

# News Release



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## **Business**

### **Manufacturing Survey: January-March 2008**

*Sales, employment and investment in the sampled enterprises in the manufacturing industry declined during the first quarter of 2008 when compared to the same quarter last year, whilst wages and salaries edged up.*

#### **Sales**

During the first quarter of 2008, sales by the sampled manufacturing enterprises stood at €539.2 million, a decrease of €41.6 million or 7.2 per cent when compared to the same period in 2007. The decrease was mainly due to the Radio, TV and Communication equipment sector and the Electrical machinery and apparatus sector. Lower sales were also registered by the Wearing apparel and clothes, the Furniture and manufacturing n.e.c., and the Other transport equipment sectors.

Higher sales during the first quarter 2008 were registered by the Chemicals and chemical products, Food and Beverages, and Other nonmetallic mineral products sectors.

Export-oriented enterprises generated €429.8 million or 79.7 per cent of the total sales.

#### **Employment, Wages and Salaries**

In the first quarter this year, employment in the sampled enterprises declined by 679 employees to 17,565 from 18,244 in the same period last year.

Lower employment levels were recorded mainly in the Wearing apparel and Clothes sector and the Radio, TV and Communication equipment sector, with a decrease of 643 and 294 employees respectively.

Increases in employment were mainly recorded in the Chemicals and chemical products sector and the Food and Beverages sector, with 108 and 86 employees respectively.

In the period under review an amount of €71.6 million was paid out in gross wages and salaries by the sampled enterprises.

#### **Investment**

During the January-March quarter, overall investment in the sampled enterprises amounted to €39.4 million, a decrease of €15.5 million when compared to the first quarter of 2007■

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Table 1. Total sales

€'000

NACE and sector	January-March		
	2006	2007	2008
15/16 Food and Beverages; Tobacco	64,816	53,903	58,608
17 Textiles and textile products	10,424	9,999	10,488
18 Wearing apparel and clothes	15,017	14,045	5,665
19 Leather and leather products	2,331	1,267	643
20 Wood and wood products	360	358	567
21 Paper and paper products	4,094	3,853	3,837
22 Publishing and printing	22,805	36,088	41,413
24 Chemicals and chemical products	31,747	41,733	58,671
25 Rubber and plastic products	23,171	24,959	26,721
26 Other nonmetallic mineral products	11,243	11,819	14,082
28 Fabricated metal products	10,655	10,066	11,354
29 Machinery and equipment n.e.c.	6,683	7,392	9,160
30/31 Electrical machinery and apparatus	28,481	41,445	25,771
32 Radio, TV and Communication equipment	279,010	273,215	229,906
33 Medical, precision and optical instruments	11,998	12,073	12,498
34 Motor vehicles, trailers and semitrailers	486	292	90
35 Other transport equipment	7,058	7,307	5,280
36 Furniture and Manufacturing n.e.c.	26,558	30,983	24,480
<b>Total for sampled enterprises</b>	<b>556,935</b>	<b>580,797</b>	<b>539,236</b>

Table 2. Investment

€'000

NACE and sector	January-March		
	2006	2007	2008
15/16 Food and Beverages; Tobacco	2,582	11,187	8,913
17 Textiles and textile products	4,094	812	0
18 Wearing apparel and clothes	29	19	0
19 Leather and leather products	0	112	0
20 Wood and wood products	1	0	0
21 Paper and paper products	41	160	0
22 Publishing and printing	2,032	16,741	6,170
24 Chemicals and chemical products	4,544	7,566	5,346
25 Rubber and plastic products	590	996	640
26 Other nonmetallic mineral products	463	1,572	2,245
28 Fabricated metal products	31	588	178
29 Machinery and equipment n.e.c.	21	85	26
30/31 Electrical machinery and apparatus	564	1,119	131
32 Radio, TV and Communication equipment	23,263	11,871	10,130
33 Medical, precision and optical instruments	488	254	241
34 Motor vehicles, trailers and semitrailers	1	0	60
35 Other transport equipment	23	15	1,759
36 Furniture and Manufacturing n.e.c.	2,310	1,773	3,531
<b>Total for sampled enterprises</b>	<b>41,079</b>	<b>54,871</b>	<b>39,370</b>

**Table 3. Employment**

NACE and sector	End of March		
	2006	2007	2008
15/16 Food and Beverages; Tobacco	3,055	2,799	2,885
17 Textiles and textile products	435	422	417
18 Wearing apparel and clothes	1,166	1,055	412
19 Leather and leather products	259	182	102
20 Wood and wood products	53	55	110
21 Paper and paper products	265	269	256
22 Publishing and printing	1,613	1,647	1,719
24 Chemicals and chemical products	872	976	1,084
25 Rubber and plastic products	1,607	1,610	1,596
26 Other nonmetallic mineral products	730	774	781
28 Fabricated metal products	648	576	560
29 Machinery and equipment n.e.c.	364	450	428
30/31 Electrical machinery and apparatus	1,264	1,383	1,460
32 Radio, TV and Communication equipment	3,150	3,307	3,013
33 Medical, precision and optical instruments	1,019	872	908
34 Motor vehicles, trailers and semitrailers	53	52	23
35 Other transport equipment	209	238	266
36 Furniture and Manufacturing n.e.c.	1,676	1,577	1,545
<b>Total for sampled enterprises</b>	<b>18,438</b>	<b>18,244</b>	<b>17,565</b>

**Table 4. Wages and salaries**

NACE and sector	January-March		
	2006	2007	2008
15/16 Food and Beverages; Tobacco	9,756	9,029	9,551
17 Textiles and textile products	1,705	1,611	1,243
18 Wearing apparel and clothes	3,477	3,317	1,193
19 Leather and leather products	696	395	255
20 Wood and wood products	139	138	314
21 Paper and paper products	1,041	1,093	1,000
22 Publishing and printing	7,056	7,287	7,936
24 Chemicals and chemical products	3,813	4,457	5,538
25 Rubber and plastic products	6,105	6,086	6,376
26 Other nonmetallic mineral products	2,122	2,310	2,409
28 Fabricated metal products	2,213	2,029	1,986
29 Machinery and equipment n.e.c.	1,223	1,511	1,491
30/31 Electrical machinery and apparatus	5,143	5,685	6,356
32 Radio, TV and Communication equipment	13,865	14,732	14,731
33 Medical, precision and optical instruments	3,575	3,427	3,561
34 Motor vehicles, trailers and semitrailers	131	125	59
35 Other transport equipment	1,182	1,295	1,466
36 Furniture and Manufacturing n.e.c.	6,236	6,422	6,096
<b>Total for sampled enterprises</b>	<b>69,479</b>	<b>70,950</b>	<b>71,562</b>

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## **METHODOLOGICAL NOTES**

This release is compiled by means of a sample survey, covering an average of 390 manufacturing enterprises, requesting employment, wages and salaries, turnover and investment data. The results are compiled in quarterly reports and published in accordance with NACE Rev 1.1 (the statistical classification of economic activities in the European Community).

It is important to note that some enterprises have changed their main production activities and a re-classification of these enterprises according to their new activity was carried out. This resulted in a shift of enterprises to and from different manufacturing sectors, the exclusion of some enterprises from manufacturing activities and even in the amalgamation of sectors.

For reasons stated above, an enterprise which was in sector 33 - Medical and precision Equipment was re-classified to sector 30 - Office Machinery. Subsequently this was amalgamated with sector 31 to respect confidentiality of the enterprise, thus this sector will be reported as sector 30/31 - Electrical machinery and apparatus. Sector 16 - Tobacco products, was amalgamated with sector 15 - Food and Beverages, to respect the confidentiality of the remaining enterprises in this sector and is reported as sector 15/16 - Food and Beverages/Tobacco.

Throughout the whole time series of this sample survey, the Malta Shipyards is excluded from sector 35 - Other Transport Equipment.

## **SUMMARY DEFINITIONS OF KEY VARIABLES**

**Employment:** this covers all persons employed, regardless of whether they are full-time or part-time, and includes paid employees as well as working proprietors and unpaid family workers. The total employment for each quarter in the manufacturing sectors refers to the end-of-month figures at the end of every calendar quarter, i.e. March, June, September and December.

**Gross Wages and Salaries:** are inclusive of all basic wages and salaries payable at regular intervals, overtime, night shift and other allowances, bonuses and commissions. Employers' social security contributions are excluded.

**Total Sales:** is made up of all local sales, which are exclusive of VAT and exports on a FOB basis. The export sales are based on: (a) the customs declarations to countries that are not European Union (EU) Member States and on (b) the Supplementary Declaration that traders in merchandise goods must submit in respect of dispatches (exports) of good to the member states of the EU.

**Investment:** refers to new investment during the reference period. These are tangible capital goods for own company use but not for speculative use. They have a useful life of more than one year. Any additions, alterations, improvements or renovations prolonging the service life or to increase the productive capacity of capital goods are not taken into account. Excluded from the definition are current maintenance costs as well as investment in capital goods used under rental and lease contracts, intangible goods (patents, trade marks), financial assets and goods acquired through mergers. Computer software is regarded as investment if its life is over one year and if its amount is of a relatively considerable amount.

## **STATUS OF THE DATA**

The survey data are not grossed up to the total population, and may therefore differ from National Accounts data. In the case of non-respondents, imputations were carried out. The data in this release should be considered as provisional and therefore subject to revision.