statistical units within the NSO. These are now very rare due to the increased cooperation between NSO units in directing all user requests to the LIU. This increases consistency, efficiency and coherence in request-handling procedures.

Telephone requests are also commonplace. It is estimated that the number of information requests for 2003 totalled more than 1,300. When the amount of data required is more than cursory, users are asked to send in their requests by e-mail or fax.

User Requests 1999 - 2003



STATISTICAL DISSEMINATION

The increased availability of data on the NSO website and a heightened awareness by users has slowed down the rate of increase of information requests. As a further service,

most of the NSO publications are now being prepared in PDF format and published on the NSO website for the benefit of users.

In addition to the above, the NSO is making increased use of CD-Roms for the release of its statistical publications. Following the successful release of 'Malta in Figures 2002' on CD, the substantial benefits of releasing more publications in this format became ever more apparent. The production of electronic publications is more cost-effective and provides for increased flexibility in the storage and use of statistical information.

In the course of the past year, the NSO disseminated its statistical releases in accordance with a pre-determined and year-long Advance Release Calendar. The introduction of such a calendar presupposes the availability and disciplined flow of data from the providers to the NSO so that the commitments made in the calendar can be met.

Although not yet available to users, this year's experience with the use of a calendar of publications has proved very useful in entrenching the necessary self-discipline within the national statistical system. This has paved the way for the eventual publication of a calendar on a regular basis. In general, the experience has been positive because most of the commitments that were made were honoured. However, it must be said that problems still arose in some key thematic areas like trade, government finance and general economic statistics because the data providers failed to provide the NSO with information within the required timeframe, in accordance with their earlier commitments. In other instances, the Office failed to honour its commitment to the Calendar because of institutional failures beyond its control. Nevertheless, this year-long simulation of the Advance Release Calendar proved to be a learning experience and an effective dress rehearsal for the official release of the Calendar in the near future.

The desktop publishing branch of the LIU is responsible for the preparation, publication and dissemination of all NSO news releases as well as serial and one-off publications.

The number and themes of news releases continued to increase as follows:

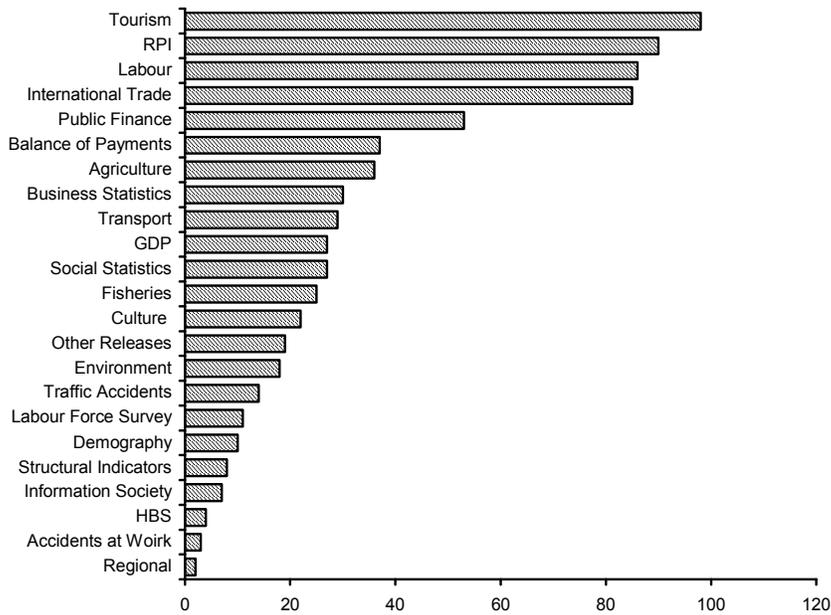
News Releases: 1996 - 2003

Year	Number
1996	48
1997	56
1998	60
1999	89

2000	100
2001	124
2002	147
2003	185*

*projected

News Releases by Subject 1996-2003*



* Up to end October 2003.

In 2003, the NSO released the following publications:

- ◆ Balance of Payments 2000
- ◆ Trade Statistics 2001 (Parts 1 & 2)
- ◆ Survey on ICT Usage in Households 2002

- ◆ Education Statistics 2001
- ◆ Household Budgetary Survey 2000
- ◆ Malta in Figures 2002 (Print & CD-ROM)
- ◆ Culture Statistics
- ◆ Annual Abstract of Statistics 2000
- ◆ Demographic Review 2002
- ◆ Census of Agriculture 2001
- ◆ Labour Force Survey 2001
- ◆ Labour Force Survey 2002
- ◆ Tourstat: A Survey on Inbound Tourism

The following publications are in an advanced state of preparation:

- ◆ Agriculture and Fisheries Statistics 2001
- ◆ Balance of Payments 2001
- ◆ Shipping and Aviation Statistics 2002
- ◆ Trade Statistics 2002

BILINGUAL GLOSSARY OF STATISTICAL TERMS

In 2001, the NSO started planning the publication of a bilingual glossary of statistical terms. This glossary is part of the Office's initiative to organise and compile:

- ◆ Standards and guidelines for the collection, storage, presentation, description and retrieval of official statistics;
- ◆ A comprehensive metadata architecture.

The glossary is also meant to support the recognition and use of Maltese as an official language of the European Union.

The objectives of this glossary are to:

- ◆ provide a structured subject vocabulary arranged in a logical order
- ◆ provide Maltese translations which adequately and coherently describe the content of the displayed terms
- ◆ enable and facilitate reporting, research, analysis and comparisons in the statistical, social and economic fields in both English and Maltese

- ◆ suppress some natural ambiguities of language that might occur in the statistical, social and economic fields

The glossary is expected to be coherent, accurate, reasonably comprehensive, user-oriented and effective in establishing semantic relationships between the displayed terms.

The glossary is structured into three main parts, namely:

- ◆ An alphabetical listing of English terms with Maltese equivalents;
- ◆ An alphabetical listing of Maltese terms with English equivalents;
- ◆ A comprehensive index of the English equivalents of the displayed terms. The index will refer the user to both the English and Maltese page locations;
- ◆ An additional search aid will be the provision of contexts for each and every term, e.g., 'Demography'; 'Balance of Payments'; 'Retail Price Index'. The various contexts will be reproduced in the Index.

This product is expected to be particularly useful to the NSO in enhancing its services by implementing its strategic plan of having select bilingual publications in place. It shall also serve as a tool to journalists, statistical reporters, parliamentarians, academics, researchers, students and writers.

All the researching, organising, editing, proof-reading and layout are being carried out by the NSO under the direct supervision of the Director General with the assistance of a qualified and experienced translator.

LEGAL OFFICE

The Legal Office continued with its support of the various statistical units within the NSO. Specific legal support aimed at improving response rates to surveys was provided to the following Units:

- ◆ Structural Business
- ◆ Tourism
- ◆ Transport
- ◆ Enterprise Short-Term Statistics
- ◆ Agriculture and Fisheries
- ◆ National Accounts

In fulfilling its obligations under the Malta Statistics Authority Act, the National Statistics Office must have the full support of data providers. However, although the NSO tries to exhaust all avenues in order to persuade its data providers to supply the required information, it must finally resort to legal assistance in order to achieve its ultimate

objectives. The Legal Office does not accept cases referred to it without the necessary evidence that all the available means at the disposal of the statistical units have been exhausted. Moreover, before resorting to legal action, the Legal Office very often makes the necessary contacts with any recalcitrant individuals or enterprises in order to obtain the necessary information. These efforts normally prove successful.

In addition to the above, the Legal Office carried out extensive work in connection with the creation of the necessary legal infrastructure for the introduction of Intrastat – the survey-based trade statistics system that is projected to replace the Customs-based system currently in place. The creation of this infrastructure is considered to be an essential element in the successful introduction and implementation of Intrastat.

NSO/USERS RELATIONSHIP

In the past year, the NSO continued to strengthen its user orientation through various initiatives and activities. In February 2003, the Office published the results of its User Perceptions Survey carried out in late 2002 in order to:

- Identify user needs for statistics and statistical products;
- Gauge users' perceptions of the NSO output;
- Seek users' opinions of the NSO's work and efficiency.

In percentage terms, NSO users evaluated its output as follows:

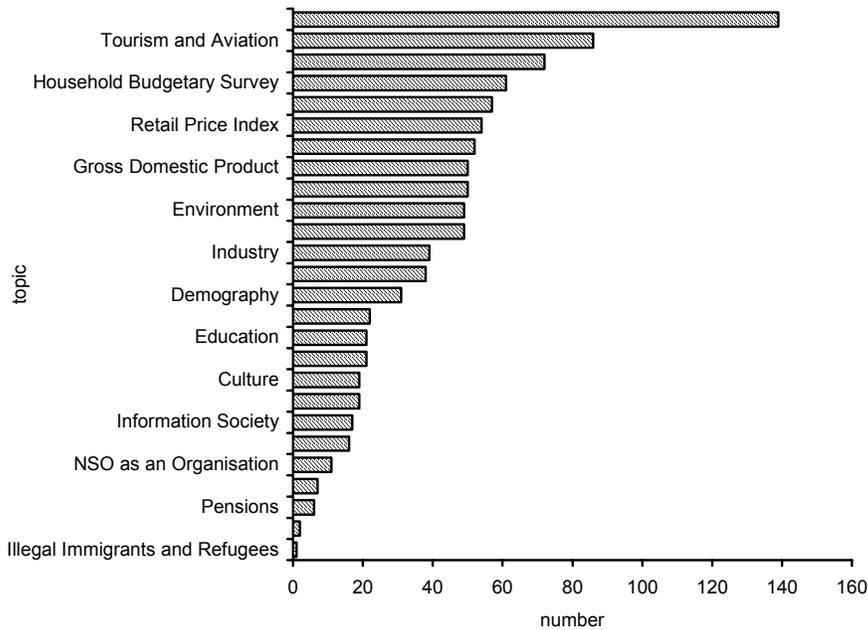
Evaluation	Good/ Very Good	Average	Bad/ Very Bad	Total
Value of Information	66.3	29.7	4.0	100
Accuracy	65.5	33.3	1.2	100
Timeliness	61.6	32.6	5.8	100

The results of this consultation with users were and are being acted upon. Indeed, actions are being taken to improve the overall quality of the NSO's output and its services to users. Particular attention is being paid to the relevance, accuracy and timeliness of information. In addition to this, specific actions at improving our dissemination services have been taken. Others are in the process of being implemented.

In the course of the past year, the Office continued to improve upon its visibility through increased contact with client groups, the media and the general public. The overall accessibility to official statistics continued to improve through a continuous stream of statistical news releases that are carried by the print and audio-visual media. In the one-

year period covered by this report, the print media alone carried over 1,100 reports of these releases. These reports covered the following thematic areas:

**Press coverages of NSO releases by topic:
October 2002-September 2003**



Additional and, as yet, unquantified reports were also carried by the electronic press as well as by all the local audio-visual media. Moreover, these releases formed the basis of a substantial number of commentaries both in the print and in the audio-visual media.

The NSO follows all media output concerning its work on a regular basis. Particular attention is given to commentaries on and about the NSO's output. All comments, be they positive or negative, are acted upon and taken into consideration when evaluating the Office's performance and its relationship with both its clients and the data providers.

DIRECT PARTICIPATION IN AUDIO-VISUAL MEDIA

NSO staff members continued to participate in a series of weekly television and radio programmes in order to elaborate on the latest statistical releases. A weekly discussion programme dedicated to the NSO on an independent radio station dealt with the following topics:

October 2002

The Environment
Education
Culture
Agriculture
Women and Men

November 2002

Information and Communication Technologies
Manufacturing enterprises
Prices and Inflation
The State of the Economy

December 2002

Disabled Persons
Accidents at Work
Poverty and Social Exclusion

January 2003

Traffic Accidents
Domestic Waste
Tourism

February 2003

Theatre
Media Participation: television, radio, newspaper readership
Lifelong Learning
Child Adoption

March 2003

Reading as an activity
Listening to Music
Discussion on results of NSO Survey on ICT Usage in Malta
Issues related to International Women's Day

April 2003

The Issue of Copyright
Band Clubs
Fisheries

The General Health of the Maltese

May 2003

Driving Licence Holders
Household Budgetary Survey 2000/1
Sea Transport between Malta and Gozo
Household Budgetary Survey 2000/1

June 2003

Women at Work
Discussion on results of the NSO Community and Innovation Survey
Imports and Exports
Maltese Farmers and Farming

Apart from NSO staff members, a considerable number of persons from a broad range of interest areas were invited to participate in these broadcasts on a regular basis.

In addition to this, efforts continued to be made to present specialised surveys and statistical collections to the media and the general public through seminars or media events specially organised for the purpose. In the past year such events were organised as follows:

- ◆ Seminar organised by the NSO in collaboration with the *Kummissjoni Nazzjonali Persuni b'Dizabilita* on 'Persons suffering from a long-standing health problem or disability: a perspective' (6 December 2002);
- ◆ Seminar at St James Cavalier on Structural, Poverty and Social Exclusion Indicators (16 December 2002).

Apart from presentations on the statistical material being published, the seminars were addressed by a number of persons who were invited to discuss the material being released. Furthermore, the general public was invited to attend these events.

The NSO organised media presentations on:

- ◆ The use of Information and Communication Technology in Households Survey;
- ◆ The results of the Household Budgetary Survey 2000/1;
- ◆ The results of the Inbound Tourism Survey;
- ◆ The results of Agristat - the aerial photography survey for agricultural statistics;
- ◆ The results of the Census of Agriculture 2001.

Increased contacts continued to be made with the constituted bodies and various user groups. Consultation meetings were held with appropriate stakeholders on various issues and thematic areas. In this regard, the consultation meetings on general economic statistics, gender statistics, statistics on theatre, agricultural statistics and the introduction of Intrastat merit a particular mention.

Advanced plans are also n hand for the establishment of a number of Users' Groups. These groups would facilitate and increase the type and amount of dialogue between the NSO and the users of its services.

NSO/DATA PROVIDERS RELATIONSHIP

One of the most important links in the statistical production process is the relationship between the NSO and its data provides. A strong, trust-based relationship contributes to the production of high-quality and timely statistics. Last year, the NSO published its document 'Reducing the Burden on Data Providers: The Way Forward' in the light of the growing realisation that the burdens the Office was placing on its data providers were ever on the increase. In this document, the Office committed itself to a critical evaluation of its operations and of alternative data sources and data collection methodologies in order to alleviate response burdens, thereby reducing resultant costs to data providers. In the course of the past year, actions were taken to:

- ◆ Avoid overlaps and duplication in the collection of data as much as is reasonably possible;
- ◆ Critically review data collection practices in order to establish their continued relevance and to increase internal and external harmonisation in the way data are being collected. An internal working group is critically assessing these issues in order to rationalise the data collection process as much as is reasonably possible;
- ◆ Avoid the recourse to full censuses in areas where sample surveys are perceived to provide good and reliable results. Thereby, a significant number of respondents have been spared the receipt of new or old enquiries;
- ◆ Keep the number of data variables being collected in new enquiries to a minimum;
- ◆ Identify new ways of using administrative data instead of resorting to new enquiries;
- ◆ Design statistical questionnaires in a more attractive, simple and user-friendly manner.

Moreover, all NSO staff were asked to work with the data providers in order to further nurture this valued relationship. Indeed, active measures to disseminate increasing information among data providers on the type and nature of the NSO's statistical projects are being taken.

In spite of improvements in this area, it is firmly believed that the response burden which the national statistics system is placing on the data providers is still substantially high and

needs to be reduced much further. In this connection, the NSO is regarding the following two projects as high-priority areas:

- ◆ The quantification of the costs that the national statistics system is placing on the data providers;
- ◆ The early adoption of the NSO's coordination policy and its introduction across the public sector.

ORGANISATION OF INTERNATIONAL EVENTS

In the past year the NSO organised the following international events in Malta:

16-17 December 2002: Euro-Med meeting on International Trade Statistics.

3-6 March 2003: Med-Non-observed Economy and Med-National Accounts Final Meeting.

These events were financed by the Statistical Office of the European Union.

VISIT BY ARCHBISHOP

In May this year, His Grace Mgr. Giuseppe Mercieca, the Archbishop of Malta, visited the National Statistics Office as part of his programme of activities marking May 1st, Workers' Day and Feast of St Joseph. After a welcome by the Chairman of the Malta Statistics Authority and the Director General of the Office, His Grace made a tour of the offices, meeting the employees informally. In the process The Archbishop also celebrated Mass in the NSO Conference Hall. Mr John Dalli, The Hon. Minister of Finance and Economic Affairs, was present for the occasion. A souvenir of the occasion was distributed to all those present.

SOCIAL STATISTICS

POPULATION

The Demography Unit within the NSO is responsible for the ongoing collection of data on births, morbidity, deaths, marriages and migration.

Specific areas in the compilation of population statistics were given particular attention. Special emphasis was laid on the proper measurement of migratory flows to and from the country. This work is being carried out in the context of an international cooperation programme in the field of migration statistics.

The Unit worked on the early release of the Demographic Review and on the compilation of a considerable number of questionnaires for the provision of data to Eurostat, the Council of Europe and the Economic Commission for Europe. Apart from this, the Unit issued news releases on child adoptions, an update of the demographic situation in 2002, migration, the elderly and on a range of demographic indicators.

The Unit continued with its data collection programme on social welfare-oriented non-governmental organisations. After the release of a first publication on this topic last year, the Unit is making the final preparations for an update.

The population projections that are being compiled by the Unit were the subject of a quality review by two experts in the field. In the wake of this review, the Demography Unit has introduced new techniques for the production and compilation of alternative future population projections that are subject to various assumptions and scenarios.

EDUCATION AND CULTURE

Education, Culture and Gender statistics are collected and compiled by the Education and Culture Statistics Unit. This Unit also collects statistics on continuous vocational training and lifelong learning.

Education

Data for the production of Education Statistics are obtained through a postal census among all state and private educational institutions. These statistics are being produced according to international standards.

In the past year, the Unit continued with its data collection programme on the general educational system, including adult and vocational education and education training. The following publications were prepared and released:

- ◆ Education Statistics 2000/1;
- ◆ School Absences 2001/2;
- ◆ University of the Third Age 2001/2;
- ◆ Foreign Language Learning 2001/2;
- ◆ Teaching of English to Foreigners 2002.

In addition to the above, the Unit worked on and prepared the following publications for eventual release:

- ◆ Education Statistics 2001/2: concluded and awaiting release
- ◆ Adult Education 2001/2: concluded and awaiting release
- ◆ Education Statistics 2002/3: being compiled
- ◆ Statistics on Library: being compiled

In the course of the year, the Unit continued to improve the compilation of its Education Expenditure Accounts.

Culture

In the past year, the NSO has further consolidated its data collection programmes covering an ever-widening spectrum of cultural activities. The range and quality of data on the various cultural aspects of the country is on the increase.

In the period being reviewed, data were collected on and releases were prepared in respect of:

- ◆ Band Clubs;
- ◆ Local Council Cultural Activities;
- ◆ Dance Schools;
- ◆ Museums;
- ◆ Parish Feasts;
- ◆ The Theatre;
- ◆ Youth Organisations.

A cultural participation survey, *Kultura 2000*, was also released.

In addition to the above, a census among all local sports organisations was carried out. Its results are being analysed and compiled for eventual release in the near future. Moreover, the Unit continued with its data collection from the cultural sub-sectors of the economy by following up the relevant Structural Business Statistics sub-programme.

After a consultation meeting on theatre patronage in Malta with the relevant stakeholders, it was decided to hold a survey in order to profile local theatre-goers. Preparations for this survey are already in hand. Likewise, work was undertaken with respect to the launch of a data collection programme on local rock bands.

Gender Statistics

A first step towards the production of gender statistics was taken in 1998 with the organisation of a workshop facilitated by a gender statistics expert from Statistics Sweden. This seminar was followed up by a first gender statistics publication, *Women and Men 1999*. In the course of the past year, the NSO initiated a decisive prelude towards an update by critically reviewing this publication and the gender issues and concerns it tackles, as well as by holding consultation meetings with several interested parties. Several consultation meetings culminated in a Gender Issues Seminar whose

objective was the identification of the salient areas requiring research. These will ultimately feature in a second issue of Women and Men. The issues that were identified by the participants of this seminar were duly reviewed and studied by the Office. Thereafter, work was undertaken for a second edition of this publication. Preparations are at an advanced stage, with the publication due to release in the coming months.

LABOUR MARKET

Within the NSO, the Labour Market Statistics Unit is responsible for the collection and compilation of statistics on the labour market, employment and unemployment, labour costs and earnings, conditions of work, accidents at work, employers' and workers' organisations, and foreign workers.

The NSO has registered considerable progress in the provision of a broad range of data on the labour market.

The NSO continued with its quarterly Labour Force Survey, which has now become a regular component of the local statistical framework. Active measures were taken to improve both the quality and timeliness of this important survey.

In addition to this, the Unit has put in place a series of measures in readiness for the launch of the LFS on a regular and weekly basis as from January 2004. Apart from these, the Unit embarked on a Computer Aided Personal Interviewing (CAPI) project for the LFS. This entailed an entire review of the survey process, the creation of the required software and the testing and evaluation of the actual survey on the appropriate equipment in the field. The results were encouraging.

The Unit intensified its methodological preparations for the regular collection of statistics on labour costs and earnings. These statistics will be collected in cycles of four years through appropriate surveys among a representative sample of enterprises. The survey on labour costs will provide detailed comparable data on wages and related contributions by employees. The purpose of statistics on the structure and distribution of earnings is to analyse the statistical relationship between the level of remuneration, individual characteristics of employees (sex, age, occupation, length of service, educational attainment levels, etc) and those of their employers (economic activity of the enterprise, existence of collective agreements on pay, total number of persons employed etc).

The questionnaires for the Labour Costs Survey and the Structure of Earnings Survey were developed under the direct supervision of a Eurostat-appointed expert. The Unit also supervised the production of the required software for these surveys.

The Labour Market Statistics Unit continued to work on the adoption of the European System of Accidents at Work (ESAW) methodology in statistics on accidents at work. The adoption of the ESAW is being implemented with the full co-operation of the Department of Social Security that collects all the relevant information in this area.

The Unit also continued with the monthly compilation and release of employment and unemployment data as based on the administrative records held by the Employment and

Training Corporation. Moreover, new statistical reports on membership in trade unions and employers' associations started being compiled and released on a regular basis.

LIVING CONDITIONS

Household Budgetary Survey

In March 2000, the NSO started a new year-long Household Budgetary Survey (HBS). The fieldwork phase of this survey was concluded in March 2001. The survey was carried out in accordance with Eurostat's target methodology on the area.

The HBS provides information on the living conditions of private households in the Maltese Islands during a specific reference period. Expenditure is correlated with household characteristics such as income, socio-economic conditions, size and composition, possession of consumer durables and others.

Data collection was carried out through personal interviews by a group of interviewers who were trained for the purpose. Some 2,700 households took part in the survey. Each household was asked to supply information on its socio-economic background as well as on consumption expenditure patterns either in respect of the previous twelve months or in respect of the three-week period during which the household participated in the survey.

In the course of the past year, the NSO finalised the analysis of this major survey, producing a large number of reports for various users. The full results were released in a major publication. It was launched during a media event that was organised for the purpose.

The data from this survey were also used to update the weighting frame for a new Retail Prices Index and Harmonised Index of Consumer Prices (HICP) series. The HBS was also used extensively by the National Accounts Unit of the NSO and for the compilation of the first-ever data set on income, poverty and social exclusion.

Time-Use Survey

The NSO carried out a pilot Time-Use Survey (TUS) between 26 August and 27 September 2002. The reference week was between 9 and 15 September 2002. For this study, a random sample of 500 private households was selected from the Electoral Database. Of these, 290 households, or 58 per cent, accepted to be interviewed.

The main questionnaire collected socio-demographic information, mainly age, sex, employment status, occupation and salary of household members. Each household member aged 10+ years was then asked to list all the activities s/he carried out on two particular days during the reference week, one being a weekday and the other, a Saturday or a Sunday. The main objectives of this survey were:

- ◆ To provide information on how people spend their time, e.g., paid work, unpaid household work, leisure activities, etc.;

- ◆ To determine whether there is a significant difference in time-use among the various socio-demographic groups in society;
- ◆ To determine whether this survey can improve the estimates of the contribution to the Gross Domestic Product (GDP), mainly related to unpaid work including childcare, care for the elderly, household work and voluntary community work;
- ◆ To provide information on time-use which is internationally comparable.

The NSO adopted Eurostat's recommendations for the implementation of the TUS. Activities were coded according to the following major categories:

1. Personal car
2. Employment
3. Household and family care
4. Voluntary work and meetings
5. Social life and entertainment
6. Sports and outdoor activities
7. Hobbies and games
8. Mass media
9. Travel and unspecified time-use

Where a respondent indicated that s/he carried out two tasks simultaneously, then both activities were coded. Moreover, respondents specified with whom they carried out the activities they listed and, where applicable, the location and mode of transport.

The data collected in this survey are still being compiled and analysed.

Income, Poverty and Social Exclusion Indicators

In the course of the past year, the NSO compiled its first-ever set of income, poverty and social exclusion indicators in accordance with Eurostat methodologies and as per the requirements of the Laeken indicators list. These indicators, together with follow-ups, were released to users during a purposely-organised public seminar during which these indicators were explained and discussed by a panel of speakers that included politicians from all sides of the political divide. These indicators were discussed in and used extensively by the media as well as by a wide spectrum of users including academics, politicians and policy-makers.

Survey on Income and Living Conditions

The NSO has taken the necessary preparatory steps for the eventual introduction of the Survey on Income and Living Conditions (SILC). This new survey is being planned for introduction on an ongoing and Europe-wide basis as from 2004.

The methodological basis for this panel and longitudinal survey has been studied for eventual adaptation to the local context. In addition to this, a bilingual questionnaire that incorporates all the stipulated data variables has been prepared. This will be piloted in the near future. Furthermore, the NSO is making preparations – in the way of human resources and IT infrastructure – for the carrying out of this large-scale survey.

Apart from the demographic characteristics of households, this survey aims to collect data on, amongst others, the work and educational background of household members, activity limitations, income and household living conditions.

BUSINESS STATISTICS

BUSINESS STATISTICS

STRUCTURAL BUSINESS STATISTICS

All structural business statistics are being collected and compiled by the Business Statistics Unit. Apart from the maintenance of the register of business units, this unit carries out the annual structural business statistics surveys covering a growing number of economic sectors.

In the course of the past year, the Business Register continued to be maintained on a regular basis. This register is used for the compilation of business demography statistics and for the extraction of the required representative samples for enterprise-based surveys.

The NSO's structural business statistics programme has undergone a complete overhaul. Whereas, traditionally, the Statistics Office collected and compiled structural business statistics in respect of water, energy, construction and manufacturing, the data collection programme has been widened to include most of the other productive sectors of the economy. Furthermore, the methodological base for this programme has been fully harmonised with international standards and practices. In consequence, as part of its structural business statistics programme, the NSO is now collecting data from business units engaged in the following economic sectors:

NACE	Economic Sector
14.11/14.50	Mining and Quarrying
15.11/37.20	Manufacturing
45.11/45.00	Construction
50.10/52.74	Wholesale and Retail
55.11	Hotels
63.30	Activities of Travel Agents
60.21/60.24	Transport
61.10/62.20	Water Transport
63.11/63.23	Auxiliary Transport Activities
63.40	Activities of Transport Agencies
64.11	Posts and Telecommunications
65.11/65.23	Financial Intermediation
70.11/70.32	Real Estate
71.10/71.40	Renting of Machinery
72.10/72.60	Computer and Related Activities
74.11	Legal Activities
74.12	Accounting, Book-keeping, Auditing and Tax Consultancy

NACE	Economic Sector
74.13	Market Research
74.14	Business and Management Consultancy Activities
74.15	Management Activities of Holding Companies
74.20	Architectural and Engineering Activities
74.30	Technical and Testing Analysis
74.40	Advertising
74.50	Labour Recruitment
74.60	Investigation and Security Activities
74.70	Industrial Cleaning
74.81	Photographic Activities
74.82	Packaging Activities
74.83	Secretarial and Translation Activities
74.84	Other Business Activities
92.11/92.13	Recreational, Cultural and Sporting Activities
92.20	Radio and Television Activities
92.31/92.34	Artistic and Literary Creation and Interpretation

In the course of the year, data collection maintained a steady pace. Moreover, structural business statistics data in respect of 1999 and 2000 were transmitted to Eurostat. Data in respect of 2001 were also completed. Thereafter, the Unit was in a position to start compiling a number of releases based on this new data, as well as a new publication. This publication is due for release in the immediate future.

In addition to the above, the Unit started working on a series of business demography indicators. These indicators will continue to reinforce the available body of data on the business cycle.

Active steps have also been taken to compile an Index of Production. This has been worked out and will be released alongside the publication.

SHORT-TERM STATISTICS ON INDUSTRY

In the course of the past year, the Office started reaping the desired results from the short-term business statistics programmes initiated some years ago. Indeed, monthly and quarterly indicators in respect of the manufacturing sectors are now being released on a regular basis. These indicators are meant to highlight the state and nature of the business cycle, and are fully in line with those available at EU level. Indices in respect of employment levels, compensation of employees, turnover and investment in fixed assets are being compiled and released on a regular basis. In the coming month, the

NSO expects to be in a position to compile counterpart data in respect of the services sectors.

The economic sectors that are being covered by the short-term business statistics programme are as follows:

NACE	Economic Sector
14	Mining and Quarrying
15 to 37	Manufacturing
40	Water and Energy
45.11 - 45.23	Construction
45.31 - 45.50	Building Completion and Installation
50 and 52	Wholesale and Retail
55	Hotels and Restaurants
60	Land Transport
61	Water Transport
62	Air Transport
63	Supporting and Auxiliary Transport
64	Post and Telecommunications
72	Computer and Related Activities
74	Other Business Activities

RESEARCH AND DEVELOPMENT AND INNOVATION STATISTICS

In the course of the past year, the NSO carried out a first innovation survey among a sample of enterprises. This survey was carried out alongside all the countries of the European Economic Area. Information was collected on the innovation activities of enterprises with particular emphasis on:

- ◆ Product innovation;
- ◆ Process innovation;
- ◆ The effects of innovation on the performance of enterprises;
- ◆ Research and Development activities;
- ◆ Sources of funding for innovation activities;
- ◆ Factors assisting or hampering innovation activities.

The data collected from this survey are currently being processed for eventual release.

In addition to the above, the Business Statistics Unit started working on two additional surveys in this area; one covering Human Resources in Science and Technology and the other, Research and Development in enterprises.

INFORMATION SOCIETY STATISTICS

In the year 2000, the NSO introduced an ongoing information society statistics programme. Quarterly data are being collected on cable TV subscriptions, the Internet, mobile telephones, pagers and voicemail, satellite dish antennas and transceivers. In addition to this, each of the surveyed enterprises is required to provide information on employment levels, wages paid and capital investment.

The scope of this survey has now been widened in order to include the collection of new data covering the latest developments in the ICT sector. Quarterly data based on this survey are also being released regularly.

Information and Communication Technology (ICT) Usage Survey

In July 2002, the NSO carried out an ICT Usage in Households Survey among a sample of 1,500 households. The number of questionnaires returned was 1,149, which means a response rate of 76.6 per cent. The data from this survey were released in early 2003.

The aim of this survey was to compile a set of indicators that would provide a picture of the local situation in the ICT sector. In addition to this, this survey provided information that would support Malta's full and active participation in the e-Europe+ programme.

The results were released in early 2003. The data were also transmitted to Eurostat.

Information and Communication Technology (ICT) Usage in Enterprises Survey

Earlier this year, an ICT Usage in Enterprises Survey was launched among a sample of enterprises. The objective of this survey is to collect indicators on ICT usage in local enterprises and their orientation towards e-commerce. To-date, substantial progress has been made in the collection of data from this survey. It is envisaged that results from this survey will be released to users in 2004.

AGRICULTURE AND FISHERIES

In the course of the past year, the Agriculture and Fisheries Unit continued to widen its data collection processes. This Unit is consolidating its position following its re-introduction as an appropriate statistical domain within the NSO and also in order to satisfy the ever-increasing demand for agriculture and fisheries statistics by both local and international users.

Regular updates of the farm and vineyards registers were carried out.

In November 2001, the first Census of Agriculture in over a decade was carried out. Throughout the past year the data collected through this census were validated, processed and analysed. An extensive publication with the results of this census was prepared and released during a media presentation to users.

In March 2003, a major NSO project in agricultural statistics came to fruition through the publication of the results of the nationwide land use survey that utilised remote sensing and aerial photography techniques. This project, styled AGRISTAT, was carried out with the assistance of the International Centre for Ocean Dynamics (ICOD) of the Foundation of International Studies, University of Malta. Aerial photographs of the Maltese Islands were taken and, following an extensive ground-truthing survey of the land, the collected data were interpreted as to the type of vegetation which was classified in accordance with the CORINE Land Use Classification. This classification was adapted and extended up to level 5 in order to cater for local circumstances and requirements.

The NSO undertook a first poultry farm survey in order to improve its database on the sector. The results of this survey have been compiled and analysed and will be released to users in the near future.

A fruit tree survey was undertaken in June 2003. This survey was a follow-up to a similar survey carried out last year. Preparations were undertaken for the taking of the cattle, pig and sheep surveys in late 2003.

In the course of the year, the NSO regularly released quarterly data in respect of fruit and vegetables, agricultural input and output prices indices, animal products, the pig and cattle sectors and the fisheries industry. Moreover, the annual publication 'Agriculture and Fisheries Statistics 2001' was compiled. This is now being prepared for release.

Following the first pilot Farm Accountancy Data collection by the Agriculture and Fisheries Unit that provided a very useful insight of the income and cost structures within the local farming community, additional fieldwork was undertaken to collect income and cost data in order to compute standard gross margins from the cultivation of specific crop types or from breeding specific animals. Such information proved invaluable for the identification of proper farm structures and typologies in respect of the local agricultural sector. This first-ever typology of the agricultural sector was used extensively for the compilation of the required sample for the taking of the first Farm Structure Survey in 2003.

In the course of the year, extensive preparations were made for the taking of the Farm Structure Survey 2003. This bi-annual survey is meant to supplement the information collected in the Census of Agriculture held every ten years. After the formulation of the required questionnaire, the Unit undertook extensive training of a select group of interviewers who were charged with the survey's fieldwork. The Unit also carried out substantial consultation with the Ministry of the Environment and Rural Affairs and with the bodies representing the farming community. These consultations proved extremely fruitful for the proper taking of this survey. In addition to this, the paper-based data collection, Computer-Aided Personal Interviewing (CAPI) techniques were used for this survey.

With regard to agricultural statistics, the NSO has not limited its activities to primary data collection. Rather, it continued with its programme of secondary data compilation and analysis that is meant to provide a clearer and more focused picture of the conditions under which our farming community operates and the significance of its contribution to the country's national economy.

In this connection, the Office refined and strengthened its Economic Accounts for Agriculture through the sourcing of either new or additional and better-quality basic data. Agricultural input and output price indices continued to be compiled on a regular basis. Moreover, estimates of the quantum of effort in terms of Agricultural Labour Input have also been worked out. Furthermore, the Agriculture and Fisheries Unit updated its Supply and Use balance sheet for crop year 2002/3 as well as the balance sheets in respect of meat, fodder, wine, oils, fats and rice.

TOURISM

As from January 2003, tourism statistics started being compiled and released through a dual system based on the disembarkation cards and the ongoing inbound tourism survey, styled TOURSTAT. The data compiled through the card system are being released in a reduced format in preparation for the eventual removal of the disembarkation card itself. As from January 2004, the survey-based tourism statistics system will constitute the only source for local tourism statistics.

Following an extensive peer review of the results of the inbound tourism survey, the NSO released a back series of monthly tourism data earlier this year. Thereafter, data based on this survey are being made available to users on a regular basis.

The annual Shipping and Aviation Statistics publication was compiled and is being prepared for publication.

A foreign expert who had originally assisted the NSO with the introduction of TOURSTAT carried out an extensive audit of the inbound tourism survey prior to its release. The expert was asked to evaluate the methodological and practical underpinnings of this survey and its results with a view to determining its quality, reliability and relevance to users. The expert was also asked to recommend any changes, to the survey in order to improve its quality and cost-effectiveness. Apart from recommending relatively minor amendments to the survey questionnaire and the survey methodology itself, the expert commended the NSO on the quality and robustness of the survey results.

TOURSTAT provides statistics on the number of tourist arrivals and nights spent by non-residents in collective accommodation establishments. The survey also provides information on tourism by type of flight (chartered or scheduled), type of airline or shipping company used, purpose and frequency of visit, length of stay, localities stayed in, organisation of trips, modes of transport used inside Malta, type of accommodation used, and expenditure broken down by package, non-package and other expenses.

TOURSTAT is being run by a group of interviewers who were recruited and trained for the purpose. These carry out personal interviews among departing passengers. After a validation process, the collected information is imputed in a database at the departures

lounge of the Malta International Airport and transferred electronically to the Tourism Statistics Unit at the NSO for further processing and report generation.

In January 2001, a census aimed at collecting data from collective accommodation establishments - styled ACCOMSTAT - was also launched. Collective accommodation establishments are being asked to supply monthly information on the number of persons staying at their establishments and the nights spent, broken down by residents and non-residents. Additionally, they are required to supply the number of bedrooms and bed-places available in their establishment.

Many accommodation establishments transfer their monthly data to the NSO via a web-based electronic questionnaire. The data from this accommodation survey are now being analysed for eventual release in the near future.

The Tourism Statistics Unit also undertook a first pilot Cruise Passenger Survey. The results of this survey are being studied in order to assess the feasibility of running this survey on a regular basis.

In the year 2000, the Tourism Statistics Unit launched an annual structural business statistics survey on hotels, restaurants and travel agencies. In the course of the past year, this survey was carried out again.

TRANSPORT

The NSO has been collecting and disseminating air and sea transport statistics for quite a long time. The production and release of road transport and related statistics on traffic accidents is a more recent addition to the Office's statistical output.

The collection of air and sea transport statistics is currently being carried out within an integrated tourism and transport statistics programme. However, with the eventual removal of the embarkation card system and the phasing-out of other source documentation, the NSO has made the necessary arrangements with both the Malta International Airport (MIA) and the Malta Maritime Authority (MMA) for the eventual transfer of the responsibility for the collection of these statistics to these organisations.

The change and development of the necessary capacities within these organisations for the compilation of these statistics is concurrent with an effort to harmonise local air and sea transport statistics with international requirements. This harmonisation programme was facilitated by the NSO's participation in the Euro-Mediterranean MEDTRANS statistics project, the objective of which is the harmonisation of transport statistics across participating countries. In implementing this project, the NSO sought the assistance of officials from the MIA and the MMA.

In the course of the past year, the NSO worked closely with the relevant personnel of these two organisations in order to ensure (1) the adoption of the relevant methodologies regarding air and maritime statistics by them and (2) the continuous and timely flow of data from these organisations to the NSO. The process was not without its hitches; however, various actions to address these have and are still being taken by this Office.

With the cooperation of the Police Department, the NSO is continuing with the collection of traffic accident statistics. These are now being collected and released in accordance with international requirements. Other data collection covers the stock and flow of motor vehicles in the country.

In 2001, the NSO carried out a pilot survey on the transport of goods by road in accordance with the relevant international methodologies dealing with this area. This survey was processed, analysed and transmitted to Eurostat for validation and feedback. Various actions are being taken in order to address the problems besetting this pilot survey, as identified by Eurostat. Although the survey yielded the desired results, the NSO is not yet in a position to carry it out on an ongoing basis, as required by Eurostat methodology. The carrying-out of this survey on a continuous basis was perceived to be too resource-intensive. Hence, the NSO is considering alternative arrangements to meet local and international requirements in this area.

In the course of the past year, the NSO continued to improve available transport statistics through the ongoing data collection project on the structure and performance of the transport sector. This includes air, sea and land transport, as well as a range of auxiliary transport activities and the operations of transport agencies.

ECONOMIC STATISTICS

NATIONAL ACCOUNTS

Malta has been producing annual National Accounts estimates since the early 1950s. Quarterly estimates were introduced in 1972.

In 1998, the Office embarked on a project with the ultimate objective of effecting the change from the current data collection and compilation of economic statistics to an institutional system of economic statistics that is consistent with the European System of Accounts (ESA) 1995.

The adoption of ESA 1995 is a substantial project that presupposes the availability of a strong system of basic statistics with classifications that are consistent with the system of National Accounts. In view of this, the adoption of ESA 1995 normally takes a good number of years to be implemented.

Apart from strengthening the human resource base of the National Accounts Unit, the NSO had to embark on an extensive training programme for its staff members in order to familiarise them properly with all the methodological aspects of ESA 1995. This training programme is still underway. The Unit was also provided with technical assistance on a number of aspects of this project.

In addition to the above, action was taken to strengthen the statistical system at the basic level. New ESA1995-consistent statistical classifications were introduced across the statistical system. In this regard, the adoption of NACE for the classification of economic sectors and CPA for the classification of products were steps in the right direction. The same can be said for the adoption of COICOP for the classification of consumption expenditure. In addition to this, re-classification of all Government finance transactions in accordance with the ESA codification requirements provided a basic chip in the statistical infrastructure without which the adoption of ESA would have been extremely difficult.

The introduction of new data collection systems described elsewhere in this report, including a wider system of business surveys as well as the Household Budgetary Survey and the Labour Force Survey, provided new data sources that satisfy some of the extensive data requirements of ESA 1995.

In the course of the past year, the human resource base of the National Accounts Unit was strengthened further both numerically and through additional training and exposure to expert advice. Staff members were involved in a number of Phare 2000 programmes - the multi-country technical assistance programmes for accession countries organised by Eurostat. These covered:

- ◆ Private Household Consumption;
- ◆ Constant Prices;
- ◆ Dwelling Services;
- ◆ Supply and Use Tables;
- ◆ Capital Stock and Consumption of Fixed Capital;
- ◆ Gross Capital Formation;

◆ Exhaustiveness.

At the end of these programmes, final reports were drawn up by NSO staff which were reviewed and validated by Eurostat-appointed experts. These programmes produced actual data that were included in either the production or expenditure approaches of the new System of National Accounts.

In the course of the past year, the National Accounts Unit also started participating in another multi-country programme on Employment Data Reconciliation. The Unit also participated fully in the Euro-Mediterranean Programme on National Accounts and the Non-Observed Economy.

Traditionally, the Maltese National Accounts never included the output approach but relied on the expenditure and income approaches. The new ESA95-based Gross Domestic Product from the output approach was finalised for benchmark years 1999 and 2000. This approach was compiled using the NACE A60 breakdown; that is, output data were compiled in respect of 60 industrial sectors. The expenditure approach to the GDP was also extensively reviewed and now includes the Non-profit Institutions Serving Households (NPISH) separately from households. The expenditure components have been compiled using international classifications such as COICOP, COPNI, COFOG and Pi6. In addition to this, other important aggregates such as Disposable Income and Net Lending/Borrowing are in progress.

The above-mentioned work could only be undertaken following a substantial overhaul of the NSO's basic data collection programmes. This involved changing questionnaires and methodologies as well as widening and deepening the scope of various data collection programmes. The GDP in accordance to ESA95 must now be extended retrospectively to 1995 and forward to the current periods so that it will eventually develop into the country's official measure of economic activity.

As a result of Malta's EU membership in 2004, the pressure for the transmission of national accounts data increased substantially. However, the National Accounts Unit managed to meet the mandatory requirements on time and fulfilled the needs of the Purchasing Power Parities (PPP) programme, Own Resources, the Excessive Deficit Procedure, the GNI Committee as well as the requirements on Regional Accounts and Detailed Government Revenue.

GOVERNMENT FINANCE

In the year 2000, a working group comprising NSO staff members and representatives from the Ministry of Finance, the Treasury and the Central Bank of Malta finalised a new chart of accounts in respect of Government finance transactions. All transactions were coded in accordance with the IMF manual on Government Finance Statistics as well as in accordance with the requirements of the European System of Accounts 1995.

In the course of the past year and following the full implementation of the system, the reports generated from it were tested extensively in order to assess their quality and reliability.

NSO staff members actively contributed to the compilation of Malta's Excessive Debt and Deficit Notification to the EU Commission, as well as to the work of a standing task force on Own Resources.

Work on the compilation of social protection accounts in accordance with the European System of Social Protection Statistics (ESSPROS) methodology is at an advanced stage. The reporting requirements on Social Protection have been fully met. An appropriate publication is in the preparation stage.

BALANCE OF PAYMENTS

As from the year 2000, the Balance of Payments Statement started being compiled and presented in conformity with both the guidelines set in the fifth edition of the International Monetary Fund (IMF) manual on Balance of Payments statistics, as well as with the guidelines similarly set in the Balance of Payments *Vade Mecum* of the European statistical agency, Eurostat. The data were revised retrospectively to 1995 and reconstructed so as to show quarterly and annual data on the international economic and financial transactions of Malta with the world, the European Union and (by deduction) with the rest of the world.

Also from 2001, the Balance of Payments Unit undertook the important task of compiling, retrospectively reconstructing (to 1994) and presenting the International Investment Position Statement (I.I.P.) of the country. This Statement, which is complementary to the Balance of Payments Statement, is compiled and published once a year; it is intended to show the end-of-year stocks of external financial assets and liabilities of Malta vis-à-vis the world arising from transactions conducted by the banking sector, the non-financial enterprises, the central government and (partially) the household sector.

Additionally, the Unit is compiling two new statistics; one concerning Foreign Direct Investment (FDI) statistics and the other concerning Portfolio Investment statistics. With regard to FDI statistics, the Unit has already presented aggregate information relating to stocks and flows data on direct investment in Malta and abroad. With regard to our participation in the Coordinated Portfolio Investment Survey (CPIS) conducted by the IMF, the Unit has compiled information with regards to portfolio assets held abroad, by sector, in respect of 2002.

Undoubtedly, the production of the above compilations requires both significant effort as well as heavy investment in human resources and technology. As a result, the Balance of Payments Unit has, over the past two years, embarked on a project of creating a new detailed survey system (based on direct reporting) and the supporting software necessary for the capture, retrieval and presentation of the information in the shortest time possible. In the past year, the Unit, in collaboration with the Central Bank of Malta, intensified its efforts to create the necessary infrastructure in order to introduce the direct reporting system as early as possible and in any case, not later than January 2004. The relevant questionnaires were drawn up and reviewed. Extensive discussions were held with the data providers in order to familiarise the latter with the concepts and methodologies of this new system.

In addition to the above, the Unit worked in collaboration with the IT unit to enable the creation of the necessary software in support of this new system. The IT Unit started

these preparations in early 2003. The first phase of this software was finalised in November 2003. In this month, two seminars were convened for data providers from the financial and non financial sectors for familiarisation with and discussion of the new software.

Timeliness and detailed information are essential prerequisites of an efficient statistical system; this is gaining in importance not only with the various users, but also with the international statistical bodies to whom the National Statistics Office is committed for submitting the various statistical compilations.

In view of this, the Balance of Payments Unit is currently publishing the Balance of Payments Statement by the end of the third month following the reference quarter of the Statement. It should be pointed out that the Unit is also compliant with some of the standards for the dissemination of the compiled data known as the GDDS/SDDS. Furthermore, the Balance of Payments Statement is being transmitted to IMF and Eurostat on the day of publication using GESMES/cb message and STADIUM. This is in line with international (namely Eurostat) requirements.

INTERNATIONAL TRADE

The NSO has generally adopted the recommendations of the United Nations in the compilation of international trade statistics. These statistics, based on Customs declarations, date back to the 1940s. Up to 1989, the SITC Rev 1 (revised) was in use. In 1990, the Customs authorities adopted the Harmonised System (HS), adding on another 2 digits for national requirements. On 1 January 1995, the Maltese Customs Tariff, based on the Integrated Tariff, was created for the first time. It is the basic legal instrument underlying the classification of goods and shows all sales that are subject to indirect taxation, as well as other relevant information. Its structure is based on the EU's Combined Nomenclature, plus 2 digits for national purposes.

The Customs authorities introduced the Single Administrative Document (SAD) as from January 2001.

Malta applies both the general and the specially-devised trade system. The following are not included in international trade statistics: (i) personal and household effects, (ii) fresh fish caught in Maltese territorial waters, (iii) goods sent or received by Diplomatic missions, (iv) repairs and services, (v) monetary gold (vi) goods entering the Freeport. Imports and exports are shown as CIF or CF and FOB values respectively. In the Maltese system, the country of origin for imports and the country of final destination for exports are indicated.

In the past few years, the International Trade Statistics Unit introduced the following classifications in trade statistics:

- ◆ NACE for the classification of imports and exports by economic sector;
- ◆ CPA for the classification of products by economic sector;
- ◆ GEONOM for the classification of the countries of origin and destination of trade flows.

In addition to this, the Unit linked up with the COMEXT international trade statistics database at Eurostat. This database provides comparable international trade statistics for a large number of countries. This, together with the adoption of new software for report generation, facilitates the provision of international trade data to clients.

In the period under review, the Trade Statistics Unit continued with its preparatory work for the introduction of INTRASTAT: a survey-based international trade statistics system meant to replace Customs documentation upon Malta's membership of the European Union. A Eurostat-appointed expert provided the required technical assistance for the creation of the necessary infrastructure for INTRASTAT. A pilot test of this system meant to collect data in respect of the first three months of 2003 was held in mid-2003. Its results are being analysed and evaluated.

The preparatory work for INTRASTAT involved an intensive consultation process with the Customs authorities, the VAT Department and MITTS Ltd. This consultation is ongoing. Discussions were and will continue to be held with the constituted bodies having an interest in INTRASTAT in order to ensure as smooth a transition as is reasonably possible.

In terms of infrastructure, the NSO has prepared the necessary office facilities to house INTRASTAT. It has also worked closely with MITTS Ltd on the creation of the required IT system to support this new trade statistics system. The new system is now mostly available and has been tested through the pilot survey mentioned earlier on.

As part of the preparations for INTRASTAT, the NSO has prepared a supporting manual that will eventually be distributed among the data providers once these are initiated in the new system. An information and educational campaign is also in hand.

The Trade Statistics Unit has also worked with the NSO's Legal Adviser on the preparation of the necessary legal instruments that would facilitate the adoption of the INTRASTAT system.

CONSUMER PRICES AND PURCHASING POWER PARITIES

In the course of the past year, the Consumer Prices Unit continued to prepare the necessary groundwork for the introduction of a new Retail Prices Index (RPI) series with new weights as resulting from the Household Budgetary Survey 2000/01. Following the adoption of a new weighting frame for this Index, and the collection of prices in respect of a sample of representative items as from January 2002, the NSO worked out the new Index in parallel with the old series for a full year. The new Index series was officially adopted in January 2003 with a base period in December 2002.

In addition, the Consumer Prices Unit was charged with the production of a Pensioners Price Index (PPI). This Index was introduced on an experimental basis late in 2002. The Unit also compiled a new weighting frame in respect of the group of households and started compiling the new PPI series as from January 2002.

Over and above, the NSO has continued to familiarise itself with the methodology of the Harmonised Index for Consumer Prices (HICP). This Index is the main indicator

recording price changes on a Europe-wide level. Although, from a methodological standpoint, the local RPI is at variance with the HICP, the sub-indices of the former could be utilised to compile an interim HICP for Malta. At the same time, the NSO intensified its work to fully adopt the harmonised HICP for Malta. This objective was duly achieved in the course of the past year. Both the old HICP series as well as the new and harmonised HICP have been duly validated and accepted by Eurostat. The Consumer Prices Unit is currently compiling and transmitting the HICP to Eurostat on a monthly basis.

It is estimated that, with the old RPI series and the new RPI and HICP series running concurrently, the Consumer Prices Unit has managed the collection of around 25,000 prices a month. This amounts to around 300,000 prices a year. Apart from this workload, the Unit has undertaken surveys covering fees associated with rents, doctors, dentists and consultants, private tuition, schools and school transport, child-minding services, Homes for the Elderly, and veterinary services.

As from September 1999, Malta has been included in the work programme of the European Comparison Programme (ECP) for Purchasing Power Parities (PPP) purposes. The NSO forms part of this programme's southern group which is being coordinated by Italy. In the course of the past year, the Unit continued to participate fully in Eurostat's regular PPP programme.

With the adoption of the amendments to the Immovable Property (Acquisition by Foreigners) Act, the Consumer Prices Unit was charged with the production of an Immovable Property Index for Malta. In the course of the past few months, an extensive review of the main methodological underpinnings for such an index was undertaken. An experimental index based on official data sources was also computed and is being evaluated. In addition to this, a seminar for the various persons and groups interested in such an index was organised by the NSO. During this seminar, the methodological proposal for this index was presented and discussed.

ENVIRONMENT STATISTICS

After the compilation of the inventory on environment data sources, the NSO carried out an intensive programme of meetings with data suppliers in order to explain the objectives of its environment statistics programme and to establish a system of data flows from the various data suppliers to the NSO. Thereafter, a considerable amount of environment data was collected. Following compilation and analysis, these data were released in a thematic publication *Environment Statistics*. This was the first full publication on statistics relating to the environment since 1998, when the then Central Office of Statistics launched a modest publication on this topic: *Malta at a Glance*.

Environment Statistics was produced with the assistance of Plan Bleu and was financed by Eurostat.

In the course of the past year, the Environment Statistics Unit ventured into uncharted territory with the launch of the domestic waste survey among households. This survey, the first of its kind in Malta, was held over one week in every calendar quarter in order to capture the seasonal patterns of household waste disposal. A sample of households was partly chosen from among those households that participated in the Household Budgetary Survey. This, in order to create an overlap and thereby link waste disposal to

consumption patterns. The participant households were asked to dispose of their waste in specially coloured and marked garbage bags that were distributed for the purpose. Waste Management Department personnel then collected these bags and analysed their contents with regard to weight and waste composition categories. Three cycles of this survey were carried out and analysed. The fourth and last cycle of this survey was carried out in the last quarter of 2002. In the course of the year, the NSO released a number of publications comprising the results of this survey.

The NSO also carried out surveys on municipal waste and waste generated by hotels and restaurants. The data collected from these surveys have been partially analysed and released to users.

Efforts are being made to satisfy the statistical reporting requirements contained in the Water Framework Directive. In order to meet increasing demands for data, additional work is required for the classification of water consumption by enterprises in accordance with NACE. Furthermore, more intensive efforts need to be made in order to collect and compile the required data in respect of wastewater and the drainage effluent. Actions to address these data gaps have already been initiated.

Insofar as energy data are concerned, the NSO supplied Eurostat and the International Environment Agency with energy statistics related to fossil fuels, electricity and gas. The existent data gaps in respect of household and industrial energy consumption are being addressed.

In the year under review, the NSO continued with the compilation of the first environmental expenditure accounts for Malta. In the wake of initial efforts to address data gaps, the Environment Statistics Unit compiled capital and recurrent government environmental protection expenditure data in respect of central government. Recurrent environmental protection expenditure data were also collected in respect of local councils. These two important datasets have been released to users. In addition to this, action was taken to start the collection of revenue data from environment-related taxes and other instruments. Draft questionnaires have been prepared for the collection of environmental protection expenditure at enterprise level.

Throughout, the NSO has continued to participate in and assist with the compilation of sustainability indicators for Malta as part of the SI-MO project for sustainability indicators.

REGIONAL STATISTICS

The Malta Statistics Authority Act 2000 placed the onus upon the NSO to collect and compile national statistics that would include, as far as is reasonably possible, a regional perspective. Although traditionally, Malta has collected a variety of statistics at a regional level, the regional dimension in the national statistics programme has been augmented even further.

A new geographical classification for the Maltese Islands was drawn up in line with the *Nomenclature des Unités Territoriales et Statistiques* (NUTS) in use on the European mainland. This classification is recognised and accepted by Eurostat for the collection and compilation of regional statistics for the Maltese Islands.

Wherever feasible, the NSO is releasing statistical information on the basis of this geographical classification. A regional statistics database is being compiled. This is to culminate in a region-specific publication.

ANNEXES: NSO POLICIES

Annex 1

RELEASE OF DATA SUBJECT TO ERROR

OVERVIEW

From the design to the dissemination stage, there are various ways in which errors can enter the statistics. Some errors, resulting from the use of sampling, are random and their extent measurable. Other errors of a non-sampling nature can introduce bias into the results. The NSO has a responsibility to place "quality labels" on all disseminated data in order to assist in their interpretation.

NSO POLICY

In view of the above, it is NSO policy that:

1. Estimates for individual cells of a published table should not be suppressed solely because they are subject to large sampling errors, provided users are adequately cautioned regarding the reliability of the data.
2. Data with serious bias, which may be misleading to users, should not be published.
3. Tables that are not published at a given level of detail, due to the lack of reliability of the estimates in terms of sampling errors, may be released to users with appropriate indications of the sampling errors. Greater caution should be exercised in releasing data that are subject to serious bias.
4. All NSO publications should include statements about data quality and methodology.
5. Wherever possible, information indicating the extent and nature of sampling and non-sampling errors should be provided.
6. Sampling errors may be shown either in the table with the estimates to which they refer, or as a separate table of actual errors, or in illustrative form as a table or graph.
7. In addition to standard errors corresponding to the published estimates, methods should be provided for approximating the standard errors of derivative statistics such as estimates of change, ratios of different estimates for the same period, changes in ratios over a different period, etc. If necessary, supplementary data needed for this purpose, such as correlations, should be presented.

PRACTICAL APPLICATION OF POLICY

- ◆ Where a considerable number of cells in a table are subject to large sampling errors, it is advisable either to combine some of the classifications or else to refrain from publishing the table.

- ◆ If, as a result of serious bias, data are likely to be misleading, they should not be published.
- ◆ If users insist on having data that are subject to high sampling errors, such data may be made available on the understanding that they are not published and that it is the users' responsibility to use the data properly and wisely.
- ◆ Appropriate cautions, preferably in writing, should always be provided with the release of unreliable data. Users should be requested to present these cautions in any publications, reports etc. in which these data are presented or quoted.
- ◆ Highly misleading data should never be released to users.
- ◆ In describing data and its quality, technical terms like sampling error should be explained in as clear and simple a manner as possible.
- ◆ Any descriptions of error should cover both sampling variability (applicable to sample surveys only) and non-sampling variability (response rates, response bias, non-response, imputation).
- ◆ Statements on methodology should refer to aspects of survey design which affect the extent of error from these various sources.
- ◆ Asterisks should be used to indicate those figures that are subject to high sampling and non-sampling errors.
- ◆ Users are to be informed of the likely principal sources of error and, where possible, the extent of the error.
- ◆ Users should be provided with an overview of the data collection and processing methodology in order to enable an assessment of whether the data would satisfy requirements and purpose.

Annex II

PROMOTING STATISTICAL LITERACY

OVERVIEW

A good understanding of statistical concepts and methodologies and their correct interpretation is essential to the proper and effective use of Official Statistics. To improve the utility of statistics and their relevance to the country's social and economic developments, the National Statistics Office continuously works to promote statistical literacy in the community.

NSO POLICY

Active measures in promoting statistical literacy take different forms and are organised and designed to meet the needs of different sections of the community, including statistical users in business and government, mass media, students and the general public. In view of this, the NSO shall:

1. Prepare and publish brief and easy-to-read leaflets and pamphlets on selected statistical series and activities for free distribution. The same and/or similar information shall be made available to statistical users in electronic format.
2. Regularly provide background information about data sources, the scope and definitions of the statistics being produced and the methods used in statistical collection and compilation. Whenever, for practical reasons, such information cannot be given in specific data releases, the NSO shall indicate ways whereby such information may be acquired.
3. Organise conferences, seminars and public discussions on selected statistical topics and/or compilations in order to better explain relevant subject areas and statistical outputs.
4. Liaise with other public and private sector institutions, including the constituted bodies, in order to discuss matters of mutual interest resulting from the collection, compilation and release of official statistics.
5. Publish a bi-annual journal featuring articles on a wide variety of official statistics. Additional articles on various statistical aspects shall be published in other local publications including the print media. Apart from elaborating on official statistics and providing explanations on concepts and methodologies, these articles may serve to introduce data users to certain statistical topics.
6. Participate, where appropriate, in radio and television programmes in order to promote the proper understanding and use of official statistics.
7. Provide advice on the correct use and interpretation of official statistics in the event of their misuse and in the case of any misunderstandings of the concepts and methodologies used and in the event of misleading statistics produced by non-official parties.

PRACTICAL APPLICATIONS OF POLICY

As a matter of policy the NSO will support activities and programmes aimed at increasing general statistical literacy and statistical studies. In view of this, the National Statistics Office will:

- ◆ Introduce and support an annual statistical project competition for secondary school students;
- ◆ Introduce and support an annual statistical project competition for university students;
- ◆ Produce a statistics teaching kit aimed at promoting statistical literacy among students. Apart from providing teachers with teaching and reference materials on statistical methods and commonly used official statistics, the teaching kit will also highlight potential pitfalls in the use of statistics. The Office will also promote and assist the publication of other statistics-related teaching aids aimed at younger children in hard copy or in electronic format;
- ◆ Introduce a number of short courses covering statistical techniques and the practice and use of official statistics. This, in addition to seminars that are organised periodically for data providers. Furthermore, the Office undertakes to introduce the teaching of official statistics at the University of Malta;
- ◆ Continue with the series of talks on statistics to university and secondary school students. These talks provide an overview of the national system of official statistics, the nature of data, as well as a range of the statistical methods most commonly in use. The Office firmly believes that students who are exposed to statistics develop an interest in the subject, with the result that they not only resort to statistics as a component of their studies but they also make correct and intelligent use of them;
- ◆ Continue to host visits to the Office by students. Through these visits, students can attain a first-hand perspective of the work of the Office. On its part, the Office does not miss out on any to foster interest in statistical work.

Statistical Literacy and the Mass Media

The Office recognises the crucial role played by the mass media in furthering the level of statistical literacy of the general public through the correct reporting of statistics. In view of this, the NSO will:

- ◆ Organise seminars for members of the news media in order to improve their level of appreciation and understanding of statistics and their methodology and compilation processes. Particular attention will be placed on the use and misuse of statistics. Such activities aim to improve the type and quality of media reporting of official statistics;
- ◆ Hold briefing sessions with the media when important and newly available statistics are released or when new statistical methodologies are adopted. Such

activities will provide further background information to the new releases issued regularly.

Statistical Literacy and the Public and Business Sectors

Official statistics have substantial implications for the government and business sectors. Therefore, the NSO will:

- ◆ Work with public sector training institutions in order to provide statistical training to public officers. Opportunities for the increased application of statistics and the use of statistical surveys have increased for civil servants across the board. Therefore these sessions will address the enhancement of knowledge of official statistics in their application to policy-making and evaluation;
- ◆ Foster contacts with the business community by giving talks and presentations on statistical matters to members of the constituted bodies;
- ◆ Prepare and promote a “Statistics for Business” training programme in order to provide members of the business community with the opportunity of acquainting themselves with the practice and use of official statistics.

Annex III

ENVIRONMENTAL POLICY

OVERVIEW

The National Statistics Office collects, compiles and disseminates official statistics. In carrying out its business the NSO is committed to minimising any adverse impacts its activities may have on the environment. The Office will aim to eliminate waste, to conserve natural resources and to prevent environmental pollution.

NSO Policy

The NSO will comply fully with current environmental legislation and with all officially approved codes of practice. It will also make continued efforts to:

- ◆ Promote sound environmental management policies and practices in its work;
- ◆ Increase awareness of environmental responsibilities among staff;
- ◆ Work with other agencies, local and international, to promote appropriate environmental policies;
- ◆ Reduce the consumption of fossil fuels;
- ◆ Reduce water consumption;
- ◆ Minimise waste and emissions;
- ◆ Encourage recycling of materials;
- ◆ Promote a purchasing policy which will give preference, as far as practicable, to those products and services that are environment-friendly;
- ◆ Avoid the use, wherever possible, of substances, materials and processes that damage the environment;
- ◆ Maintain office grounds and buildings in an environmentally sensitive manner;
- ◆ Encourage modes of transport which lessen negative environmental impacts;
- ◆ Discourage smoking in all work areas and, by consensus among staff, in all common areas of the Office.

PRACTICAL IMPLEMENTATION OF MEASURES

In its aim to achieve environmental excellence, the Office will:

- ◆ Develop a "Best Practice" guide;
- ◆ Carry out an employee-training programme;
- ◆ Regularly review strategies, objectives and targets and monitor environmental programmes to continually ameliorate the office's environmental performance;
- ◆ Integrate the environment into business decisions, ensure the environment is considered in planning changes to existing activities, processes, equipment and facilities;

- ◆ Conduct audits to ensure compliance with environmental legislation and take corrective action;
- ◆ Hold management accountable for providing leadership on environmental matters, for achieving specific environmental targets and objectives and for providing related training and resources;
- ◆ Ensure employee compliance with NSO environmental policies and procedures.

In the identification of a number of environmental targets, the office undertakes to:

- ◆ Reduce the use of paper, e.g. by double-sided printing and copying and by maximising the use of alternative technologies and electronic media;
- ◆ Use recycled paper, comprising as much post-consumer waste (including agri-pulp) as possible, for printing, copying and publishing. This is subject to cost and quality considerations;
- ◆ Give preference to contracts concerning printed work which make a specific commitment to the use of recycled paper;
- ◆ Ensure, as far as possible, that any virgin pulp used in the manufacture of paper emanates from sustainably-managed woodlands. Also that both the virgin pulp and the recycling process is chlorine-free;
- ◆ Ensure that material published or printed by the Office is, where necessary, sealed using a water-miscible varnish (not a plasticised finish) and is bound using a water-based adhesive or other material which does not impede recycling;
- ◆ Reduce the number of hard copy publications and increase the use of CD-Rom-based publications;
- ◆ Encourage and increase the distribution of News Releases through the electronic media such as e-mail;
- ◆ Encourage and increase, the use of scanning technology for the internal distribution of newspaper cuttings;
- ◆ Undertake to shred used questionnaires for eventual recycling;
- ◆ Undertake to rationalise office documentation in order to reduce the use of paper. Increased use should be made of the available electronic storage facilities;
- ◆ Promote a recycling policy at a corporate level by encouraging each unit to collect used paper in particular boxes or containers. These should be emptied at the end of the day into one common container.

Computer, electronic hardware & monitors

- ◆ Obsolete electronic hardware can present a potential threat to the environment as some components may be hazardous. Therefore, it requires proper and careful disposal procedures;
- ◆ Any still usable equipment may be either sold at second-hand prices or donated to institutions and individuals at the Director-General discretion;
- ◆ Any unusable equipment may be exported for recycling purposes;
- ◆ Energy-efficient LCD monitors will be gradually introduced throughout the Office.

Hazardous substances

- ◆ Hazardous substances in use should be minimised. Where possible, these should be replaced with less hazardous substances or techniques.
- ◆ All hazardous substances should be stored, used and disposed of in accordance with environmental legislation and best practices;
- ◆ Ink printer cartridges should be disposed of carefully and separately from the normal office waste.

Ozone-depleting substances:

- ◆ Where possible, the Office will undertake to replace products that contain chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs), halons, carbon tetrachloride, 111 trichloroethane, or any other ozone-depleting substances with suitable alternatives;
- ◆ Initiate a leakage control programme through regular servicing of all refrigeration and air-conditioning equipment containing ozone-depleting substances.

Water

- ◆ Rationalise and regularly monitor the level of water consumption within the Office;
- ◆ Where feasible and practicable, the Office will install water-flow-restricting devices, waterless urinals and other more efficient technologies;
- ◆ Where appropriate, the Office will procure only water-efficient appliances and equipment;
- ◆ Channel water run-off from air-conditioners towards flowering plants in the office court yard;

- ◆ Make arrangements for the maximal utilisation of the rainwater collected in the central water cistern within the office compound;
- ◆ Encourage staff to buy drinking water in glass bottles in order to reduce the disposal of plastic.

Environment-Friendly Practices recommended to Employees

Paper use

- ◆ Use PC or scrap paper for drafting purposes;
- ◆ Avoid printing successive drafts;
- ◆ Avoid making unnecessary copies;
- ◆ Make double-sided copies;
- ◆ Make use of the reverse of printed waste paper for draft and file copies;
- ◆ In the case of office forms and questionnaires which are due for re-design, try to exhaust stocks of the old version as far as possible;
- ◆ Utilise scrap paper by making notepads, bookmarks, etc.;
- ◆ Use Email to correspond wherever appropriate.
- ◆ Avoid printing out e-mail messages and attachments unless necessary;
- ◆ Use electronic corporate information systems (e.g. the network), rather than paper to store and share information with others.

Regular weeding of files

- ◆ Smaller files save on space;
- ◆ The paper may be recyclable.

Cutbacks on disposable products

- ◆ Use electric hand driers where available;
- ◆ Avoid excessive use of paper towels;
- ◆ Avoid sachets and disposable containers;
- ◆ Use personal beakers/cups rather than disposables if possible;

- ◆ Avoid the use of non-biodegradable products for packaging.

Paper and bottle banks

- ◆ Place any unwanted paper in paper bank;
- ◆ Place any glass bottles in the bottle bank.
(these can be sent for recycling)

Environment-friendly economy

- ◆ Do not overstock on stationery.
- ◆ Return redundant office equipment. Use may be found for it elsewhere.

Systemise re-use of items

- ◆ Packaging, envelopes, paper clips, elastic bands etc.

Saving energy

- ◆ If you are only going up one floor, use the stairs if possible. It is often quicker and will help keep you fit and save lift power;
- ◆ Switch off lights when not needed and at the end of the day;
- ◆ Switch off photocopiers or use standby mode when not in continuous use;
- ◆ Switch off monitors when not in use;
- ◆ Switch off PCs at the end of the day;
- ◆ Use power-saving features on office equipment;
- ◆ Use low energy printers where available and when quality is not important;
- ◆ Share printers;
- ◆ Keep windows shut in air-conditioned rooms to maximise the efficiency of the equipment;
- ◆ Turn the controls down if weather permits;
- ◆ Try not to use supplementary heaters and fans;
- ◆ Use cold water if possible;
- ◆ Where possible, share cars or use public transport to and from work and on business trips.

CONCLUSION

The Office intends to carry out a cost-benefit analysis of solar water-heating equipment in an attempt to reduce energy costs without compromising the availability of hot water all day.

Wherever possible the Office intends to install energy-saving lamps or bulbs.

Annex IV

POLICY ON THE DOCUMENTATION OF DATA QUALITY AND METHODOLOGY

OVERVIEW

The National Statistics Office, as the main national institution producing official statistics, has the responsibility to inform users of the concepts and methodologies used in collecting and processing data, of the quality of the data produced and of other features that may affect the use or interpretation of statistics produced.

It is NSO policy to be as open as is reasonably possible about its statistical methodologies and to provide adequate documentation of methods and quality measures to users. This is done in order to allow users to:

- ◆ Verify and determine whether the statistics are adequate for their intended use;
- ◆ Recognise and assess the level of accuracy of the statistics under consideration.

DATA QUALITY DESCRIPTIONS

In view of the above, the NSO shall, subject to cost and flexibility constraints endeavour to provide data quality descriptions that would cover the following aspects:

- ◆ **Coverage** the quality of the survey frame or list (for surveys or censuses) or source files (for administrative data) as a proxy for the desired universe should be addressed (including gaps, duplications and definitional problems).
- ◆ **Sampling error** if a survey is based on a random sample then estimates of the sampling error of tabulated data based on the sample should be provided, together with an explanation of how these standard error figures should be used to interpret the data. The method of presentation may vary from explicit estimates of sampling error to use of generalised tables, graphs or other indicators. If the survey is based on a non-random sample, the implications of this on inferences that might be made from the survey should be stated.
- ◆ **Response rates** the percentage of the target sample or population from which responses or usable data were obtained (on a question-by-question basis if appropriate) should be provided. Any known differences in the characteristics of respondents and non-respondents should also be described, as well as a brief indication of the method of imputation or estimation used to compensate for non-response.
- ◆ **Comparability over time** it may be appropriate to discuss comparability to the results of the same activity for a previous reference period, especially if there has been a change in methodology, concepts or definitions. If such a change is thought to affect comparability between one time period and another, a quantitative estimate of this effect should be made whenever possible.

- ◆ **Benchmarking and revisions** the experience acquired by the NSO should be translated into guidance on the possible impact of benchmarking or revisions or comparability over time.
- ◆ **Comparability to other data sources** if similar data from other sources exist they should be identified. Where appropriate, a reconciliation should be attempted describing how the various data sets differ and the reasons for these differences. Comments on the quality of the various data sets should be provided if an evaluation is available.
- ◆ **Other important aspects** there may be other aspects of data quality that are of prime importance given the objectives of a specific activity. These should be included with the basic indicators of data quality. Examples are: unusual collection problems; misunderstandings of intended concepts by respondents; incidents such as disasters and strikes which may impact on key variables; changes in classification or in its application; and response based on financial years that do not correspond to a fixed reference period. In different surveys and at different levels of aggregation, different sources of error may predominate. Subject to cost limitations, the most important sources of error should be evaluated periodically, and the results made available to users in an appropriate form.
- ◆ **Non-response bias** an assessment of the effect of non-response on the collected statistics should be provided where possible.
- ◆ **Response bias** evidence of response bias problems resulting from respondent misunderstanding, questionnaire problems, or other bias sources, should be provided when available.
- ◆ **Editing and imputation effect** the effect of editing and imputation on the quality of data should be assessed.
- ◆ **Any other error sources** if there are particular sources of error or unforeseen events that are relevant to the series or occasion, these should be noted and described.

Guidelines on the Description of Methodology

For data resulting from censuses or surveys, the methodology reports should provide at least an outline of the main steps in conducting the census or survey. They should also provide more detailed information on those aspects of census or survey methodology which have a direct impact on the quality and applicability of the data produced from the respective census or survey. The following aspects should be covered where applicable:

1. Objective of the census or survey;
2. In the case of surveys, the target universe and any differences between this and the survey frame actually used;
3. The questionnaire(s) used and all important concepts and definitions;
4. The method used for data collection (e.g. telephone, mail or personal interview and details of any follow-up procedures for non-respondents);

5. Any manual processing (e.g. coding) that takes place prior to data capture;
6. The method of data capture;
7. Quality control procedures used in connection with operations 4-6 above;
8. Procedures for editing the data and for handling non-response and invalid data;
9. Benchmarking and revision procedures where used;
10. Seasonal adjustment methods used;
11. The form in which the final data is stored and the tabulation or retrieval/query system, including confidentiality protection procedures;
12. A brief summary of the results of any evaluation programmes;
13. Any special procedures or steps that might be relevant to users of the survey data.

Methodological Descriptions of Data emanating from Administrative Sources

For administrative data, or data partially emanating from sources outside the NSO, it is good practice to provide the background information outlined in the previous section. As a minimum, the following topics should be covered:

- ◆ Data sources;
- ◆ Purposes for which the data were originally collected;
- ◆ Merits and shortcomings of the data for the statistical purposes for which they are being used (e.g. in terms of conceptual and coverage bias);
- ◆ Description of the data process following receipt of data; any corrective measures to the original data sets;
- ◆ Reliability of the estimates, including any caveats, as appropriate.

Annex V

STAFF DEVELOPMENT AND TRAINING

OVERVIEW

The National Statistics Office (NSO) is committed to the delivery of quality services to its staff and will endeavour to ensure that they receive relevant and effective training and development in pursuit of the highest levels of competence and service quality at all times. The NSO recognises the importance of continuous staff development and training in order to:

- ◆ help the staff to improve and develop their performance in their present role;
- ◆ prepare the staff for future roles in the light of career and professional development;
- ◆ enable the staff to adapt to the changing requirements of the NSO;
- ◆ maintain and enhance the quality of service in all areas.

NSO POLICY

In pursuit of this policy the NSO will:

- ◆ regularly and actively take steps, via appraisal, group activities and other appropriate means, to identify training and development needs for individuals and for groups of staff;
- ◆ provide staff, within available resources, with opportunities to participate in training and development activities within and external to the institution;
- ◆ fully evaluate at individual, team and institutional levels, the benefits and effectiveness of investments in training and development activities.

In return, the NSO will expect staff to:

- ◆ co-operate and participate, where appropriate, in activities and processes which are designed to identify training needs;
- ◆ attend and fully participate in any activity which has been agreed on as relevant to their development;
- ◆ actively put into practice the new skills and knowledge gained through training and development activity and participate in any related evaluative measures.

The main opportunity to discuss training and development needs will arise during the appraisal and associated follow-up meetings. However, staff development and training issues can be raised at any time during the year by any member of staff. Within the staff

development and training policy, there is provision for staff to be fully-or-partially sponsored on a range of development opportunities, such as qualification courses, short courses, conferences, visits, etc.

NSO COMMITMENT TO STANDARDS

There are certain roles, responsibilities and skills to which the NSO attaches such importance that some form of training is considered mandatory for staff involved in these areas. Additionally, as a matter of policy, there are certain rudimentary areas of information, knowledge or skill that are considered necessary for all staff. Staff development components which have been identified within this category include:

- (a) **Induction** the general induction seminar is mandatory for all, except minor staff, who have an individualised induction. The general induction will take place within the first twelve months of employment. Additionally, staff may receive a locally-arranged short-or longer-term induction that is specific to their particular role within the NSO, including job-specific training.
- (b) **Statistical Confidentiality and Data Protection** since the NSO has continuous access to and handles large amounts of personal and/or enterprise data on a regular basis, all staff attend a seminar on statistical confidentiality as provided for in the Malta Statistics Authority Act, 2000 and on data protection as provided for in terms of the Data Protection Act.
- (c) **Information Technology Training** all staff are expected to be conversant with a range of information technology-based office productivity tools, as well as with a number of software packages for statistical compilation and analysis. This is mandatory for all incoming staff.
- (d) **Appraisal Training** all designated appraisers attend a training session that is specific to their needs. All other staff attend an appraisee briefing. This training/briefing must take place prior to appraising or being appraised.
- (e) **Recruitment and Selection Training** all staff that are directly involved in the recruitment and selection process attend a related course, as well as a course on interviewing skills.
- (f) **Health and Safety** all staff attend a basic health and safety seminar as well as a short fire safety lecture. First aid courses will be provided to designated first-aiders and persons in certain specified positions.

This is not the complete list of possibilities for mandatory training - such training may accompany quite specific parts of individual jobs. Training in the above areas will usually be centrally coordinated and individuals will be informed of the need to attend by their respective manager.

STAFF TRAINING AND DEVELOPMENT: POLICY AND PROCEDURES

It is NSO policy that appropriate training and development opportunities should be provided for all staff and that they should receive encouragement to update their knowledge, develop their skills and broaden their experience through a variety of channels. In addition to the policy goals listed in the overview, the NSO is interested in supporting personal development, where possible, and in fostering job satisfaction among its employees.

- ◆ Funding and/or time away from normal duties for staff training and development purposes must be approved by the Director General, after consultation with the employee's manager and/or divisional director.
- ◆ Training and development activities for which approval should be sought will typically include:
 - (a) Courses of study, with or without qualification, run either by the NSO or by an external training establishment;
 - (b) Short courses, conferences, workshops and seminars run by external bodies;
 - (c) General and specific induction training of new staff coordinated by the Corporate Services Division of the NSO;
 - (d) Corporate staff development activities provided by the Corporate Services Division of the NSO (largely, though not exclusively, group-based in-house workshops or seminars);
 - (e) Professional traineeships within a particular discipline leading to qualifications and/or membership of a professional body;
 - (f) Practice-based development via secondment, visits, meetings, research, consultancy, etc.

This policy aims to set out guiding principles, funding/support arrangements, scope of activity and procedures relating to staff development and training activity in the above areas.

Externally-provided Programmes of Study

Any NSO staff member wishing to undertake externally-provided part-time studies may have either all or part of any related costs (tuition fees, cost of materials etc) defrayed by the NSO.

The following guidance applies in the operation of this policy:

- (a) The arrangements and the conditions outlined below apply to all permanent staff whether employed on a full- or part-time basis.
- (b) The proposed programme of studies need not be directly job-related but must be relevant to the business and general areas of competence of the NSO.

- (c) Part-time studies falling under this arrangement include university programmes leading to the award of degrees and other vocational courses.
- (d) Staff undertaking programmes must enter into a contractual obligation to serve the NSO for a stipulated period of time as provided in the employees' Collective Agreement.
- (e) Staff undertaking programmes must agree to clear learning outcomes with the Director General of the NSO.
- (f) Study leave or time-off may be available as generally stipulated in the employees' Collective Agreement.
- (g) Continuation of support, whether for a second or succeeding stage of study, or for a second attempt at an examination, cannot be guaranteed. Continuing support is only granted where the NSO is satisfied that the member of staff has made satisfactory progress, or in other circumstances, merits assistance for a re-sit. In any case, continuing support can only be granted subject to the review of priorities for funding at the time when renewal requests are made.
- (h) Authorisation to undertake a full-or partially-funded course of studies covered by these arrangements should be sought from the Director General who would act after consultation with the Malta Statistics Authority Board.

Conferences

Conferences are an important means of staff development and provide an opportunity for meeting other professionals and staff with a common interest. Support for attendance at conferences (funding, time-off and expenses) may be given where these are perceived to bring identifiable advantage to the NSO, particularly where:

- (a) the individual attending is making a direct contribution;
- (b) the conference substance is concerned with areas that are relevant to the NSO;
- (c) there is specific training or staff development value for the individual.

In these circumstances, support may include funding, paid time-off and expenses approved in advance.

General and Specific Induction for New Staff

It is NSO policy that all new staff receive appropriate guidance, training and monitoring to ensure their competence in carrying out their duties. More specifically, the purposes of induction are:

- (a) to ensure that new members of staff become familiar with the NSO's history and structure, have an understanding of the NSO's mission, vision and objectives and are made aware of key policy areas.

- (b) to ensure that new members of staff quickly integrate into their immediate surroundings and gain a clear understanding of their own role as well as the priorities and standards which apply therein.

In pursuit of these objectives, general induction seminars will be organised to which all staff will be invited within their first year of employment. An appropriate induction programme for the job/individual in question will also be devised by the divisional director or the unit manager as appropriate.

Training and Development Activities Provided by the Human Resources Unit

The Human Resources Department will provide NSO-wide training and development activities for all staff within a defined overall budget. This will involve provision of both in-house courses and, where appropriate, support for external course attendance where there is corporate rather than divisional or unit benefit.

A Corporate Staff Development Programme will be drawn up annually and incorporated in the NSO's annual workplan. The content of this programme will be determined from:

- (a) proposals made by the divisional directors and/or the unit managers;
- (b) proposals made by the Human Resources Unit for staff development in pursuit of particular policies or objectives;
- (c) results of specific investigations into training and development needs in a specific area of skills or for a specific group of staff;
- (d) the annual workplan and the multi-annual strategy for statistical development within the NSO;

The core components of the annual staff development programme should include:

- ◆ Induction of new staff;
- ◆ Health and Safety training;
- ◆ Management and Personnel development;
- ◆ Information Technology skills;
- ◆ Training on procedural and policy matters.