

PRESS INFORMATION NOTICE

2nd August 2023

Ad hoc revision in Gross Domestic Product

The National Statistics Office (NSO) will be carrying out an ad hoc revision in national accounts data. This revision will be published on 29 August 2023 and will therefore coincide with the publication of Gross Domestic Product (GDP) for the second quarter of 2023.

Ad hoc revisions result mostly from the incorporation of new data sources to replace past estimates with more robust figures, and methodological changes, which may cause more significant changes than those carried out in routine revisions.

The main purpose of this ad hoc revision is to refine national accounts data by including new data sources. Such enhancements continue to improve the accuracy of national accounts data and allow for better international data comparability. The ad hoc revision will lead to revisions from the reference period 2018Q1 onwards.

As a result of these revisions, annual GDP in nominal terms will increase between 2018 and 2022. Revisions in nominal GDP are expected to be around 1.6 per cent. The revision in nominal GDP should mainly translate into a revision in GDP in volume terms and the revision in the overall GDP deflator is expected to be minimal. Results are still preliminary.

The main enhancements that will be brought about by this ad hoc revision are listed below:

- The integration of the Supply and Use Tables (SUT) of 2018. SUT are a valuable source of data and provide an integrated framework for checking consistency and completeness of national accounts data. They are matrices by product and industry which show how the supply of goods and services through domestic production and imports are used for intermediate consumption and final use (final consumption expenditure, gross capital formation and exports).
- The integration of the Labour Cost Survey (LCS) survey results of 2020. The LCS is an enterprise-based survey carried out once every four years which aims at obtaining information on the costs borne by employers in order to employ staff. It is used to update the estimate of wages in kind in national accounts statistics.
- The integration of the survey on internet purchases covering 2022, which provides information on goods and services purchased from abroad by residents aged 16 years and over.
- New information from updated administrative data sources.

Due to integration of the work on exhaustiveness carried out by the National Accounts Standards, Methods and Sector Accounts Unit, there is now a temporary break in series from 2018 onwards. The entire time series will be adjusted with the Benchmark of 2024 which will be published during the third quarter of 2024.

Further information can be made available upon written request to: nso@gov.mt.