

# Annual Report 2012

National Statistics Office, Malta  
2013

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27 February 2013

The 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 31 December 2012.

A handwritten signature in black ink, appearing to read 'Michael Pace Ross', written over a light grey grid background.

Michael Pace Ross  
Director General



## Mission Statement

"To produce efficiently and with minimum burden on respondents high-quality statistics that are relevant, reliable and comparable, and to disseminate them in an impartial, independent and timely manner, making them available simultaneously to all users."



## **DIRECTOR GENERAL'S OVERVIEW**

2012 was another year in the course of which the National Statistics Office continued to build on its achievements by, among others, widening its statistical domain in terms of news releases and publications. As regards statistical output, 253 news releases were disseminated and 13 publications issued: these included a volume with a holistic take on culture participation, and a compact publication dedicated to statistics on Gozo. Preliminary results of the 2011 Census of Population and Housing were published, as well as final results of the 2010 Census of Agriculture.

With regard to human resource development, new statisticians were contracted and training for staff was sustained, despite constraints. A new director responsible for the supervision and coordination of Business Statistics was appointed, and a manager responsible for short-term statistics was selected. Concurrently, the International Trade and Transport Statistics Unit was transferred to the Economic Statistics Directorate, while the Short-term Statistics Unit was relocated in the Business Statistics Directorate.

On 17 December, a new collective agreement was signed with the *Union Haddiema Magħqudin*, providing for better salaries and higher increments, innovative working conditions such as time-banking, and other family-friendly measures. The agreement remains in force up to 31 December 2016.

Financially, the NSO recorded a deficit in 2012, in spite of the continuation of cost-cutting measures and the reduction of travelling expenses and overtime. EU grants were tapped to the full. Income and expenditure hovered around the €4.9 million mark, with the share of expenditure on salaries exceeding 85 per cent. There were one-off items relating to the Census of Population.

In the subsequent paragraphs, I will describe the NSO's achievements for 2012 in more detail.

### **Statistical Operations and Methodology**

#### **Census of Population and Housing 2011**

In 2011 Malta joined all EU Member States in carrying out a Census of Population and Housing, in accordance with EC Regulation 763/2008 of the European Parliament and of the Council. NSO was entrusted with this oldest, and most complex, statistical exercise. Census Day was set at 20 November 2011, with the data collection period stretching from 7 November to 4 December.

During the first half of 2012, all post-Censal activities were co-ordinated. Census booklets were collected from households by enumerators and handed to their respective supervisors, located in 41 schools across Malta and Gozo. These were in turn checked and collected, and deposited at the Census Office located in the ex-Pilar School in Valletta, which was rented up to April 2012. Selected data fields were inputted into the data system immediately and questionnaires were stored for future reference.

During the first six months of 2012, the NSO followed up non-response in a meticulous way, sending a reminder to all non-respondents in March. This was eventually followed by a legal letter to non-respondents in August.

In May, all Census operations, including the completed questionnaires, were transferred back to the NSO Offices at Lascaris. In all, over 145,000 questionnaires were received.

The 2011 Census Preliminary Report was ready by July 2012, and launched through a press conference on 3 October, following the report being tabled in Parliament. The report showed interesting trends which were significant in certain aspects. The average age of the 416,000-strong population increased, showing an ageing trend. The share of those between 5 and 29 years of age declined, while those over 60 went up. Population shifts between one district and another were noted. The population in the Northern District went up markedly. Non-Maltese residents also registered strong percentage increases since the last Census held in 2005. The final report will be published in 2013.

### **Census of Agriculture 2010 Results**

The 2010 Census of Agriculture results were launched through a press conference on 3 January. The Census provided a comprehensive stock-take of land use, livestock, the agricultural labour force, produce, and machinery. The 2010 results highlighted interesting changes when compared to the Census of Agriculture carried out in 2001. Total land area declared by holders went up by 28 per cent, while the utilised agricultural area advanced by 19 per cent. An innovation in this Census was the collection of data on organic farming. Although agricultural holdings increased slightly, noteworthy fluctuations were observed in livestock. Data also indicated that full-time farmers are becoming an ageing breed. Extensive media coverage was given to the Census results.

### **System of Health Accounts**

During the course of the period under review, the Ministry for Health, the Elderly and Community Care (MHEC) successfully compiled and submitted the first set of detailed health accounts for reference year 2010, in line with Eurostat and OECD guidelines. The System of Health Accounts (SHA) is the result of a lengthy process of capacity and skills building, and had the invaluable assistance of the National Statistics Office.

The SHA was launched in 2008 by the then Minister for Social Policy, through a Twinning Light Project funded by the EU. These funds, obtained with the assistance of the Planning and Priorities Coordination Department (PPCD) within the Office of the Prime Minister, provided Malta with the required expertise to map the national health system to the different subdivisions of SHA, and to identify the required sustainable infrastructure for the capture of financial and health care activity data at a detailed level.

A Financial Monitoring and Control Unit (FMCU) was set up within MHEC. Over the years, it developed into a highly-skilled team of financial controllers deployed across all public health service providers and co-ordinated by the Director-General for Finance and Administration. The Department of Health Information and Research also strengthened its capacity for the capture of health care activity data, with expert and funding assistance from Eurostat. This capacity extended from Mater Dei Hospital to the specialised hospitals and the Gozo General Hospital, and even to the private sector.

The SHA is an important development in the context of health care in Malta. It will not serve solely to meet an upcoming legal statistical obligation for the NSO and the country, but will also be a useful management tool to assist health professionals in their decision-making process and policy-makers in measuring the attainment of health system objectives.

### **Visits by Eurostat Delegations**

On 3-4 May, a Eurostat delegation visited the NSO to conduct talks with the Structural Business Statistics Unit. The aim of the technical visit was to review the statistical data compilation processes and to establish a roadmap for improving the compliance with two European regulations. The NSO took the opportunity to request exemptions or derogations on the current data transmission programme which were subsequently granted, in part.

On 22-23 May, an EDP (Excessive Deficit Procedure) dialogue visit took place. Various issues were discussed, including institutional issues, data sources, and the recording of specific government transactions. A list of documents was provided to Eurostat prior to their visit. DG ECFIN and ECB participated as observers.

On 9 October, the NSO hosted a Eurostat delegation on special purpose entities (SPEs) and their treatment in national accounts. The mission focused on the impact of such entities in the national accounts, the financial accounts, the financial balance sheets and financial transactions, and ultimately their eventual impact on the 'scoreboard' indicators. The 'scoreboard' is made up of a set of indicators which are designed to detect the emergence of imbalances in the economy at an early stage.

### **Carrying out of Surveys**

In the course of the year, the NSO continued to carry out a number of surveys on behalf of government ministries and agencies, such as the Broadcasting Authority, Transport Malta, the Ministry of Finance, the Economy and Investment, the Ministry of Education, Employment and the Family, and the Ministry of Health, to name a few. Such activities constituted an alternative source of income for the Office to supplement the annual subvention for 2012. More surveys are planned for 2013 and beyond.

The NSO also undertook a number of tailor-made socio-economic research studies on behalf of public and private organisations, although during the period under review this work was reduced due to the Census. Always ensuring that the necessary confidentiality safeguards are observed, stratified samples for surveys were provided to clients.

## **Other Work**

### **Policy on microdata**

The NSO was actively involved in the formulation of a microdata policy for the use of survey data for research purposes. A committee was set up to review each request on a case-by-case basis. At a European level, such requests are gaining ground and appropriate legislation is being formulated to cater for such needs. The NSO also submits sets of anonymised microdata sets in respect of SILC and LFS to Eurostat.

Other regular activities included the provision of tables for the annual Economic Survey published on Budget Day, as well as the updating of a number of regional tables on Gozo.

### **News releases and publications**

In the reference year, 253 news releases were published, a small increase over the 250 releases published in 2011. The NSO sustained its policy of publishing one news release per working day. Methodological notes were given due importance and methodological changes were explained in detail, where necessary. As from 1 January, the official logo of the European Statistical System was displayed on all news releases. All news releases and publications are available online free of charge.

## **User Consultation**

### **Technical meetings with statistical users**

Throughout the year, NSO had regular meetings with data users and providers. Meetings were held with the Central Bank of Malta, the Economic Policy Division and the Ministry of Finance, the Economy and Investment. In addition, meetings were held with the Commissioner of Inland Revenue, wherein the NSO gained the appropriate level of access, following official approval, to administrative microdata. This is already helping to reduce the burden on respondents.

Meetings were also held with our main data suppliers, including the Malta Financial Services Authority (MFSA) and the Employment and Training Corporation (ETC), wherein the NSO explained the statistical requirements in terms of the Malta Statistics Authority Act and the importance of re-classifying employment data to NACE Rev. 2. Specific meetings were also held with ARMS and Enemalta, on the regularity and quality of the data being provided to the NSO. A meeting was held with the Gozo Tourism Association (GTA) to explain the results of a survey on private holiday accommodation in Gozo carried out by the NSO.

## **Organisational Issues**

### **Monthly managers' meetings**

Every month a managers' meeting was held wherein strategic issues were decided on. The European Statistical Programme for 2013 to 2017 and the proposed new code of practice continued being discussed. However, other topics debated ranged from updates in the Business Registers unit, the Greek situation regarding statistics, NSO's financial situation, life sciences, access to micro data, and a new regulation on SDMX data transfer, among others. In particular, managers were encouraged to keep abreast of ongoing developments at an ESS level, in particular those impacting NSO's work directly.

Managers were regularly reminded of the need for quality in statistics, and on the importance of safeguarding confidentiality. They were reminded of their duty to check news releases carefully before being published, to avoid corrections afterwards. Managers were also encouraged to conduct regular unit staff meetings. Staff suggestions were also considered.

A sub-committee, reporting to the managers' meeting, was set up in view of 2013 being earmarked as the International Year of Statistics. This committee, chaired by myself, comprises two directors and three managers.

### **2012-2016 collective agreement**

Discussions on the text of the new collective agreement, held with representatives from the UHM and the Ministry of Finance, the Economy and Investment, were finalised. All parties agreed that the collective agreement should expire at the end of 2016, rather than 2013, in line with the public service term. The signing of the collective agreement took place on 17 December, after lengthy negotiations.

### **Job exposure week/Summer students**

As an employer, the NSO participated in the job exposure week by hosting six boys and six girls from St. Benedict's College (Kirkop) for one week in April. Each student was assigned to a different unit and was given routine tasks such as filing, data entry, and general office duties. No remuneration was given for the work performed. Furthermore, during the summer months, NSO employed seven university students.

### **Office enhancements**

During the period under review, 17 air conditioning units were installed, mainly on the ground floor and first floor of the main building, while the old system based on the chiller was decommissioned and all copper piping dismantled and resold. A new lift for persons with a disability was also installed at the beginning of 2012, to cater for an employee with special needs. A new fire alarm system was installed. Routine maintenance was carried out.

## **Personnel-related Matters**

### **Recruitment**

In the year being reviewed in this report, new statisticians and airport survey interviewers were recruited to replace those who resigned. The staff complement remained practically unchanged. The appropriate engagement procedures were invariably followed. Four students (two from Italy, one from Germany and one from the Czech Republic) also indicated their willingness to do an internship at NSO. They were engaged in different units and contributed towards NSO's output, without the NSO incurring any costs.

### **Training**

NSO staff across various units attended a number of training courses abroad, mainly in Luxembourg. Other staff opted for local training courses and seminars. No training opportunity was rejected, despite resource constraints.

On 13 October, a half-day seminar was held for NSO managers and directors at a St. Julian's hotel. The course was conducted by Dr Paul Gauci, and focused on team building. Furthermore, all managers were asked to attend training courses for middle management by the CDRT (OPM).

### **Teleworking policy**

A teleworking policy for NSO employees was extensively discussed and finalised, considering suggestions from management and staff. This is available on the NSO website.

### **Meetings Abroad**

The NSO was asked by the Ministry of Finance, the Economy and Investment to be part of a Maltese delegation for a bilateral meeting with the Commission in Brussels on 26 January. The meeting was hosted by the Danish Presidency in order to discuss progress on the 2011 commitments, the Annual Growth Survey 2012 priorities and the procedures and timing for the European Semester 2012.

### **Other issues**

Two issues which were an inconvenience to staff members were the closure of access to the Office through the Lascaris Ditch and the blast of the mid-day cannon from the Upper Barrakka Gardens. Various meetings on the access issue were held with the Grand Harbour Rehabilitation Committee, the Ministry for Infrastructure, Transport and Communications, the Ministry of Finance, the Economy and Investment, and Transport Malta. On the mid-day cannon blast issue, an official report was lodged with the Police. Both issues are still outstanding in spite of the efforts herein described.

### **Other activities**

Three staff meetings were held in the course of 2012. Staff members were briefed on the NSO's goals and objectives, and on their role and responsibility within the Organisation.

The Office also participated in seminars on the new Freedom of Information Act. A dedicated webpage was set up on the NSO website with contact details for those wishing to access any information in terms of this Act.

### **Concluding Remarks**

In conclusion, I would like to thank the Malta Statistics Authority Board, in particular the Chairman Mr Reno Camilleri, for the support provided to NSO in terms of human and financial resources, and practical advice. I would also like to thank the three directors and all NSO staff members for their support, dedication and hard work. Their co-operation and dedication were an imperative to the successful execution of the activities I have described above.

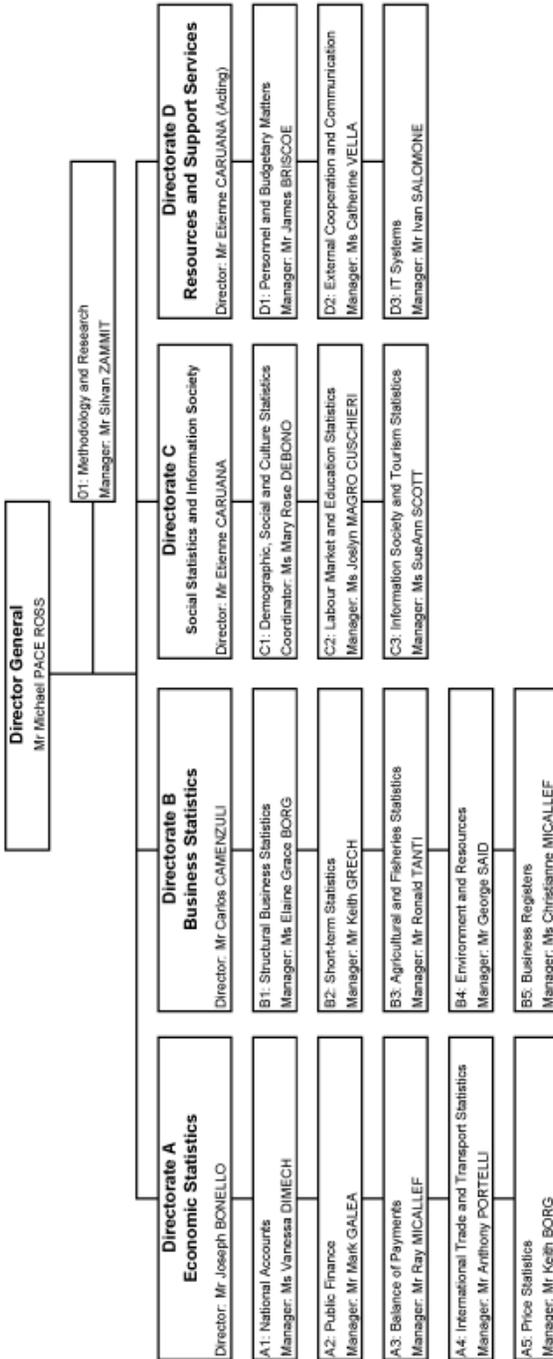


Michael Pace Ross  
Director General

February 2013



Organisation Chart for the National Statistics Office (Malta) as at 20 March 2012





The NSO senior management team (left to right): Carlos Camenzuli (Director Business Statistics), Etienne Caruana (Director Social Statistics), Michael Pace Ross (Director General) and Joseph Bonello (Director Economic Statistics)



The NSO management team



**DIRECTOR GENERAL**



## **UNIT 01: METHODOLOGY AND RESEARCH**

The primary role of the Unit is to provide technical assistance to functional units within the NSO. This includes the setting-up and updating of a number of administrative registers which are used for internal sampling and benchmarking purposes. This support is also offered to public and private entities, where the Unit may also be commissioned to carry out tailor-made surveys on behalf of third party organisations.

In addition to this, the Unit has, throughout 2012, been directly involved in the final stages of the 2011 Census of Population and Housing data collection and analysis.

### **Cross-Unit Initiatives**

In 2012 a number of samples were provided, with the majority being used internally by the NSO while some others were specifically requested by clients. These include personal, household and other samples derived from register data provided by clients.

### **Statistical disclosure control**

In the course of the year, the Unit intensified the work on the anonymisation of survey data, including data in micro and tabular format. This included the provision of a microdata policy for the use of survey data for research purposes by third parties, as well as the anonymisation of survey data carried out by the Office for research purposes through Eurostat. In particular, this included data from EU-SILC (Survey on Income and Living Conditions), LFS (Labour Force Survey) and SBS (Structural Business Statistics).

### **Metadata and quality**

The Unit initiated a programme to implement European Statistical System (ESS) quality-related and metadata standards in various domains to modernise the statistical business process of the Office. These are a necessary precondition for a better integration of statistical processes not only internally within the Office, but also within the ESS. This work includes the implementation of standardised metadata and quality report structures across a wide spectrum of domains. In addition, this exercise will be complemented by a comparability analysis of the questionnaires and data sources used by the Office as a first step towards a better harmonisation of the data collection mediums used at NSO.

### **Census of Population and Housing 2011**

One of the main tasks of the Unit throughout the year under review was to finalise the collection of data of the 2011 Census of Population and Housing as well as to validate and analyse the data.

### **Follow-up exercise**

An important task that was carried out between August and October 2012 entailed the mailing out of a form to all households where it appeared that some individuals had not been enumerated. The main scope of this exercise was to establish contact with those individuals and households that did not provide the required information for the Census in 2011 to ensure that a high-coverage rate is achieved. The information gathered

throughout this process served to correct for any under-reporting in the Census, to compile the Census preliminary population (included in the Census Preliminary Report) and to prepare a more accurate population which will be included in the Census Final Report, which will be available in the first half of 2013.

### **Census preliminary report**

The Census Preliminary Report, which was compiled by Unit 01 and published in July 2012, provides a key demographic profile of the (preliminary) population based on sex, age, locality of residence, nationality and type of residence. A comprehensive analysis of the Census process is included in the report, including legal, operational, administrative issues.

### **Surveys Carried out on behalf of Third Parties**

In the year under review, the Unit embarked on the carrying out of a number of customised socio-economic surveys and business research on behalf of public and private organisations, including:

- a survey on leisure trends, on behalf of Aġenzija Żgħażaġħ and the Commissioner for Children;
- a waiting list management enquiry among persons, on behalf of the National Audit Office (NAO);
- a survey among individuals on eating disorders, on behalf of the Malta Community Chest Fund (MCCF);
- a survey among enterprises on foreign exchange, utilisation and value of the euro, on behalf of the Ministry of Finance, the Economy and Investment (MFEI).

Although the majority of external projects carried out by the Unit are normally commissioned on a one-off basis, the Unit has additionally been responsible for the carrying out of a survey on training co-financed by the European Social Fund (ESF) in Malta and Gozo, commissioned by the Planning and Priorities Coordination Department (PPCD) for the next three years. This survey targets individuals who have participated in training projects co-financed by the ESF to measure the professional and educational destination of those benefiting from the ESF.

**DIRECTORATE A: ECONOMIC STATISTICS**



## **UNIT A1: NATIONAL ACCOUNTS**

In the period under review, the Unit continued its process of revising annual and quarterly estimates to ensure that data is updated and in line with the European System of National and Regional Accounts (ESA95). Revisions made during the year were mainly due to the availability of new statistical data and to methodological improvements resulting from this continuous process of improving the operating methods. The Unit published its quarterly news releases in accordance with the NSO advance calendar.

### **Other Activities**

Apart from its regular news releases, during 2012 the Unit was also engaged in the following tasks:

- i. the compilation of weights for the annual purchasing power parities' (PPP) exercise, including reports on VAT, rents and tips in the service industries;
- ii. the annual Gross National Income (GNI) questionnaire and its supporting quality report for EU own resources purposes;
- iii. the calculation of the weighted average rate for the VAT own resources exercise;
- iv. the provision of a number additional tables requested by Eurostat in the current transmission programme within the 70-day timeframe.

### **Ongoing Projects**

#### **Implementation of NACE Rev. 2**

The second phase of the implementation of NACE Rev. 2 was finalised during the period under review as per Regulation (EC) No 1893/2006 and Regulation (EC) No 1392/2007 of the European Parliament and of the Council of 13 November 2007 amending Council Regulation (EC) No 2223/96 with respect to the transmission of national accounts data in NACE Rev. 2. The second phase included the incorporation of the 2008 Structural Business Survey in the National Accounts. This was the first structural survey in NACE Rev. 2 and was used to revise preliminary figures published in 2011 which had been based on conversion coefficients in terms of turnover, derived in matrix form from the Business Register.

#### **Benchmark revision**

The Unit took the opportunity to do a benchmark revision together with the implementation of NACE Rev. 2 in some activities. These benchmark revisions generally related to better data sources and updated methodologies to those originally applied for the period 1995 to date.

#### **International Missions**

The Unit hosted the Eurostat-Malta SPE Mission on 9 October. Participants included colleagues from the Balance of Payments Unit and the Central Bank of Malta.

The aim of the meeting was to enable Eurostat to understand the treatment of Special Purpose Entities (SPEs) in the Maltese economic accounts. The mission focused on

the impact of such entities in the national accounts, the financial accounts, the financial balance sheets and financial transactions, and ultimately their eventual impact on the 'scoreboard' indicators. The 'scoreboard' is made up of a set of economic indicators which are designed to detect the emergence of imbalances in the economy at an early stage.

### **Courses and Meetings**

During 2012, the Unit was represented at the National Accounts Working Party and the Advisory Committee on Own Resources (ACOR – VAT). Four employees attended courses abroad organised by Eurostat as part of the ESTP. Four employees also attended courses on SPSS, organised by the CDRT (Centre for Development Research and Training).

## **UNIT A2: PUBLIC FINANCE**

During 2012 the Unit continued its routine work on the compilation of quarterly and annual non-financial and financial accounts for the General Government Sector, and the bi-annual compilation of the EDP (Excessive Deficit Procedure) Notification. Other activities carried out are described below.

### **EDP Dialogue Visit**

In accordance with Council Regulation (EC) 479/2009 of 25 May 2009 (as amended by Council Regulation (EC) 679/2010) on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community, Eurostat carried out a standard EDP dialogue visit to Malta on 22-23 May. The aim was to review the implementation of ESA95 methodology and to ensure that provisions of the ESA95 Eurostat Manual on Government Deficit and Debt and Eurostat decisions are duly implemented in the Maltese EDP and Government Finance Statistics (GFS) data. The recording of specific government transactions in the Maltese national accounts and EDP notifications were also discussed during the visit. These included discussions on the treatment of the Valletta City Gate Project and Air Malta. The meeting was very productive and Eurostat thanked the Maltese authorities for the openness and transparency shown, and for the quality of documents provided prior to and during the visit. The twelve action points emanating from the meeting were addressed successfully by the end of 2012.

### **EDP Inventory**

The Unit started an elaborate process to update Malta's EDP Inventory, in response to Eurostat's requirement for all the Member States to revise their current version of "Inventory of the methods, procedures and sources used for the compilation of deficit and debt data and the underlying sector accounts compiled according to ESA95". The updated version planned to provide more information on data sources, compilation methods and treatment of specific transactions. The first draft should be ready during the first quarter of 2013.

## **Public Corporations Database**

Following Eurostat's request for information on public corporations, specifically in relation to the public corporations questionnaire, the Unit started working on a dedicated database. This database includes administrative and classification information, together with financial and employment data. The information is captured from the public corporations' audited accounts, starting from 2005 onwards. This database will be useful in monitoring the corporations and in catering for the local demand for this information (especially through parliamentary questions).

Data extracted from this database were used to compile the Eurostat questionnaire on the Government controlled units which are classified outside the General Government Sector. As the questionnaire requested information on each individual corporation, the questionnaire will neither be published nor transmitted to other organisations. Malta's questionnaire was sent by the deadline of the end of December 2012.

## **Scoreboard Indicators**

The Macroeconomic Imbalance Procedure (MIP) is part of the six legislative proposals on economic governance adopted by the European Parliament and Council in November 2011. The MIP Scoreboard provides the basis for the economic early reading of potential imbalances. The Commission identifies annually in its Alert Mechanism Report the cases for which more in-depth analysis is required.

In anticipation of the Alert Mechanism Report, following a request by the Ministry of Finance, the Economy and Investment, the Unit, in collaboration with the Central Bank of Malta, starting compiling the outlining relevant economic, financial and structural indicators on a quarterly basis. The report is circulated internally among the entities concerned and is usually followed by a high-level meeting.

## **Quality Management in Government Finance Statistics (QMGFS)**

In the area QMGFS, the Unit:

- participated in two rounds of questionnaires, sent by Ernst & Young on behalf of Eurostat, on the main accounting and auditing practices in Malta's public sector;
- coordinated a common reply for Malta for Eurostat's consultation process on the suitability of the IPSAS for EU Member States;
- compiled a questionnaire on national quality management systems in relation to EDP statistics;
- started discussions with the Management Efficiency Unit for the documentation of the whole EDP process;
- participated in two meetings of Eurostat's Working Group on QMGFS.

## **Research and Development in the General Government Sector**

In the beginning of 2012, the Unit carried out its annual survey within General Government (which includes the Higher Education Sector), in order to measure the sector's expenditure on Research and Development (R&D). The data were transmitted

to Eurostat, together with the relevant quality reports and metadata files. Results were also published locally.

Throughout the year, the Unit participated in a grant on Research and Development. The objective was to identify the amount of national funding towards transnational co-ordinated research undertaken by government ministries, departments, entities and local councils. From this study the NSO concluded that the amount of national funding towards transnational co-ordinated research in Malta is very small. The questionnaire on the transnational co-ordinated research and the grant report were sent to the Commission by the end of the year.

The R&D news release was upgraded to incorporate the total R&D activity and employment for Malta, split between the Government, Business Enterprise and Higher Education sectors.

### **Other Actions**

The Unit offered support to the Ministry of Finance, the Economy and Investment in work relating to forecasts on government finance indicators, advising on issues impacting government finance, and providing technical explanations during foreign visits from DG ECFIN, IMF as well as the various credit-rating agencies.

The Unit maintained the compilation of a full set of data on Government's expenditures and receipts in respect of social protection as per ESSPROS methodology, including net ESSPROS and beneficiaries' data. In 2012 the Unit published the annual publication on social protection expenditure for the years 2007-2011.

For the first time, the Unit published a news release dedicated to the structure of General Government debt, including debt data by holders, instrument, maturity, currency of issuance, as well as government guarantees.

In 2012, the Unit continued work on the conversion of the General Government Sector contribution to GDP from Nace Rev. 1.1. to Nace Rev. 2 classification, for the period 1995-1999.

## **UNIT A3: BALANCE OF PAYMENTS**

The Unit is mainly responsible for the compilation of the balance of payments, the international investment position, and foreign direct investment (FDI). The compilations are done by the NSO with the collaboration of the Central Bank of Malta, which is in turn responsible for the financial sector.

### **Balance of Payments (BOP)**

The monthly Balance of Payments statement was compiled and submitted to the European Central Bank (ECB) within the stipulated six weeks from the end of the period being reported upon. This statement shows a selection of countries and instruments as requested in the ECB Regulation. An updated quarterly BOP statement was submitted to Eurostat, the International Monetary Fund (IMF), and also posted on the NSO website in its entirety within the stipulated 90 days from the end of the quarter. A summarised

version of the quarterly BOP was also disseminated in a news release at the same time. In September, the Unit compiled and submitted to Eurostat and the ECB an extensive number of quarterly and annual (detailed) reports revised back to 2007, incorporating updated data which took into account revisions to published data. These reports covered BOP, international trade in services (ITS), and direct investment flows and positions. The FDI reports were also broken down by country and by economic sector.

### **International Investment Position (IIP)**

The International Investment Position statement was compiled quarterly from the direct reporting (DR) questionnaires, the same source used also for the BOP compilation. The full IIP statement was submitted to the IMF within the guidelines of the SDDS requirements. The statement was also published locally in a bi-annual news release, showing positions as at the end of each quarter.

### **Foreign Direct Investment (FDI)**

Foreign direct investment reports were compiled monthly from the same sources used for the compilations of the BOP and IIP: this helps in lessening the burden on respondents. Figures showing the composition of FDI by economic sectors and by a selection of main countries are published in a bi-annual news release compiled by the unit. These cover flows and stocks, both in Malta and abroad.

### **Coordinated Portfolio Investment Survey (CPIS)**

Malta, together with a number of countries, participated in the annual CPIS conducted under the patronage of the IMF. The stock position of portfolio investment abroad at the end of the year was compiled from the same sources from where the BOP and IIP are collated. These are essentially shown by country where the investments are made. The CPIS 2011 was submitted twice to the IMF, taking into account revisions made during the year. This was subsequently published on the IMF website together with the other countries' contributions.

### **Coordinated Direct Investment Survey (CDIS)**

Malta participated in the Coordinated Direct Investment Survey, a survey similar to the CPIS but relating to direct investment. Direct investment positions in Malta at the end of the year, split by country of direct investor and direct investment abroad by country of destination, were compiled and submitted to the IMF. The data provided were assimilated with the contributions of the other participating countries and published on the IMF website.

### **Other Issues**

The survey on special purpose enterprises (SPEs) continued during the course of the year. These cover enterprises that are registered in Malta but operate abroad. All enterprises registered locally are due to be incorporated in the BOP and IIP figures as from 2014.

In the course of 2012, eight news releases were published by the Unit. Four related to the quarterly BOP statement, two featured the IIP, and two covered FDI flows and

positions. Queries are regularly made to the Unit to provide further information over and above the published data. Such requests are attended to in the shortest possible time. However, some queries could not be met in their entirety since the release of detailed information could infringe on confidentiality issues.

During 2012, the Unit was represented at working groups and workshops abroad organised by Eurostat and the ECB. Moreover, a statistician from the Unit participated in a training seminar organised by the ECB.

## **UNIT A4: INTERNATIONAL TRADE AND TRANSPORT STATISTICS**

### **International Trade**

#### **Intrastat/Extrastat system**

During 2012, the Unit continued with its endeavour to improve its ongoing IT programme to further expand the scope of the Intrastat/Extrastat system, which serves as the backbone for the storage and dissemination of International Trade statistics. The system enhancements which were carried out during this period included:

- updates of the Combined Nomenclature (CN) for 2013 on the Intrastat website;
- the inclusion of a CN search Tool provided by Eurostat on the NSO website;
- ongoing maintenance, creation and further development of the existing report-generating capability of the System;
- inclusion of the SITC rev 4 and CPA2008 nomenclatures;
- promotion of the Intrastat online service with its added XML upload facility among traders whose number increased by 182 new web users, to 2,973. Throughout the year, 91.9 per cent of all Intrastat declarations were lodged electronically.

#### **Main output**

During the period under review, the Unit was actively engaged with the fulfilling of its primary task of compiling, checking and disseminating external trade data. Trade data are collected from two main sources: the Supplementary Declaration System (Intrastat), covering trade between EU Member States, and the Customs Electronic System (CES), covering Extra-EU trade (Extrastat). In the course of its work, the Unit also provided a help desk function to both providers and users of information in the foreign trade statistics domain.

During the year under review, the Unit maintained the publication of its monthly news release, in line with the established release calendar. Furthermore, monthly transmissions to Eurostat of Extra-EU and Intra-EU data covering both aggregated and detailed data were made within the deadlines specified in the relevant regulations. Additionally, new datasets covering other aspects of trade statistics were produced and

transmitted to Eurostat for dissemination through the COMEXT<sup>1</sup> database. These included 2009 data on trade statistics classified by business characteristics, which were based on the successful linking of the trade and business register databases, and data for 2010 covering trade with third countries classified by SITC revision 4 and by the invoicing currency used.

### **Other activities**

During the period under review, the Unit was represented by the manager at the May committee meeting on statistics relating to the trading of goods covering Intra-EU and Extra-EU trade, while the November meeting, which was preceded by a one-day seminar on Data Validation of International Trade in Goods Statistics, was attended by a senior statistician. Participation at both these meetings, hosted by Eurostat in Luxembourg, invariably serve as an essential source of information, enabling the Unit to keep abreast of developments at a European level.

Throughout 2012, the Unit actively supported the External Cooperation and Communication Unit with the provision of merchandise trade and transport data in response to various requests originating from regular and occasional users of information. The Unit also supported a number of other NSO units in the provision of merchandise trade and transport data required in the compilation of other statistics. Requests for trade and transport data made up 24.5 per cent of all external information requests for 2012.

Following Malta's entry in the IMF's Special Data Dissemination Standard (SDDS) in December 2009, the Unit continued to provide the most updated merchandise trade data on a monthly basis.

### **Transport Statistics**

#### **Sources and outputs**

The compilation of Transport Statistics is primarily based on administrative data provided by the Gozo Channel Company Limited, Transport Malta, the Police Department and the Guard and Warden Services Limited.

In 2012, the Unit continued its ongoing initiative in the upgrading of its systems to efficiently store and process data in the transport databases. This process has enabled better validation, usage and a more timely use of the data. The update of the official Maltese locality names used in the Unit's releases was carried out successfully during 2012. The transport statistics databases are invaluable in the production of news releases on road traffic accidents, the stock of motor vehicles, as well as on sea transport between Malta and Gozo. They also serve to supply other entities carrying out COPERT<sup>2</sup> and other emissions projects with the most accurate data available.

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<sup>1</sup> COMEXT is a Eurostat database used for storage, extraction, aggregation and dissemination of foreign trade statistics.

<sup>2</sup> COPERT - The European Environment Agency's software programme aiming at the calculation of air pollutant emissions from road transport.

The Unit is determined to provide more support to users with a view to enabling the extraction of higher analytical value from its news releases. The Unit is continually exploring viable new areas concerning transport statistics that can be initiated in conformity with Eurostat's recommendations. Furthermore, the Unit is also working towards further enhancing the annual Transport Statistics publication. Two issues, covering 2010 and 2011, data were published during the year under review.

### **Main activities**

During the period under review, the Unit was represented by a senior statistician who participated in the annual Meeting of the Coordinating Group for Statistics on Transport held during December in Luxembourg. As a follow-up, while keeping in mind Malta's reporting obligations, meetings are carried out with the local authorities to discuss issues which are brought to light as a result of the Unit's participation at this meeting. During the May-June period, following an invitation by the Chinese Embassy to the Ministry of Finance, the Economy and Investment, one senior statistician participated in a three-week seminar on *eCommerce and Logistics for Developing Countries* organised in Beijing, China.

In the course of 2012, the news releases were issued on a quarterly basis and covered three diverse transport themes: sea transport between Malta and Gozo, motor vehicles, and road traffic accidents. All the databases concerning transport statistics were continuously updated to enhance the efficiency, accuracy, and availability of data. Transmission of transport-themed data to Eurostat was carried out within the specified deadlines. New transport data from other sectors are requested on an ongoing basis in order to further widen the coverage of our disseminated data.

## **UNIT A5: PRICE STATISTICS**

The main responsibility of the Unit is the compilation of the Harmonised Index of Consumer Prices (HICP) and the Retail Price Index (RPI). Both indicators are compiled and published monthly, with the former also transmitted to the Commission. Other ancillary tasks included the working of the indices required for the Purchasing Power Parities exercise.

### **Weights, Quality Adjustment and Seasonal Items**

The weights of the Harmonised Index of Consumer Prices (HICP) have been updated using expenditure figures provided by the National Accounts Unit, thus complying with Commission Regulation (EU) No. 1114/2010 on weights.<sup>3</sup> During the year it was ascertained that the practices employed in the production of seasonal indices and the treatment of books, recorded media, computer games and cars were in line with

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<sup>3</sup> Laying down detailed rules for the implementation of Council Regulation (EC) No. 2494/95 as regards minimum standards for the quality of HICP weightings and repealing Commission Regulation (EC) No. 2454/97.

Commission Regulation (EC) No. 330/2009<sup>4</sup> and Commission Regulation (EC) No. 1334/2007<sup>5</sup> respectively.

### **5-digit COICOP**

During the year, the Unit started preparing for the full implementation of the 5-digit COICOP. This exercise is considered to be an opportunity to seek synergies between the HICP and PPP exercises to produce a unique inflation indicator at EU level. Moreover, this change is also meant to add more responsibilities on National Statistics Institutes as the greater the level of detail, the higher the degree of transparency achieved. Put differently, once all indices follow this new classification, it will be easier for the Commission to detect instances of non-compliance with the regulations. Malta furnished all indices pertaining to the Food and Non-alcoholic Beverages and the Alcoholic Beverages and Tobacco divisions at the 5-digit COICOP. In 2013 all indices produced since January 2010 shall follow this classification.

### **HICP-CT and HICP-AP**

The Harmonised Index of Consumer Prices-Constant Taxes (HICP-CT) and the Harmonised Index of Consumer Prices-Administered Prices (HICP-AP), which are deemed important by the main users (European Central Bank, other Central Banks and DG ECFIN), were produced on a monthly basis. The importance of these indices cannot be overlooked as they are considered primary policy tools in assessing good governance in Member States.

### **Accommodation Services Survey**

Prices were collected over the internet during the week of the 15th day of every month, one-month and two-months before the actual consumption of the service. Due to the importance of the item within the HICP framework, it was decided to start covering bookings taking place three months and four months before arrival. This should translate into less reliance on price imputations in case of unavailability. Moreover, the possibility of collecting consumer rates through other sources is being investigated.

### **New IT System**

In order to keep up with developments across the Member States, the NSO is currently upgrading the IT infrastructure for the Unit. The new system is in the testing phase and is envisaged to be fully operational by 2015. This development will lead to better resource utilisation.

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<sup>4</sup> Laying down detailed rules for the implementation of Council Regulation (EC) No 2494/95 as regards minimum standards for the treatment of seasonal products in the Harmonised Index of Consumer Prices (HICP).

<sup>5</sup> Amending Regulation (EC) No 1749/96 on quality adjustment and sampling in accordance with Article 13 of Council Regulation 2494/95.

### **Meetings Abroad**

The Unit participated in regular meetings organised by Eurostat. These included meetings on the PPP exercise as well as on the HICP compilations.

**DIRECTORATE B: BUSINESS STATISTICS**



On 1 January Mr Carlos Camenzuli was appointed Director of Business Statistics. Mr Keith Grech was appointed manager of the Short-Term Statistics Unit on 20 March.

## **UNIT B1: STRUCTURAL BUSINESS STATISTICS**

In order to improve the timeliness and quality of SBS data, a complete restructuring of the Unit was undertaken in 2012. New employees were provided with training and they carried out new tasks that improved the overall quality of the data.

### **SBS Sample Survey and Questionnaire**

A new sample was provided by the Methodology and Research Unit for SBS 2010 within the framework of the Structural Business Statistics (SBS) Regulation. In addition, two questionnaires were designed by segregating micro and small enterprises from medium and large ones. The former questionnaire was designed to fit into four pages whereas the larger questionnaire (five pages) included additional questions on shareholding, and included a breakdown of purchases and sales according to NACE Rev. 2. A new set of notes was compiled in a shorter and user-friendly manner and provided through a link to the NSO website. A number of internal meetings were held with different units within NSO on the data requirements. A number of preparatory meetings were undertaken with MITA to develop a new application programme. The new format was inevitable since a number of variables have changed or have been removed from the SBS Regulation.

### **SBS Data Analysis and Transmission**

During 2012 the Unit finalised the data analysis for SBS 2008 and SBS 2009. Concurrently, the Unit created a new system for the methodology and treatment of SBS 2010.

In 2012, the Unit mailed approximately 9,000 questionnaires for the 2010 annual SBS compilation. The survey covers various sectors of the economy. These include manufacturing, wholesale and retail trade and services sectors covered by EC Regulations 250/2009 and 251/2009. One set of reminders was sent out in the second half of 2012 to increase the response rate for the survey.

### **Data Transmission**

During the period under review, the Unit finalised and transmitted provisional datasets to Eurostat for 2008. These were:

- services data - Annex I covering Nace Rev. 2 Nace Sections H to J and L to N, and Nace Division 95;
- industry data - Annex II covering Nace Rev. 2 Nace Sections B to E;
- wholesale and trade data - Annex III covering Nace Rev. 2 Nace Section G;
- construction data according to Annex IV covering Nace Rev. 2 Nace Section F; and
- business services data according to Annex VIII.

An additional Annex covering NACE Rev. 1.1 was also transmitted.

During the last quarter of 2012, the Unit concluded the SBS 2009 analysis. This was required so that the final SBS 2009 data could be sent in the first quarter of 2013.

SBS data were also transmitted for the two Financial Annexes: Annex VI on Credit Institutions and Annex VII specific to Pension Funds. In this regard, the 2011 data were transmitted as required by the Regulation. The two quality reports for the previous financial annexes were also transmitted. These were for reference year 2009. These data were transmitted in the fourth quarter of 2012.

Finally, the Unit also transmitted, for the first time, part of the Foreign Affiliate Trade Statistics (FATS) data as requested under Commission Regulation (EC) No. 716/2007. The Unit is timely on Outward FATS data and transmitted the three series required for 2010 during the third quarter.

During 2012, the Unit was represented in a number of local and international meetings on the framework of structural business statistics and on FATS.

## **UNIT B2: SHORT-TERM STATISTICS**

### **Industry**

Short-term indicators are considered as economy performance indicators as they reveal changes in a sector's life cycle. Industrial indices have been produced since 2000. During the year under review the Unit published industrial indicators in four formats: unadjusted, working day, calendar adjusted and trend. The variables collected from various industrial sectors include turnover, number of employees, hours worked and gross wages. Data are published on a quarterly period in accordance with the advance release calendar. The data collection is based on a sample which comprises 353 undertakings. The industrial sectors surveyed are quarrying, manufacturing and the utility divisions.

Along with the publication of news releases, the NSO transmitted a full set of industrial indices on a monthly basis, backcasted to 2000. These indices are published on Eurostat's website and also on NSO's website.

As from March 2012, it was no longer a requirement to publish new orders data. In view of this, collection of data on new orders and the compilation of indices on this variable were discontinued.

### **Index of Industrial Production**

The Industrial Production Index measures the physical volume of production. To construct this index, it is necessary to observe three different production variables: output, hours worked and deflated turnover. Each month the Unit collects physical quantity data of 163 unique products from among 94 companies. Products are then grouped according to the statistical Classification of Products (CPA) and are then regrouped according to various main industrial groupings (MIGs), which are in turn divided into several flows. Over a calendar year NSO sends 12 transmissions and

issues a monthly news release. The data also forms part of the Special Data Dissemination Standard (SDDS).

### **Producer Price Index for Industry**

The Producer Price Index (PPI) is an output price index. By definition it is a business-cycle indicator showing the development of transaction prices for the monthly industrial output of economic activities. Not only is it an indicator of inflationary pressures in the economy, but it also records the evolution of prices over longer time periods. During 2012, NSO captured the prices of 635 products from 79 entities on a monthly basis. The prices are used to publish three producer price indicators: producer prices for the domestic market, the euro zone and non-euro area. More than half the prices captured are used to monitor production inflationary pressures in the local market. Information for producer price indices is released not more than a month after the reporting month.

### **Construction**

Data for the construction survey is collected on a quarterly basis. The sample size considers 116 operators. It comprises a mix of self-employed, partnerships and companies. The data collected through the questionnaire includes several variables such as employment, gross wages and salaries, and hours worked. These indicators are used to measure the economic trend in the construction sector, and serve to estimate the economic cycle of the sector. EU regulation requires that the sector is subdivided into three NACE divisions: construction of buildings, civil engineering and specialised construction activities. Over recent years, the civil engineering sector had the highest rate of growth.

### **Services**

The services sector is gaining economic importance across the EU. By services statisticians refer to various economic activities, mainly categorised as wholesale and retail trade, and other services. This sector is the most comprehensive of all as, on average, NSO collects information from approximately 950 undertakings. Retail turnover is disseminated on a monthly basis while all other variables, including turnover, are disseminated every quarter. By STS Regulation, indices are shown as: gross, working-day adjusted, seasonally adjusted, and trend.

As from the third quarter, work on service price indices was given priority, while the stocks questionnaire was discontinued.

## **UNIT B3: AGRICULTURAL AND FISHERIES STATISTICS**

### **Farm Accountancy Data Network (FADN)**

This useful tool in policy making is being co-ordinated by the NSO after a co-operation agreement was signed between the Office and the paying agency in 2012. During the first quarter, the Unit undertook the necessary preparations for the FADN for 2011. The interviewing of 536 farmers started in May and carried on until September.

As soon as the questionnaires were received these were validated against a list of technical checks to assess the quality of the data from the holdings. Once certified correct, the data were inputted into the FADN web-based programme RICA-1, managed by DG AGRI. The complete dataset was finalised and transmitted to DG AGRI before the December deadline.

### **Pesticides**

During the third quarter, a meeting was undertaken with the Malta Competition and Consumer Affairs Authority (MCCAA) to establish the process of collecting information on the sales of pesticides according to Regulation (EC) 1185/2009. MCCAA provided the NSO with a list of plant protection products imported in Malta, together with details of the local importers. In November, the questionnaire was sent to all the importers and by December, all the required data were received by the NSO. The validated dataset was transmitted to Eurostat before the end of year deadline.

### **Farm Register**

Throughout the last quarter, discussions were held with the IT Systems Unit on the implementation of the new agricultural register. The register's main objectives are to provide a central repository for agricultural holdings, a management system for the data, and data importation facilities. The farm register will be ready in 2013.

### **Fisheries**

For the annual publication, tables on the structure of the fishing vessel fleet are compiled from the register held at the Ministry for Resources and Rural Affairs (MRRA). In collaboration with MRRA, the Unit also compiles catch and landings statistics, which are transmitted annually to Eurostat and the FAO. Furthermore, the Unit is responsible for the annual data collection pertaining to aquaculture. The raw data are analysed and validated, after which tables are compiled and sent to Eurostat every November.

### **News Releases**

The Unit compiled the monthly news release in line with the advance release calendar. These included four quarterly releases on each of the following domains: fruit and vegetable production, producer/input agricultural price indices, meat production and fish landings. Other releases included the Economic Accounts for Agriculture 2011, Aquaculture 2011 and World Food Day 2012.

### **Publications**

The annual collections of statistics on agriculture and fisheries for reference years 2010 and 2011 were published in CD format.

During 2012, the Unit published a detailed publication on the Census of Agriculture 2010. This publication incorporated data on the stock-take of land use, livestock, the agricultural labour force, produce, machinery and irrigation.

## **Other Activities**

During the year, the Unit was represented in a number of international working groups on Agriculture and Fisheries.

## **UNIT B4: ENVIRONMENT AND RESOURCES**

The Unit is responsible for the environmental and energy data collection and its dissemination. The main domains comprise water, land, energy, air emissions, waste, environmental accounting and taxes and sustainable development indicators. These datasets are regularly maintained and updated to comply with the reporting obligations to Eurostat, as outlined through a number of directives and regulations. The data are compiled to satisfy national requirements. In the past year, the Unit improved on the existing data collection programmes in respect of specific requirements for waste statistics, energy statistics, environmental accounting, environmental taxes and sustainability indicators. These improvements were possible through the technical and financial assistance of Eurostat.

### **Waste**

The Unit is continuously researching improvements in the collection of specific datasets regarding particular waste streams. During 2012, the NSO submitted datasets relating to the municipal waste indicator, and a continuation of further development towards the Waste Statistics Regulation. A number of meetings were held with WasteServ and MEPA to clarify issues relating to the Landfill Directive and the Recycling Regulations. Requests for the improvement of thematic datasets relating to the recycling of waste by private facilities, disposal of inert waste and also recycling of municipal waste were discussed with the competent authorities. The Unit attended and participated in Eurostat meetings and contributed to the discussions on the introduction of a new regulation relating to data on food waste, as well as the clarification of various issues relating to municipal and construction/demolition wastes.

### **Water**

In the past year, the Unit continued to build on its previous work regarding the updating of the water databases, collaborating with the Automated Revenue Management Systems (ARMS) Ltd. Several meetings were held in order to refine the datasets produced by ARMS Ltd. By the end of 2012 the Unit received several datasets covering water and electricity consumption, and its costs for the various economic sectors. The validation and verification of the data received is ongoing.

Work also progressed on the compilation of waste water statistics through a closer collaboration with the Water Services Corporation. This resulted in the creation of new datasets which were added to the existing complement of statistics. The outcome of this work was passed on to Eurostat/OECD through the submission of the Joint Inland Waters questionnaire and the Regional Environmental questionnaire.

## **Energy**

The Energy Statistics legislation (Regulation (EC) 1099/2008) requires reporting to Eurostat on a monthly, quarterly and annual basis. The datasets include prices of fossil fuels and electricity, fuel imports, power generation and energy consumption by sector. Owing to the liberalisation of fuels in Malta, a memorandum of understanding was signed between the Malta Resources Authority and the NSO to facilitate the transfer of data between both authorities. Bilateral co-operation and efforts have yielded positive results in the data collection of energy balance statistics. A similar improvement was registered with the Energy directorate at Eurostat, where Malta made statistical progress in the submission of data. This collaboration also translated into further co-operation during the meetings held at Eurostat and at the Commission's DG ENER.

The Unit reported its first dataset on renewable energy to Eurostat and to the International Energy Agency.

## **Sustainable Development Indicators**

The Unit concluded another project for the compilation of a set of indicators in view of the Rio+20 Conference on Sustainable Development. A publication incorporating the results is also available on the NSO website. During 2012, the Unit collaborated with MEPA on the sustainable development indicators which were published in June. The Unit was involved in direct assistance to MEPA to compile the annual *State of the Environment Report*.

## **Environmental Accounting and Taxes**

The Unit continued to build on the work done in the past four years and compiled new data relating to environmental goods and services, environmental taxes, material flow accounts and environmental accounting. These datasets were transmitted to Eurostat for further evaluation. Meetings abroad were also attended by staff where technical assistance was provided. Furthermore, the Unit is in the process of strengthening the data collection process relating to the NAMEA Air Emission Accounts.

During the year under review the NSO signed a memorandum of understanding with MEPA to seek closer collaboration and increased efficiency in the transmission of data flows between the two organisations.

## **Consultations**

During 2012, staff members were involved in regular consultations with stakeholders regarding various environmental datasets. Staff attended training sessions abroad on environmental accounts and air emission accounts. In addition, staff members participated and delivered presentations in local and international conferences and working groups.

## **UNIT B5: BUSINESS REGISTERS**

### **Business Register (BR)**

The aim of the Business Register is to provide an up-to-date and exhaustive list of all enterprises in Malta. The primary sources of the Business Register are administrative sources, mainly VAT and MFSA, where births and deaths of enterprises are updated regularly. An important aspect of the Business Register is that it is used as the basis for the selection of samples for surveys conducted by the NSO.

During 2012, updates continued in various areas at the enterprise level. Every month, roughly 500 new companies were included in the register and the NSO mailed a questionnaire to obtain certain structural information. The Business Demographic data were sent to Eurostat in June for the first time, in accordance with the Regulation. For the 2011 EuroGroup Register (EGR), relationships were completed and sent to Eurostat. Enhanced co-operation with the ETC and other institutions was undertaken in 2012.

### **Research and Development (R&D) Survey**

The R&D survey collects information which is essential to ensure availability of pertinent statistical information to monitor Science and Technology (S&T) related activities and to support the development of S&T policy. R&D data for 2010 were sent to Eurostat by the end of June. During the third quarter, the collection for the 2011 data commenced. This data collection was done in collaboration with the MCST, where persons were appointed to carry out face-to-face interviews to ensure a more holistic data capture of the Business R&D intensity, in line with the 2020 targets. Provisional data for the 2011 R&D survey were sent to Eurostat at the end of October.

### **Innovation Survey**

The aim of the innovation survey is to collect information across the business sector on new or significantly improved products or processes and organisational or marketing methods. Innovation data collection caters for enterprises employing 10 persons or more. Approximately 1,600 enterprises over a number of sectors within the economy are surveyed. The non-core coverage of the survey and the pilot module were covered by a Eurostat grant. By the end of June, the data were sent to Eurostat.



**DIRECTORATE C: SOCIAL STATISTICS AND  
INFORMATION SOCIETY**



On 23 February, Ms Mary Rose Debono was appointed to coordinate Unit C1 after the manager stepped down.

## **UNIT C1: DEMOGRAPHIC, SOCIAL AND CULTURE STATISTICS**

### **Population**

One of the major tasks undertaken within the Unit is the compilation of total population counts basing on updates from the latest Population and Housing Census. In this regard, the Unit worked closely with the Census team to establish a methodology to revise the Maltese and non-Maltese population figures for 2006 to 2011. Once the methodology was established, and after the first results for the 2011 Census of Population and Housing became available towards the end of 2012, a final population count will be made available during the first quarter of 2013.

In the course of 2012, the Unit liaised with various government departments and undertook the collection of vital demographic events, adoptions as well as regular and irregular migration. In addition, the Unit collected data on marital separations, divorces and crime statistics that were also used for the compilation of the annual Demographic Review. These statistics were used to provide life tables and population projections. All efforts were made to ensure that the data were collected in line with the harmonised methodologies recommended by Eurostat, ensuring comparability with other EU Member States.

Throughout 2012, the Unit continued to assist the Office of the Refugee Commissioner by maintaining a centralised database and data-capturing tool in which information regarding new asylum applicants and decisions could be entered into and accessed from a unique depository system. This was the result of an agreement with the Ministry for Justice and Home Affairs, with the ultimate aim of facilitating the production of more timely and higher-quality statistics. This register of asylum applicants was used for the extraction of statistics as per Article 4 of European Commission Regulation on Asylum and Migration Statistics (EC 862/2007).

In addition, the Unit continued to provide technical assistance to the Office of the Refugee Commissioner and the Department for Expatriates and Citizenship Affairs in the production of asylum statistics and residence permits respectively. The Unit also provided support to the European Migration Network in which the NSO actively participates. In this regard, the Unit contributed to several meetings and conferences, and worked in close collaboration with other agencies that are also contact points within the European Migration Network

### **Living Conditions**

#### **2012 Statistics on Income and Living Conditions (EU-SILC 2012)**

Another important task is the compilation of the EU-SILC (Statistics on Income and Living Conditions) Survey, which has been conducted annually since 2005. This survey uses Eurostat-based recommendations to produce indicators on poverty, social exclusion and living conditions, ensuring consistency and comparability across EU Member States. It is covered by a European Framework Regulation (EC 1177/2003).

The fieldwork for EU-SILC 2012 began in the second quarter, with a gross sample size of 4,931 households, of which 1,528 (31 per cent) participated for the first time. The sample also consisted of 26 per cent of households which were taking part for the second time, 22 per cent for the third time, and 21 per cent for the fourth time. The production of more reliable indicators is made possible through repeated contact with households over the years.

Data collection was carried out by means of Computer Assisted Personal Interviewing (CAPI), and a response rate of 87 per cent of eligible households was achieved. Interviewers were required to attend two separate briefings: the first covering the EU-SILC questionnaire and the second covering the use of the laptop and data entry programme.

The results of this survey are expected to be transmitted to Eurostat by June 2013.

### **2011 Statistics on Income and Living Conditions (EU-SILC 2011)**

In 2012, the Unit was actively involved in the analysis of the EU-SILC data collected in 2011. Data on employee income and social benefits were largely obtained from administrative records, reducing burden on respondents and improving quality. The finalised datasets were submitted to Eurostat in September, while detailed results will be presented in a series of news releases throughout 2013. The methodological aspects of the cross-sectional component, together with the main indicators and the corresponding sampling errors, were detailed in the intermediate quality report submitted to Eurostat in December.

### **2010 Statistics on Income and Living Conditions (EU-SILC 2010)**

In 2012, the EU-SILC 2010 project was finalised with the completion of the longitudinal datasets covering the period 2007-2010, and the submission of the final quality report to Eurostat. Indicators on poverty and social exclusion were disseminated in the SILC 2010 publication.

## **Culture**

The culture statistics domain continued to widen during 2012. In line with its four-year plan and in collaboration with the Creative Economy Working Group, the Unit contributed to five surveys in the range of cultural activities. These included studies on Good Friday processions, parish feasts, fireworks, museums and historical sites, and cinemas.

A new study on cinema statistics was undertaken for the first time and published by means of a news release. During the year under review, the collection of cinema statistics was further used for the compilation of two data collections on behalf of the United Nations Educational, Scientific and Cultural Organisation (UNESCO) and Media Salles.

In addition, extensive work was carried out in preparation for two surveys scheduled for 2013: cultural events organised by Local Councils, and library statistics. The Unit set up several meetings to discuss methodologies and the way forward for these two data

collections. For the first study, the Unit collaborated closely with the Superintendence of Cultural Heritage and finalised the questionnaire to be launched in 2013, as well as the back-end tool that will permit microdata entry. Work related to the preparation of databases on drama and music schools has also been carried out.

### **Other Activities and Publications**

Throughout 2012, the Unit continued to respond to various requests made by national and international users, including policy makers.

The Unit also worked with the Department of Health Information and Research (DHIR) in an exercise focusing on the health status of the Maltese population, with an emphasis on health inequalities. Inequalities may be analysed by region or by educational level.

In the course of the year, 12 news releases were published by the Unit, of which five commemorated international days, four featured areas in the cultural statistics domain, two focused on Statistics on Income and Living Conditions, and one on demography. In addition, a comprehensive publication covering the analysis of data on income, poverty and social exclusion was compiled and issued in the last quarter.

## **UNIT C2: LABOUR MARKET AND EDUCATION STATISTICS**

### **Labour Market**

#### **Labour Force Survey (LFS)**

The Labour Force Survey continued to be carried out using a rotation pattern of two in, two out, two in (2-(2)-2). The use of this rotation implies that selected households are contacted four times over a period of five quarters. This has the advantage of producing good estimates for each period as well as for period-to-period changes. As in previous waves of the LFS, the first interview is carried out using an external pool of interviewers who contact the households personally or via telephone, whereas the remaining three waves are carried out using telephone interviews with the assistance of an internal pool of interviewers.

All information collected from this enquiry is transmitted to Eurostat on a quarterly basis. All transmissions are carried out 12 weeks following the end of the quarter. Results from this survey are subsequently disseminated both at national and at European level.

The LFS is the EU source for a number of indicators such as unemployment, employment and activity rates. It is also being used to measure three of Europe's 2020 indicators, namely:

- employment rate for the 20-64 age group;
- the rate of early leavers from education and training;
- tertiary educational attainment.

During 2012 the LFS included an *ad hoc* module on the transition from work to retirement. Collection of information for this module took place during the first half of the year. Results are expected to be available in the first quarter of 2013.

### **Registered employment and unemployment data**

Throughout 2012, dissemination of registered employment and unemployment data continued to take place. The source of such data is the Employment and Training Corporation (ETC). The Unit compiles monthly releases on employment and unemployment. Registered unemployment data includes a profile of the unemployed by sex, region, age group and duration (of unemployment) as well as type of occupation sought. Data pertaining to the employed segment of the population cover the economic activities in which the working population is engaged, as well as the sex, professional status, region and economic sector in which full-time employed persons are engaged. Additional information is available on part-time employed persons and includes the economic activity of part-timers and the type of part-time job held.

In line with previous years, the Unit released revisions to the gainfully occupied population (GOP) series for the period 2002-2012. This revision was supplemented by the introduction of the NACE Rev. 2 classification for the same time series. This exercise was made possible by an intensive matching exercise between ETC company numbers and BR references, carried out during 2011 by the Business Statistics Directorate.

### **Accidents at work and occupational diseases**

Quarterly information on reported injuries at work was published by the Unit. The data source is the Social Security Department. Data are based on claims for injury benefits. Through the use of these claims, a profile of injuries occurring at the place of work is made available. This information includes sex, age, economic activity (of employer), size of enterprise, occupation and professional status of claimant, region, and part of body injured. The Social Security Department also provides the NSO with a description of the accident as given in the injury claim form. This information is subsequently codified to provide additional variables on the accident, in order to fulfil EU statistical obligations in this domain.

### **Labour Cost Index (LCI)**

The provision of a quarterly labour cost index to Eurostat was carried out during 2012. Dissemination of LCI data is in the form of an unadjusted, work-day adjusted and seasonally adjusted index. The sources used to compile this index are the Labour Force Survey (for data on hours of work) and National Accounts data (for compensation of employees). The Unit undertook a revision of the whole index series to take on board the conversion to NACE Rev. 2 by National Accounts. Prior to this, the Unit reclassified NACE Rev 1.1 data supplied by National Accounts through the use of a conversion matrix.

The quality report for the 2011 Labour Cost Index was submitted to Eurostat in September.

## **Job Vacancy Statistics (JVS)**

The Job Vacancy Survey is a quarterly exercise carried out among enterprises employing 10 persons or more who work on a full-time or part-time basis. This survey is carried out in accordance with Commission Regulation 19/2009. Information is collected primarily through email and ordinary mail, in addition to telephone data collection. Data are transmitted to Eurostat 70 days after the end of the reference quarter.

Apart from data collected directly from sampled enterprises, the Unit makes use of administrative sources for information relating to government departments and ministries and other public sector organisations.

During 2012 the Unit reviewed its weighting methodology and started to base it on the number of enterprises instead of on the number of employees. In view of this, JVS results are currently being revised to reflect this change in methodology.

In September the Unit compiled and transmitted the quality report for this enquiry to Eurostat.

## **Labour Market Policy (LMP)**

The data collection of labour market interventions continued throughout 2012, with the submission of data for 2011. Submissions relate to descriptive information on each measure, eligibility criteria and a profile of participants. The interventions which are recorded in the LMP database concern three groups: the unemployed, employed at risk and inactive. As a consequence, any national labour market intervention aimed at assisting these groups should be included in this database.

## **Structure of Earnings Survey (SES)**

During 2012 the Unit sought to conclude the data collection for the SES by using administrative sources, thereby reducing the response burden on the sampled enterprises. In this regard, use of administrative records on government employees, along with data from the Inland Revenue Department and the ETC, sufficed to produce all the information needed.

In the second half of the year, work was undertaken on the analysis and grossing up of the information collected. By September the first data transmission to Eurostat occurred. The final dataset was transmitted by mid-October while the quality report for the SES will be sent early in 2013.

The next Structure of Earnings Survey is planned for reference year 2014.

## **Structural indicators**

The Unit is responsible for the compilation of a number of structural indicators. These include gender pay gap, annual labour costs and annual earnings. These are worked out on an annual basis using different sources of information. In addition, statistics on the minimum wage are compiled on a bi-annual basis and forwarded to Eurostat.

The Unit is also responsible for the compilation of data related to tax and benefits. Such data are provided as part of an annual OECD questionnaire. The information is used to calculate the low wage trap, unemployment trap and inactivity trap.

## **Education**

The data collection relating to academic year 2011/2012 was undertaken between March and June 2012. Information on students and personnel in Church-led and independent schools was collected through the use of questionnaires. Data pertaining to state schools operating at pre-primary to secondary level were obtained from the administrative records of the Education Division. The Unit also undertook the data collection from public higher education institutions. In this regard, information requested from these institutions relates to the profile of students, data on learning mobility, courses offered, number of staff and data on graduates.

As part of its statistical obligations on education statistics, information on education finance was collected during the year. Data for schools and education-related entities operating in the public sector were obtained from the Public Finance Unit within the NSO itself. Independent educational institutions provided financial data on their schools whereas data for Church-led schools were provided directly by the Curia.

In 2012 the mapping of ISCED vis-à-vis the MQF (Malta Qualifications Framework) was finalised. This was made possible following close co-operation with the Malta Qualifications Council (MQC). This collaboration will need to be sustained in the future since the NSO intends to seek MQC's assistance when classifying courses that are not yet accredited but which nonetheless feature in data collections. In this regard, MQC is expected to provide a provisional MQF level to facilitate the codification into ISCED.

As in previous years, NSO also worked on statistics relating to foreign students learning English in Malta. The information for these statistics was collected by the Education Division through the use of electronic questionnaires. The NSO was subsequently responsible for the checking of the information and the publication of results.

### **Adult Education Survey (AES)**

During 2012 the Unit collected data for the Adult Education Survey. The target population encompassed persons between 25 and 64 years of age. Between April and June a number of interviewers were specifically engaged for the data collection phase. During the summer months all information was entered into a custom-made software programme and subsequently analysed. The first microdata set transmission to Eurostat and the finalisation of this survey, along with the preparation of the technical and quality report, is planned for the first quarter of 2013.

## **UNIT C3: INFORMATION SOCIETY AND TOURISM STATISTICS**

### **Information Society**

This domain features statistics on post and telecommunications, the ICT usage and e-Commerce in enterprises survey, and the ICT usage in households and by individuals' questionnaire. Both questionnaires were undertaken in 2012 in line with European Regulation (EC) No. 808/2004 and are directly comparable with those of other EU Member States and the EFTA countries. This data collection is partly financed through an EU grant.

On the other hand, statistics on post and telecommunications are based on information held by the Malta Communications Authority (MCA). In this case the Unit undertook the task of analysing the data and making them available to users in an accurate and timely manner.

### **Census on ICT usage and e-commerce in enterprises**

This survey was launched during the first quarter, and its main aim was to measure the extent of computer and internet usage among local enterprises with at least 10 employees. The ICT usage in enterprises survey was first undertaken in 2005 and has been ongoing annually ever since. Surveys are sent out by post; however face-to-face interviews are carried out in the case of enterprises which do not respond.

Key topics covered by this questionnaire include the use of e-Commerce and e-Government services as well as an *ad hoc* module for 2012 concerning the use of mobile internet for business purposes. A response rate of 87 per cent was achieved, and the data were subject to in-depth quality and consistency checks, taking a longitudinal approach. The data were calibrated and transmitted to Eurostat by November, in line with the terms of the grant agreement.

### **Survey on ICT usage in households and by individuals**

This survey, conducted during the second quarter, was undertaken to measure computer and internet usage in households and by individuals aged between 16 and 74. A stratified random sample of 1,500 individuals was selected. The survey was carried out with the help of a team of NSO part-time interviewers who carried out face-to-face interviews with the individuals selected. Similar to the ICT enterprise survey, ICT usage in households and by individuals has been an annual commitment since 2005.

Data collection follows similar terms to those set for the ICT enterprise survey. Among the topics covered in the questionnaire is the use of e-Commerce and e-Government facilities, as well as the use of mobile devices for business purposes. The response rate achieved was 78 per cent, and data were duly verified and calibrated before transmission to Eurostat by early December.

At a national level, key findings of the two surveys will be published in two news releases during the first quarter of 2013.

## **Post and telecommunications**

Throughout 2012, the Unit also took care of the analysis and dissemination of quarterly post and telecommunications statistics collected by the MCA. The timely issue of this information was facilitated by close cooperation with the latter organisation.

## **Tourism**

### **Tourist statistics**

NSO collects tourism information under European Regulation (EC) No. 692/2011. Within this framework, the NSO is obliged to collect information concerning both inbound and outbound tourism, as well as on domestic tourists. The NSO also collected information on same-day visitors to Malta on board a cruise ship. The European regulation governing tourism statistics came into force on 1 January 2012. This brought about new information obligations, particularly concerning national tourism. The Unit worked to make this transition as smooth as possible and a new CATI survey is being introduced in 2013.

### **Tourstat survey on inbound and outbound tourism**

In the course of 2012, the NSO maintained its commitment to deliver accurate and timely tourism statistics to its users. For this purpose the Unit carries out an ongoing frontier survey at the Malta International Airport (MIA) and at the Seaport. At its onset, the survey mainly targeted inbound tourists. However, as from 2010, the survey was modified so that more information on outbound tourism is collected. The variables requested include country of residence, length of stay, purpose of visit, type of accommodation and expenditure incurred.

The survey is calibrated using administrative data obtained from the MIA and the operators of sea passenger transport, with the intention of optimising survey results. Furthermore, a series of longitudinal quality and consistency checks are carried out to ensure that the data are as accurate as possible, and to minimise the risk of survey bias. The average response rate was 64 per cent. Ultimately the results are published in two monthly news releases. At a later stage, Eurostat also requires the transmission of aggregated data based on this source.

### **Census on collective accommodation establishments**

Throughout the year, the NSO maintained its commitment to collect tourism information also from the suppliers of tourism services. The main scope of this exercise was to measure the occupancy levels in hotels, guesthouses, apart-hotels and hostels. A census of accommodation establishments is carried out, and the findings are published in a monthly news release. Every effort is made to ensure a high response rate, which is consistently above 90 per cent. Furthermore, the Unit carries out a series of quality and consistency checks on all the data from hoteliers acquired with the aim of providing a high level of accuracy to its users.

Data on collective accommodation establishments are sent to Eurostat in a number of rapid key indicators eight weeks after the end of the reference month. This data

transmission is among the new information obligations under Regulation (EC) No. 692/2011.

### **Cruise passenger information**

The Unit publishes a monthly news release on cruise passenger traffic, based on administrative data collected by Transport Malta. Statistics contained in this release are a measure of same-day visitors to Malta, a growing niche in the local tourism scene. Such data are not mandatory under EC Regulation; however the NSO recognises their value for national users and as a component for the future compilation of Tourism Satellite Accounts.

### **Survey on domestic tourism**

The Unit reinforced its efforts to provide information on domestic tourism as part of its European obligations. After the piloting stage was successfully completed, a fully-fledged survey was implemented and results were sent to Eurostat within the pre-set time frames.

### **Radio and TV audience survey**

The Unit also conducts the ongoing radio and TV audience survey commissioned by the Broadcasting Authority. This survey has been carried out for a number of years, and duly cleaned and calibrated data are sent to the Authority on a quarterly basis. In 2012 a number of enhancements were made to the questionnaire to capture new market trends. This also required an effort from the IT Systems Unit.



**DIRECTORATE D: RESOURCES AND  
SUPPORT SERVICES**



With effect from 2 May, the Director General took over the supervision and coordination of this Directorate.

## UNIT D1: PERSONNEL AND BUDGETARY MATTERS

### Personnel

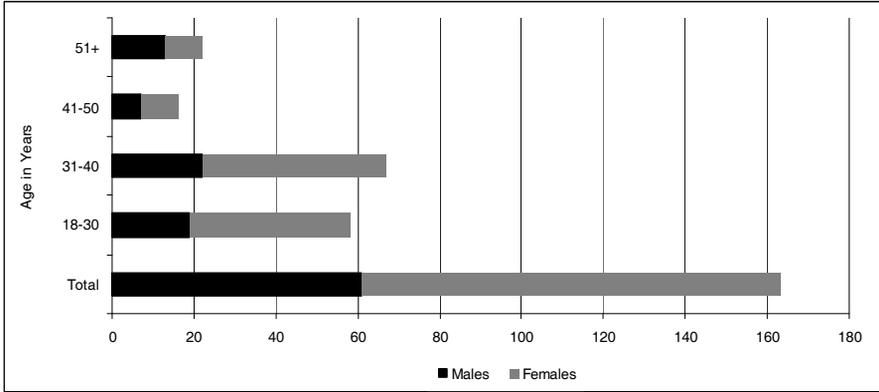
The total workforce at NSO for 2012, including employees who worked part of the year and resigned, were seconded to a ministry, were on a career break, or were on maternity leave, added up to 163. Table 1 illustrates that female participation is substantially larger than male; with a ratio of 1.7:1, women comprise 63 per cent of the staff complement. The grade of statistician is the strongest segment, accounting for 45 per cent of total employment. It is made up of eight principal statisticians, 20 senior statisticians and 52 statisticians. The management team is composed of the director general, three directors, one legal advisor, 17 unit managers and the financial controller. Although female participation in the management team is increasing from year to year, in this group men outnumber women at a ratio of approximately 2:1. Other personnel include 36 executive staff, 17 clerical staff and seven support staff. Female concentration in these groups is significant, with a female to male ratio of approximately 2:1.

**Table 1. NSO staff members by function: December 2012**

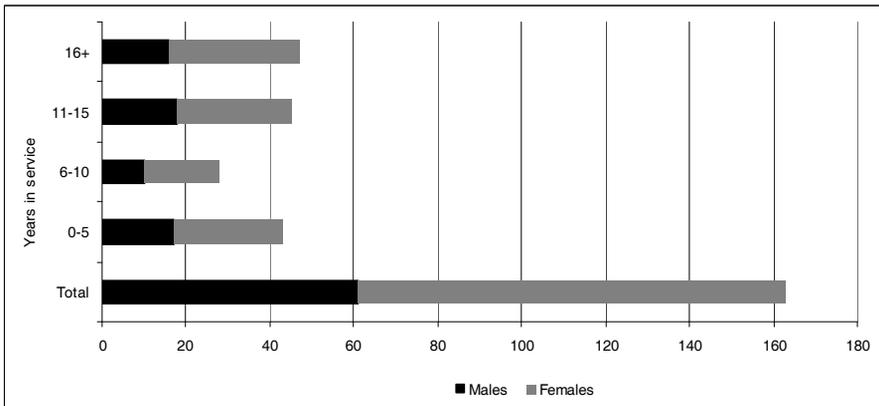
Function	Males	Females	Total
Management team	15	8	23
Statisticians	24	56	80
Executive staff	10	26	36
Clerical staff	7	10	17
Support staff	5	2	7
<b>Total</b>	<b>61</b>	<b>102</b>	<b>163</b>

Charts 1 and 2 show the composition of the NSO workforce. Apart from the female concentration, especially in the younger age brackets, one notes that the staff complement is relatively young, with 77 per cent under 41 years of age.

**Chart 1. Staff distributed by sex and age**



**Chart 2. Staff distributed by sex and years in service**



In the past decade, there have been consecutive intakes of staff in possession of higher levels of educational attainment. However, maintaining a balance between experience and academic achievement is vital for the regeneration of the Office. Chart 2 presents a visual distribution of staff by the number of years in service, indicating the experience-spread which illustrates build-up and inter-temporal continuity. The predominant group is the 16+ years in service, followed by the 11-15 year bracket. The weakest is the 6-10 year group. Approximately 44 per cent of staff members were recruited since 2002, while about 26 per cent were recruited since 2007. This is the result of staff turnover within the more recent brackets, which necessitate the recruitment of new graduates.

**Chart 3. Staff distributed by highest level of education and years in service**

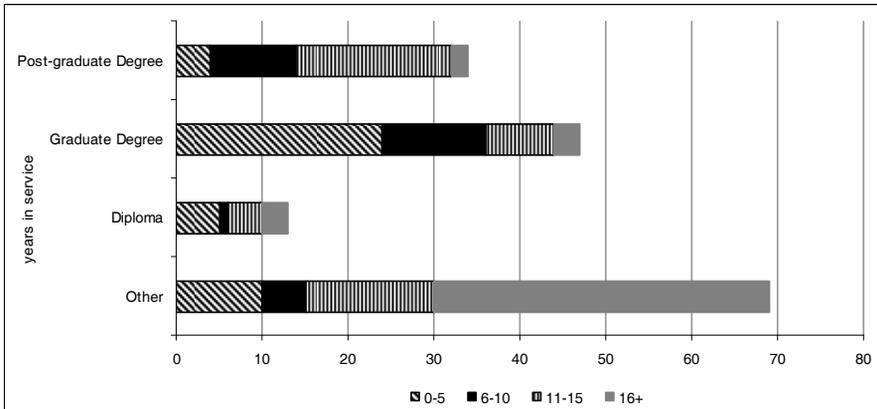


Chart 3 analyses the relationship between the level of education and work experience. The majority of graduates are new in terms of experience. Requirements for new recruits for the post of statistician are an Honours degree in Statistics, Economics, Mathematics, Accountancy, Banking, Finance, Sociology or Geography, or other related degrees, or equivalent professional qualifications with any of these disciplines as a major area of study. The required grade is Second Lower or better. Over 57 per cent of staff members exceed post-secondary education. Of these, 13 were in possession of a relevant diploma certificate, 47 had a first degree, and 34 had a post-graduate educational level.

**Table 2. NSO staff members opting for family-friendly measures: 2012**

	Males	Females	Office days/wk	Office hrs/wk	Home days/wk	Home hrs/wk	Total hours
Reduced Hours	0	6	30.00	160.00	0.00	0.00	160.00
Teleworking	0	9	24.63	197.00	20.38	163.00	360.00
Reduced Hours and Teleworking	0	16	41.23	222.00	38.77	199.00	421.00
<b>Total</b>	<b>0</b>	<b>31</b>	<b>95.86</b>	<b>579.00</b>	<b>59.15</b>	<b>363.00</b>	<b>941.00</b>

Within the NSO, 18 per cent of the workforce, or 31 persons, are availing themselves of family-friendly measures, working on a reduced-hour or telework basis.

Table 2 shows this group to be an all-female one. Of these, 18 persons, or 58 per cent are statisticians, one is a member of the management team, and the remainder are statistics executives, clerks or interviewers.

The weekly hours worked by persons opting for family-friendly measures are estimated at 941, approximately full-time equivalent in respect of 24 persons. The weekly office days worked by these staff members amounted to 95.86 from a total of 155 days, the latter approximating the full-time equivalent in respect of 19 persons.

## Training

### Local training

During 2012, 11 employees attended courses organised by the Centre for Development Research and Training (CDRT) as shown in Table 3.

**Table 3. Courses organised by the CDRT: 2012**

Training type	No. of participants
Excel (Basic)	1
Managing Team Stress	1
Principles of Project Management	1
An Introductory Approach to Data Analysis	2
Introduction to Statistical Analysis using SPSS	3
Social Sustainability	1
Business Intelligence	1
SAP Business Objects	1
<b>Total</b>	<b>11</b>

These 11 persons were among 48 staff members who took part in other local training courses, as shown in Table 4. Among others, a training programme entitled 'Team Building' for managers and directors, was led by Dr Paul Gauci.

**Table 4. Local courses: 2012**

<b>Training type</b>	<b>No. of participants</b>	<b>% of Total</b>
<b>ICT-related Training</b>	<b>1</b>	<b>2.1</b>
Excel (Basic)	1	2.1
<b>Management Development Training</b>	<b>21</b>	<b>43.8</b>
Managing Team Stress	1	2.1
Principles of Project Management	1	2.1
Training Programme - Team Building	19	39.6
<b>Continuous Development Training</b>	<b>26</b>	<b>54.2</b>
An Introductory Approach to Data Analysis	2	4.2
Introduction to Statistical Analysis using SPSS	3	6.3
Social Sustainability	1	2.1
Business Intelligence	1	2.1
SAP Business Objects	1	2.1
Electronic Procurement	2	4.2
MEA Information Session	2	4.2
Public Sector Accounting Standards	3	6.3
Ship Registration in Malta	1	2.1
Information Seminar for Public Sector Entities	2	4.2
Academy Training Workshop - Interpretation of Financial Statements of Insurance Companies	6	12.5
Seminar on the European Qualifications Framework – National Awards System and the 3rd Edition of the Revised Referencing Report	2	4.2
<b>Total 2012</b>	<b>48</b>	<b>100.0</b>
<b>Total 2011</b>	<b>76</b>	<b>100.0</b>

## Training abroad

Table 5 shows participation in training abroad. In the year under review, nine employees attended training and study visits abroad. Most of the courses were organised by Eurostat within the European Statistical Training Programme (ESTP) framework.

**Table 5. Training abroad: 2012**

Training type	No. of participants	% of Total
<b>Methodology</b>	<b>3</b>	<b>33.3</b>
ESTP - Introduction to Seasonal Adjustment and Demetra +	1	11.1
ESTP - Non Response in Household Surveys	1	11.1
ESTP - SDC	1	11.1
<b>National Accounts and Public Finance</b>	<b>4</b>	<b>44.4</b>
ESA95 - National Accounts	1	11.1
ESTP - Seasonal Adjustment and Demetra+	1	11.1
National Accounts in Practice - Modular Advanced Course	1	11.1
Seminar on The Implementation of The Impact of The New ESA2010 for Government Finance Statistics	1	11.1
<b>Other thematic training</b>	<b>2</b>	<b>22.2</b>
Air Emission Accounts	1	11.1
Environmental Protection Expenditure and Accounts Related Topics	1	11.1
<b>Total 2012</b>	<b>9</b>	<b>100.0</b>
<b>Total 2011</b>	<b>13</b>	<b>100.0</b>

## Official business abroad

Table 6 gives an outline of business meetings abroad. This profile comprises three sections: participants by function, type of business, and monthly distribution. From such a profile, one can assess the ongoing travel commitments of the NSO.

**Table 6. Travel-related profile: 2011 and 2012**

Participation by function	Business trips		Business days	
	2011	2012	2011	2012
Management Team	79	89	159	213
Statisticians and Programmer III	51	31	153	112
Executive Staff	1	1	3	3
<b>Total</b>	<b>131</b>	<b>121</b>	<b>315</b>	<b>328</b>
<i>Description by type</i>				
Committees and Task Forces	6	6	10	20
Conferences and Seminars	7	3	46	11
Council Meetings, GNI and Other Meetings	39	46	78	119
Study Visits and Training	13	11	46	44
Working Groups/Parties and Workshops	66	55	135	134
<i>Distribution by month</i>				
January	3	5	4	14
February	7	7	17	17
March	23	13	48	32
April	6	13	12	37
May	16	9	73	26
June	28	13	64	41
July	2	4	3	9
August	-	-	-	-
September	10	11	14	28
October	17	13	40	30
November	11	24	28	75
December	8	9	12	19

In total, staff members participated in 121 official trips abroad spread over 328 business days, implying a monthly average of 10 trips or 27 business days. The majority of business travel was conducted by the management team, which reflected the most salient business: Working Groups and Meetings. Junior members in the statistician and executive grades are more likely to attend study visits and training courses. The latter are considered to be vital to the required capacity building of the Office, as such training programmes and grant agreements give participants the necessary exposure to specific training sessions delivered by experts in the respective field. Together with the in-depth learning opportunities, such programmes harness and breed the sharing of ideas and experiences with other international counterparts, mainly among participants from EU Member States.

Table 7 summarises the direct financial burden on the Office related to official business abroad. Although the NSO generally receives financial support from the European Commission and other institutions to cover travelling expenses in connection with working groups and other meetings, expenditure such as subsistence allowances and insurance are in most cases borne by the Office. In 2012, the NSO financed 55 per cent of the total costs of all official business abroad, amounting to €67,618.

**Table 7. NSO's travel-related expenses before reimbursement: 2012**

Month	Per diem and other expense		Travel		Insurance		Total Cost €
	No. of days*	€	No. of Trips	€	No. of Persons	€	
January	14	1,907	5	2,282	5	70	<b>4,259</b>
February	18	2,857	7	3,394	7	98	<b>6,349</b>
March	32	5,916	13	5,046	13	140	<b>11,102</b>
April	41	5,424	13	5,673	13	168	<b>11,265</b>
May	26	4,257	9	4,524	9	126	<b>8,907</b>
June	44	8,247	13	7,974	13	182	<b>16,402</b>
July	9	1,616	4	3,326	4	56	<b>4,998</b>
August	-	-	-	-	-	-	-
September	37	5,197	11	5,622	11	140	<b>10,959</b>
October	30	4,887	13	6,507	13	168	<b>11,562</b>
November	77	14,475	24	12,586	24	294	<b>27,354</b>
December	29	5,317	9	4,546	9	112	<b>9,975</b>
<b>Total 2012</b>	<b>357</b>	<b>60,100</b>	<b>121</b>	<b>61,480</b>	<b>121</b>	<b>1,554</b>	<b>123,132</b>

\*including weekends and public holidays

## Grant Agreements

Table 8 lists six grant agreements that were concluded in 2012, signifying projects that were carried out by the NSO and approved by the European Commission. Such agreements are essential to the NSO in view of the ever increasing statistical commitments and own resource constraints. The total value of the projects covered by these grant agreements was €339,065, of which 56 per cent was financed by the European Commission and the remaining 44 per cent by the NSO.

**Table 8. Total value (in euro) of grant agreements concluded in 2012**

Reference	Total cost of project	NSO contribution	EU contribution
2010 Survey on the Structure of Agricultural Holdings	140,165	90,165	50,000
Data Collection on ICT Usage and e-Commerce in Enterprises 2011	58,984	7,230	51,754
Data Collection on ICT Usage in Households and by Individuals 2011	59,799	26,096	33,703
Environmental Statistics and Accounts: Environmental Accounts - Environmental Taxes	31,092	9,327	21,765
Pilot Study on Owner Occupied Housing (OOH) in the Framework of the HICP - Stage 4	9,436	2,831	6,605
LFS - 2011 <i>ad hoc</i> Module on Employment of Disabled People	39,589	11,877	27,712
	339,065	147,526	191,539

## UNIT D2: EXTERNAL COOPERATION AND COMMUNICATION

The tasks carried out by the Unit can be classified into international relations, information services and desktop activities and cover three main functions:

1. External cooperation
2. Communication
3. Dissemination

### External Cooperation

#### Parliamentary questions

The Unit has a coordinating role in the management of Parliamentary Questions (PQs) across the NSO organisational structure. During 2012, the Office provided responses to 83 PQs and supplied 22 data files. The distribution among the various remits as at December 2012 is shown in Table 9.

**Table 9. PQs addressed to the NSO in 2012**

<b>Directorate</b>	<b>No.</b>
Director General	3
Economic Statistics	25
Business Statistics	4
Social Statistics and Information Society	11
Resources and Support Services	40
<b>Total</b>	<b>83</b>

#### Coordination of grant-based projects

The Unit has the responsibility to monitor grants, awarded mostly by the European Commission. To this end, the Unit works closely with the technical units and with Personnel and Budgetary Matters. The main tasks include:

- filling of grant applications in collaboration with the technical project managers;
- submission of applications within the stipulated deadlines;
- dealing with clarifications and follow-up actions required by the European Commission;
- ensuring that deliverables are submitted on time;
- retaining documentation of the procedures in the Registry files.

Table 10 details the grant projects which were awarded to the NSO in 2012. In all, nine applications were submitted. Grant applications in the year under review had to have an estimated contribution by the European Commission of not less than €50,000. This was subsequently revised down to €25,000.

**Table 10. Grants awarded to the NSO in 2012**

Reference No.	Grant name	Technical unit
20602.2012.001-2012.269	Eurostat grants for 2012. Theme: 2.06 - Prices. Title: "Provision of basic information on Purchasing Power Parities (PPP)"	Price Statistics
20101.2012.002-2012.943	Eurostat grants for 2012. Theme 2.01- Annual economic accounts. Title: "Improvement of quality of national accounts"	National Accounts
40201.2012.002-2012.989	Eurostat grants for 2012. Theme 4.02 - Farm Structure Survey 2013. Title: "Contribution of the European Union to farm structure survey 2013"	Agricultural and Fisheries Statistics
50701.2012.003-2012.363	Eurostat grants for 2012. Theme: 5.07 - Information Society. Title: "Data collection on ICT usage 2013"	Information Society and Tourism Statistics
20601.2012.001-2012.296	Eurostat grants for 2012. ESTAT C5. Theme: 2.06 – Title: "Harmonised Consumer Price Indices"	Price Statistics
50502.2012.001-2012.517	Eurostat grants for 2012. Theme: 5.05 - Geographical and local information. Title: "Merging statistics and geospatial information in Member States"	Cross-unit project
60502.2012.003-2012.500	Eurostat grants for 2012. Theme 6.05.02 - Management of data in the reference databases. Title: "Horizontal and vertical integration: Implementing technical and statistical standards in the European Statistical System"	Cross-unit project
10502.2012.001-2012.472	Eurostat grants for 2012. Theme 1.05 - Health and safety. Title: "Labour Force Survey 2013 ad hoc module on accidents at work and other work-related health problems"	Labour Market and Education Statistics
10301.2012.001-2012.509	Eurostat grants for 2012. Unit F5. Theme: 1.03 - Education Statistics. Title: "Implementation of ISCED 2011"	Labour Market and Education Statistics

### International affairs

The international affairs function of the Unit chiefly involves (1) monitoring the status of EU legislation in progress; and (2) driving and sustaining the developing relations between the NSO, supranational and international organisations, including:

1. Eurostat;
2. European Commission;
3. The Presidency of the Council of the European Union;
4. The European Central Bank (ECB);
5. National Statistical Institutes;
6. International Monetary Fund (IMF);
7. International Labour Organisation (ILO);
8. Organisation for Economic Cooperation and Development (OECD).

In the course of 2012, the Unit made interventions at the Council Working Party on Statistics in connection with developments in EU legislation. Table 11 shows the officials who represented Malta in this high-level meeting. It also details the principal pieces of legislation discussed in the Working Party during the year under review. These were the proposed regulations in respect of: the European system of national and regional accounts; the European statistical programme for the next five years; and the amending regulation to Regulation No. 223/2009 on European statistics.

**Table 11a. Officials who represented Malta: 2012**

<b>Council Working Party session</b>	<b>Name of NSO official</b>
17 January 2012	M. Pace Ross
2 February 2012	M. Pace Ross
14 March 2012	M. Pace Ross
29 March 2012	J. Bonello
19 April 2012	R. Camilleri
10 May 2012	M. Pace Ross
30 May 2012	R. Camilleri
20 June 2012	M. Pace Ross
11 July 2012	M. Pace Ross
18 September 2012	R. Camilleri
10 October 2012	M. Pace Ross
30 October 2012	M. Pace Ross
19 November 2012	M. Pace Ross
12 December 2012	M. Pace Ross

**Table 11b. EU legislation in the making: Instruction notes compiled by the NSO in 2012**

Regulation	Council Working Party session
Proposal for a Regulation of the European Parliament and of the Council on the European system of national and regional accounts in the European Union (ESA 2010)	17 January 2012 2 February 2012 14 March 2012 29 March 2012 19 April 2012 30 May 2012 20 June 2012 18 September 2012 30 October 2012
Proposal for a Regulation of the European Parliament and of the Council on the European statistical programme 2013-2017	2 February 2012 14 March 2012 29 March 2012 19 April 2012 10 May 2012 11 July 2012 10 October 2012
Proposal for a Regulation of the European Parliament and of the Council on European statistics on demography	10 May 2012 30 May 2012 20 June 2012
Proposal for a Regulation of the European Parliament and the Council amending Regulation (EC) No. 223/2009 on European Statistics	20 June 2012 11 July 2012 18 September 2012 10 October 2012 30 October 2012 19 November 2012 12 December 2012

## Communication

### Media monitoring service

The Unit provides a press monitoring service in order to measure the extent of coverage, quality and accuracy of reports on NSO statistical releases and publications in the print and internet-based media. This also includes coverage of Eurostat news releases and publications in national newspapers, and, to a lesser extent, on local radio and television. With regard to the year under review, the Unit monitored around 1,800 newspaper coverages, taking into account the weekend papers and a good proportion of the online versions of the print media, as well as the electronic media. Television and radio coverage is not included in this estimate below. Table 12 provides an overview of the recorded NSO presence in the printed and online media.

**Table 12. Media coverage by statistical domain**

<b>Theme</b>	<b>% coverage</b>
Economy and Finance	21.8
Population and Social Conditions	20.8
Industry and Services (incl. Tourism and ICT Statistics)	19.8
Agriculture and Fisheries	4.3
International Trade and Transport	6.6
Environment and Energy	1.6
Census 2011	1.1
Eurostat Mentions	20.8
NSO Mentions and Advertisements	3.2
<b>Total</b>	<b>100.0</b>

An important tool in the media monitoring service is the Knowledge Management – KM@NSO – developed in 2009 in collaboration with the IT Systems Unit. This system includes a knowledge repository. Media coverages are attributed to the different units and directorates within the NSO and recorded accordingly in the system.

The Unit also receives occasional requests from media professionals to assist them with information in the preparation of their articles and programmes. The Unit takes care to deal with such requests quickly and effectively.

## Dissemination

### Information requests

The Unit encourages the concept of a single entry point for all statistical information requests. Requests may be 'simple', in which cases they are dealt with directly by the unit staff, or 'complex', where resort is made to the technical units. Among other things, a single-entry-point approach ensures fairness and consistency in the application of cost-recovery charges to users who lodge complex requests.

In all, in the year under review, the Unit processed 1,700 requests through the online request management system and through the NSO generic mailbox. Telephonic information requests dealt with by the Unit are estimated at an average of seven per working day.

A breakdown by statistical theme of information requests received through the online request management system is shown in Table 13.

**Table 13. Information requests - % share by statistical theme**

Theme	% theme
Economy and Finance	11.6
Population and Social Conditions	18.6
Industry and Services (incl. Tourism and ICT Statistics)	14.3
Agriculture and Fisheries	8.0
International Trade and Transport	24.5
Environment and Energy	9.0
Other	14.0
<b>Total</b>	<b>100.0</b>

Requests were further analysed from the approach of user type. Students/academics made up 31 per cent of users, commercial requests accounted for about 25 per cent, requests by government departments and entities for 17 per cent, and those lodged by private users and the general public for 15 per cent of total requests.

## Library

In the year under review, the Unit continued to develop the library collection. Classification of the items by subject is proceeding at a regular pace. The process of cataloguing the library holdings in a database started in August, with over 1,600 items currently recorded.

## News releases and publications

The desktop publishing branch of the Unit is responsible for the coordination and maintenance of the advance release calendar, as well as for the layout and formatting of news releases and publications, including liaising with the providers of printing services. Table 14 shows a time series of the NSO's news release output. A classification by statistical theme is presented in Table 15.

**Table 14. News releases: 2002-2012**

Year	Number
2002	147
2003	207
2004	249
2005	281
2006	292
2007	207
2008	232
2009	236
2010	249
2011	250
2012	253
2013	250*

\* projected

**Table 15. News releases in 2012 - % share by statistical theme**

<b>Theme</b>	<b>% theme</b>
Economy and Finance	25.3
Population and Social Conditions	18.2
Industry and Services (incl. Tourism and ICT Statistics)	35.1
Agriculture and Fisheries	9.1
International Trade and Transport	9.5
Environment and Energy	2.0
Science and Technology	0.8
<b>Total</b>	<b>100.0</b>

Thirteen full publications were issued in 2012, as detailed in Table 16.

**Table 16. Publications: 2012**

<b>Title</b>	<b>Format</b>
Culture Participation Survey 2011	Print and online
NSO Annual Report 2011	Print and online
Agriculture and Fisheries 2010	CD and online
Social Protection: Malta and the EU 2011	Print and online
ICT Usage by Enterprises and Households 2011	Print and online
Transport Statistics 2011	CD and online
Census of Agriculture 2010	Print and online
Gozo in Figures: 2007-2011	Print and online
Transport Statistics 2012	CD and online
Census of Population and Housing 2011: Preliminary Report	Print and online
Malta in Figures 2012	Print and online
Statistics on Income and Living Conditions 2010	Print and online
Agriculture and Fisheries 2011	CD and online

## **NSO website**

The website has developed into the Office's principal dissemination medium. Virtually all the NSO's published output is available on the web for browsing and download on an unlimited access basis and free of charge.

At a meeting held on 20 April 2011 at the GO offices, the issue of the NSO/GO support agreement was discussed. The GO management informed the NSO that they would not provide any website support beyond the end of 2011. Accordingly, MFEI set in motion the process for an alternative provider to take over the support function of the NSO website from GO. The new service provider for support of the current NSO website is Alert Communications Ltd. At present, Alert personnel are familiarising themselves with the functionality of the website.

The website administrator within the Unit is responsible for publication uploads, as well as for the StatDB, sources and methods, and selected indicators updates submitted periodically by the technical units. NSO's indications are that StatDB, the NSO's online statistical database, is gaining ground with users. Table 17 shows updates undertaken by the Unit in the year being reviewed, with the co-operation of the technical units. The horizontal white cells denote the reference periods in respect of the variables. The columns show the calendar quarters in which updates were uploaded.

**Table 17. StatDB updated time series: 2012**

Statistical variable	Frequency	2012			
		March	June	September	December
GDP and GNI (ESA 95)	Quarterly	2011Q4	2012Q1		2012Q3
Government consolidated fund	Quarterly	2011Q4	2012Q1	2012Q2	2012Q3
Government expenditure on social security benefits	Quarterly		2012Q1	2012Q2	2012Q3
Government debt	Quarterly	2011Q3	2011Q4	2012Q1	2012Q2
General government sector financial accounts, transaction	Quarterly	2011Q3	2011Q4	2012Q1	2012Q2
General government sector financial accounts, stocks	Quarterly	2011Q3	2011Q4	2012Q1	2012Q2
General government sector non-financial accounts	Quarterly	2011Q3	2011Q4	2012Q1	2012Q2
Government consolidated fund	Annual	2011			
General government sector non-financial accounts	Annual		2011		
Government debt	Annual		2011		
Detailed tax and social contributions receipts	Annual				2011
Balance of payments	Quarterly		2012Q1		2012Q3
International investment position	Monthly			2011M12	2011M12
STBS industrial indicators	Monthly				2012M10
STBS industrial indicators	Quarterly				2012Q2
STBS services indicators	Monthly				2012M9

Statistical variable	Frequency	2012			
		March	June	September	December
STBS services indicators	Quarterly				2012Q2
STBS construction indicators	Quarterly				2012Q3
Fruit and vegetables, market sales	Monthly	2011M12			
Crude death rate, Crude birth rate, and Total fertility rate	Annual				
Educational level successfully completed for 15+ persons	Quarterly		2011Q3		
Labour status for 15+ persons	Quarterly		2011Q4		
Total employed persons by age group	Quarterly		2011Q4		
Total employed persons by economic activity	Quarterly		2011Q4		
Total employed persons by occupation	Quarterly		2011Q4		
Total employed persons by professional status	Quarterly		2011Q4		
Total inactive persons by age group	Quarterly		2011Q4		
Total unemployed persons by age group	Quarterly		2011Q4		
Total unemployed persons by unemployment duration	Quarterly		2011Q4		
Information society, absolute figures	Quarterly	2011Q4	2012Q1		2012Q2
Information society, indices	Quarterly	2011Q4	2012Q1		2012Q2

## **Special Data Dissemination Standard (SDDS)**

### **Enhancements**

In 2012, the Unit made a series of enhancements to Malta's National Summary Data Page (NSDP). Mainly, these involved the provision of time series for all the SDDS categories. The IMF had communicated that these time series were being actively sought by SDDS users. On the NSDP, the NSO time series are available directly in Excel files, while the CBM time series are provided through hyperlinks to the Bank's own datasets.

### **Metadata**

Following Malta's subscription to the IMF Special Data Dissemination Standard on 1 December 2009, Malta's metadata as at December 2012 were reviewed by the IMF Statistics Department and submitted for posting on the IMF's Dissemination Standards Bulletin Board. In addition to availability on the IMF website, Malta's SDDS contributions and metadata may be viewed at: <http://www.nso.gov.mt/site/page.aspx?pageid=507>

### **Legal notices**

During 2012, in conjunction with the Legal Advisor, the Unit supervised the issue of two legal notices related to the Office's operations. These are:

L.N. 70 of 2012 Index of Inflation for the Year 2011

L.N. 223 of 2012 Immovable Property Price Index as on 1st April 2012

## **UNIT D3: IT SYSTEMS**

The role of the Unit is to provide support on IT-related matters to the whole organisation. Throughout 2012, the main focus of the Unit remained software development and desktop support. Another fundamental task involved carrying out research and analysis on new technologies that can be exploited by the NSO.

### **Software Development**

A total of 22 software applications were developed by the Unit during the year under review. Of these, six were designed for Computer Assisted Telephone Interviewing (CATI). The remaining projects consisted of Windows-based applications for data capturing and/or data analysis. There were also applications developed in previous years that required enhancements.

### **IT Support**

The Unit responded to and dealt with over 200 internal calls for IT support. These were mostly software-related and were therefore quickly settled internally. Hardware-related issues were tackled by the respective suppliers. There were also

calls for support from the Central Bank of Malta and the Office of the Refugee Commissioner on the Balance of Payments and the REFCOM systems respectively.

The Unit was also engaged in the maintenance and administration of four servers.

### **IT Services by External Service Providers**

A team from the Malta Information Technology Agency (MITA) contributed software development services to the NSO. During 2012 the effort of this team was exerted on enhancements and adaptations of existing software.

### **Eurostat-related Matters**

The Unit was also responsible for maintaining the eDAMIS data transmission portal. This portal is hosted on one of the servers administered by the Unit and is used by the NSO units to transmit data to Eurostat. Various other IT tools supplied by Eurostat are also supported by IT personnel.

### **Meetings Abroad**

In addition, the Unit was represented in five international meetings and workshops.