

## BUSINESS DEMOGRAPHY 2016

### NATIONAL REFERENCE METADATA IN SINGLE INTEGRATED METADATA STRUCTURE (SIMS)

#### CONCEPT 1 – CONTACT

##### Sub-Concept 1.1: Contact organisation

National Statistics Office (NSO) - Malta

##### Sub-Concept 1.2: Contact organisation unit

Unit B4: Business Registers, Directorate B – Business Statistics

##### Sub-Concept 1.3: Contact name

Ms. Christianne Micallef

##### Sub-Concept 1.4: Contact person function

Head of Unit

##### Sub-Concept 1.5: Contact mail address

National Statistics Office (NSO),  
Lascaris, Valletta VLT 2000, Malta.

##### Sub-Concept 1.6: Contact e-mail address

christianne.micallef@gov.mt

##### Sub-Concept 1.7: Contact phone number

+356 2599 7353

#### CONCEPT 2 – METADATA UPDATE

##### Sub-Concept 2.1: Metadata last certified

28<sup>th</sup> October 2019.

### **Sub-Concept 2.2: Metadata last posted**

29<sup>th</sup> September 2020

### **Sub-Concept 2.3: Metadata last update**

29<sup>th</sup> September 2020

## **CONCEPT 3 – STATISTICAL PRESENTATION**

### **Sub-Concept 3.1: Data description**

The data covers a group of variables which explain the characteristics and demography of the business population.

In summary, the data variables which are drawn from the Business Register are as follows:

- Population of active enterprises,
- Number of enterprise births,
- Number of enterprise survivals up to five years,
- Number of enterprise deaths,
- Related variables on employment,
- Derived indicators such as birth rates, death rates, survival rates and employment shares, and
- High-growth enterprises

The methodology followed is that laid down in the Eurostat-OECD Manual on Business Demography Statistics which may be accessed at: <http://ec.europa.eu/eurostat/ramon/statmanuals/files/KS-RA-07-010-EN.pdf> .

### **Sub-Concept 3.2: Classification system**

Classification is according to:

[NACE Rev. 2](#) and the breakdown reported is according to Regulation (EC) No 251/2009 classification Business Demography (BD) Annex 9. Reference to this regulation is available within the following link: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:086:0170:0228:en:PDF> .

### **Sub-Concept 3.3: Sector coverage**

Size classes are based on number of employees: 0 employees, 1-4 employees, 5-9 employees, 10 or more employees.

The following activities, based on NACE Rev 2 are covered in B to N excluding 64.2 and P to S is voluntary (Section O excluded).

### Sub-Concept 3.4: Statistical concepts and definitions

- The population of active enterprises refers to any enterprises that were active at any time in the reference period, even for a limited time, during reference year 2016.
- The number of births of enterprises in year 2016;
- The number of deaths of enterprises in year 2014, 2015,2016;
- The number of persons employed in the population of active enterprises in 2016;
- The number of employees in the population of active enterprises in 2016;
- The number of persons employed in the population of births in 2016;
- The number of employees in the population of births in 2016;
- The number of persons employed in the population of deaths in 2014,2015,2016;
- The number of employees in the population of deaths in 2014,2015,2016;
- The number of enterprises newly born in 2015 having survived to 2016;
- The number of enterprises newly born in 2014 having survived to 2016;
- The number of enterprises newly born in 2013 having survived to 2016;
- The number of enterprises newly born in 2012 having survived to 2016;
- The number of enterprises newly born in 2011 having survived to 2016;
- The number of persons employed in the population of enterprises newly born in 2015 having survived to 2016;
- The number of persons employed in the population of enterprises newly born in 2014 having survived to 2016;
- The number of persons employed in the population of enterprises newly born in 2013 having survived to 2016;
- The number of persons employed in the population of enterprises newly born in 2012 having survived to 2016;
- The number of persons employed in the population of enterprises newly born in 2011 having survived to 2016;
- The number of persons employed in the year of birth in the population of enterprises newly born in 2015 having survived to 2016;
- The number of persons employed in the year of birth in the population of enterprises newly born in 2014 having survived to 2016;
- The number of persons employed in the year of birth in the population of enterprises newly born in 2013 having survived to 2016;
- The number of persons employed in the year of birth in the population of enterprises newly born in 2012 having survived to 2016;
- The number of persons employed in the year of birth in the population of enterprises newly born in 2011 having survived to 2016;
- Number of high growth enterprises measured in employment for year 2016.
- Number of employees in high growth enterprises measured in employment in year 2016.

### Sub-Concept 3.5: Statistical unit

The statistical unit is the enterprise.

### **Sub-Concept 3.6: Statistical population**

All the enterprises, that is, all the active legal units having a positive turnover or a positive employment figure form part of the Business Demography population.

### **Sub-Concept 3.7: Reference area**

Malta

### **Sub-Concept 3.8: Time coverage**

The Business Demography series were compiled from reference year 2010 onwards.

### **Sub-Concept 3.9: Base period**

Not applicable.

## **CONCEPT 4 – UNIT OF MEASURE**

Number of enterprises and employment data (number of persons employed and number of employees).

## **CONCEPT 5 – REFERENCE PERIOD**

The basic reference period is the calendar year 2016.

The population of active enterprises refers to any enterprises that were active at any time in the reference period, even for a limited time, during reference year 2016.

- The number of births of enterprises in year 2016;
- The number of deaths of enterprises in year 2014, 2015,2016;
- The number of persons employed in the population of active enterprises in 2016;
- The number of employees in the population of active enterprises in 2016;
- The number of persons employed in the population of births in 2016;
- The number of employees in the population of births in 2016;
- The number of persons employed in the population of deaths in 2014,2015,2016;
- The number of employees in the population of deaths in 2014,2015,2016;
- The number of enterprises newly born in 2015 having survived to 2016;
- The number of enterprises newly born in 2014 having survived to 2016;
- The number of enterprises newly born in 2013 having survived to 2016;
- The number of enterprises newly born in 2012 having survived to 2016;
- The number of enterprises newly born in 2011 having survived to 2016;
- The number of persons employed in the population of enterprises newly born in 2015 having survived to 2016;
- The number of persons employed in the population of enterprises newly born in 2014 having survived to 2016;

- The number of persons employed in the population of enterprises newly born in 2013 having survived to 2016;
- The number of persons employed in the population of enterprises newly born in 2012 having survived to 2016;
- The number of persons employed in the population of enterprises newly born in 2011 having survived to 2016;
- The number of persons employed in the year of birth in the population of enterprises newly born in 2015 having survived to 2016;
- The number of persons employed in the year of birth in the population of enterprises newly born in 2014 having survived to 2016;
- The number of persons employed in the year of birth in the population of enterprises newly born in 2013 having survived to 2016;
- The number of persons employed in the year of birth in the population of enterprises newly born in 2012 having survived to 2016;
- The number of persons employed in the year of birth in the population of enterprises newly born in 2011 having survived to 2016;
- Number of high growth enterprises measured in employment for year 2016.
- Number of employees in high growth enterprises measured in employment in year 2016.

## CONCEPT 6 – INSTITUTIONAL MANDATE

### Sub-Concept 6.1: Legal acts and other agreements

[The Malta Statistics Authority Act, 2000.](#) The Act empowers the NSO to collect, compile, extract and release official statistics related to demographic, social, environment, economic and general activities and conditions of Malta.

[Regulation \(EC\) No 295/2008](#) of the European Parliament and of the Council of 11 March 2008 concerning structural business statistics (recast), Annex IX, provides a legal basis for the SBS data collection. The Regulation is available here: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:097:0013:0059:EN:PDF>.

[Regulation \(EC\) No 251/2009](#) - implementing and amending Regulation (EC) No 295/2008 of the European Parliament and of the Council as regards the series of data to be produced for structural business statistics and the adaptations necessary after the revision of the statistical classification of products by activity (CPA). For Business Demography, this regulation is used for series 9A – 9D, and can be accessed through: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:086:0170:0228:en:PDF>.

[Regulation \(EC\) No 250/2009](#) - implementing Regulation (EC) No 295/2008 of the European Parliament and of the Council as regards the definitions of characteristics, the technical format for the transmission of data, the double reporting requirements for NACE Rev.1.1 and NACE Rev.2 and derogations to be granted for structural business statistics (<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:086:0001:0169:en:PDF>).

Regulation (EC) No 275/2010 -implementing Regulation (EC) No 295/2008 of the European Parliament and of the Council, as regards the criteria for the evaluation of the quality of structural business statistics. Reference to this regulation is available in the following link: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:086:0001:0006:EN:PDF>.

### **Sub-Concept 6.2: Data sharing**

Data is only disseminated to Eurostat. When shared to third parties, data goes through several anonymisation processes.

## **CONCEPT 7 – CONFIDENTIALITY**

### **Sub-Concept 7.1: Confidentiality – Policy**

#### At National level:

The NSO requests information for the compilation of official statistics according to the articles of the MSA Act – Cap. 422 and the Data Protection Act – Cap. 586 of the Laws of Malta implementing the General Data Protection Regulations (GDPR).

Article 40 of the MSA Act stipulates the restrictions on the use of information while Article 41 stipulates the prohibition of disclosure of information. Furthermore, Section IX of the Act (Offences and Penalties) lays down the measures to be taken in case of unlawful exercise of any officer of statistics regarding confidentiality of data.

Since its inception, the NSO has always assured that all data collected remains confidential and that it is used for statistical purposes only according to the articles and derogations stipulated in the laws quoted above. The Office is obliged to protect the identify of data providers and refrain from divulging any data to third parties that might lead to the identification of persons or entities.

During 2009, the NSO has set up a Statistical Disclosure Committee to ensure that statistical confidentiality is observed, especially when requests for microdata are received.

Upon employment, all NSO employees are informed of the rules and duties pertaining to confidential information and its treatment. In line with stipulations of the MSA Act, before commencing work, every employee is required to take an oath of secrecy whose text is included in the same Act.

An internal policy on anonymisation and pseudo-anonymisation is in place to ascertain that adequate methods are used for the protection of data which the office collects and shares with the public in its capacity as the National Statistics Office. The policy is meant to safeguard confidentiality of both personal and business data entrusted to the NSO. The document provides guidance for all NSO employees who process data on a daily basis as to how anonymisation and pseudo-anonymisation methods should be applied. The policy applies to all confidential, restricted

and internal information, regardless of form (paper or electronic documents, applications and databases) that is received, processed, stored and disseminated by the NSO.

At European level:

[Regulation \(EC\) No 223/2009](#) on European statistics (recital 24 and Article 20(4) of 11 March 2009 (OJ L 87, p. 164), stipulates the need to establish common principles and guidelines ensuring the confidentiality of data used for the production of European statistics and the access to those confidential data with due account for technical developments and the requirements of users in a democratic society.

### **Sub-Concept 7.2: Confidentiality – Data Treatment**

Data are flagged as primary confidential if at least one of the following criteria is satisfied:

1. The number of units contributing to a cell value is less than 3.
2. The dominance criterion is '2,80', meaning that the contribution by the largest 2 enterprises makes up 80% of the cell total. The dominance rule is applied to the employment variables, irrelevant of the value of the number of enterprises.

The hypercube method is used in the Tau-Argus software in order to treat the data for secondary confidentiality.

## **CONCEPT 8 – RELEASE POLICY**

### **Sub-Concept 8.1: Release Calendar**

An advance release calendar is maintained by the NSO and published on the NSO website. The calendar projects three months of news releases (including the current and two subsequent months).

National data become visible on Eurostat's online database usually one to two days after their reception (processing including quality monitoring).

### **Sub-Concept 8.2: Release Calendar access**

The News Release calendar is published on the official website of NSO:

[http://nso.gov.mt/en/News\\_Releases/Release\\_Calendar/Pages/News-Release-Calendar.aspx](http://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx).

### **Sub-Concept 8.3: User access**

An internal policy on dissemination is in place to govern the dissemination of official statistics in an impartial, independent and timely manner, making them available simultaneously to all users. The NSO's primary channel for the dissemination of official statistics is the NSO website. Tailored requests for statistical information may also be submitted through the said website.

## CONCEPT 9 – FREQUENCY OF DISSEMINATION

Yearly.

## CONCEPT 10 – ACCESSIBILITY AND CLARITY

### Sub-Concept 10.1: News release

A news release on Business Demographics is issued and can be accessed through:

[http://nso.gov.mt/en/News\\_Releases/View\\_by\\_Unit/Unit\\_B4/Business\\_Registers/Pages/Business-Demographics.aspx](http://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_B4/Business_Registers/Pages/Business-Demographics.aspx)

Business Demography data sent to Eurostat is based on active enterprises only, while the Business Demographics release is based on all registered legal units.

### Sub-Concept 10.2: Publications

Not applicable.

### Sub-Concept 10.3: Online Database

Business Demographics data on the Eurostat's Database may be found following:

<https://ec.europa.eu/eurostat/data/database>

The following path applies for consulting data tables related to Business Demography:

1. Database by themes
2. Industry, trade and services
3. Structural Business Statistics
4. Business Demography.

Business Demography data are not included in StatDB – the NSO's statistical database.

### Sub-Concept 10.4: Micro-data access

Microdata are deemed as confidential and so it is not divulged.

### Sub-Concept 10.5: Other

Adhoc requests may be supplied through the NSO website at: <http://nso.gov.mt/en/Pages/NSO-Home.aspx> or directly through: <https://nso.gov.mt/en/Services/Pages/Request-for-Information.aspx>



## **Sub-Concept 10.6: Documentation on methodology**

The Eurostat-OECD Manual on Business Demography Statistics outlines the methodology to be used for the production of the data. The below link provides the OECD manual on Business Demography Statistics: <http://ec.europa.eu/eurostat/ramon/statmanuals/files/KS-RA-07-010-EN.pdf>.

### **Sub-Concept 10.6.1: Metadata completeness rate**

Information about all required metadata concepts (and sub-concepts thereof) are provided.

## **Sub-Concept 10.7: Quality Documentation**

Dedicated SIMS reports are available to the public on the [NSO's metadata website including concepts related to metadata and quality](#).

In addition, a quality report is produced every year and sent to Eurostat.

The NSO has developed an internal Quality Management Framework (QMF) which is built on common requirements of the ESS Code of Practice (ESS CoP). A document was prepared to include a set of general quality guidelines spanning over all statistical domains. Assuring methodological soundness is an integral part of the QMF, nonetheless, the document spans also on other areas related to institutional aspects.

## **CONCEPT 11 – QUALITY MANAGEMENT**

### **Sub-Concept 11.1: Quality Assurance**

The Business Register application is mainly updated from the following sources: the MFSA (Malta Financial Services Authority) and the VAT department. The MFSA forwards data related to limited liability companies, and the VAT department covers also data of sole traders and other legal enterprises. Births are uploaded monthly while deaths are uploaded annually. The Business Registers application has inbuilt features meant to avoid duplication of units during the uploading phase.

The NSO ensures the accuracy of data released to the public and prepares clear methodological notes which explain the processes involved in the collection and production of official statistics.

The NSO has developed an internal Quality Management Framework (QMF) which is built on common requirements of the ESS Code of Practice (ESS CoP). A document was prepared to include a set of general quality guidelines spanning over all statistical domains. Assuring methodological soundness is an integral part of the QMF, nonetheless, the document spans also on other areas related to institutional aspects.

Every five to seven years, the NSO participates in a Peer Review exercise through which the compliance of its operations with principles of the ESS CoP is assessed by an expert team. Peer Reviews are indeed part of the European Statistical System (ESS) strategy to implement the ESS CoP. Each NSI is expected to provide information as requested by a standard self-assessment

questionnaire. Following this an expert team visits the office to meet NSI representatives and main stakeholders. Peer Reviews result in a compliance report and the listing of a set of Improvement Actions which need to be followed up by the NSI. The next round of Peer Reviews is planned to be carried out in 2022.

### **Sub-Concept 11.2: Quality Assessment**

Procedures of Data Matching are used to ensure the quality of the data:

1. The sources are cross checked against each other before being added to the BR application e.g. MFSA reference number is matched with the VAT database. The BR application does not accept duplicates upon uploading.
2. Legal units featuring in VAT Register C (Register of companies which do trade (Import/Export)) are checked manually by name and ID card to confirm if they already exist under another unit.
3. Employment is updated continuously depending on a number of sources, mainly using published accounts, other NSO surveys (SES, JVS, SBS, STBS), and Jobsplus.

## **CONCEPT 12 – RELEVANCE**

### **Sub-Concept 12.1: User needs**

Potential users include Eurostat and the general public.

### **Sub-Concept 12.2: User satisfaction**

The last User Satisfaction Survey was held in 2014 with the aim to collect information about key users' satisfaction with statistical output.

The NSO keeps record of the number of News Releases and publications disseminated on its website; the users to whom statistical products are provided; as well as the number of requests that are processed every year.

News Releases and tailor-made statistical outputs were assessed on account of their quality, timeliness, and on their ability to meet users' needs.

### **Sub-Concept 12.3: Data Completeness**

Data reporting started from reference year 2010 and all obligatory data are transmitted. The data completeness rate stands at 100%.

## **CONCEPT 13 – ACCURACY AND RELIABILITY**

### **Sub-Concept 13.1: Overall accuracy**

Not applicable.

### **Sub-Concept 13.2: Sampling errors**

Not applicable because the whole population is observed.

### **Sub-Concept 13.3: Non-sampling errors**

Possible sources of non-sampling error include data entry errors and coding errors which may result in misclassification of the legal unit for e.g. by NACE. Also, errors possibly included in the source data, for e.g. regarding number of employees, may be carried forward to the BR after the bulk uploading of data. However, such inconsistencies are catered for throughout various quality checks.

#### **Sub-Concept 13.3.1: Coverage error**

Not applicable.

##### **Sub-Concept 13.3.1.1: Over Coverage**

Not applicable.

##### **Sub-Concept 13.3.1.2: Common Units Proportion**

Not applicable.

#### **Sub-Concept 13.3.2: Measurement error**

Not applicable.

#### **Sub-Concept 13.3.3: Non-response error**

Not applicable

##### **Sub-Concept 13.3.3.1: Unit non-response**

Not available.

#### **Sub-Concept 13.3.3.2: Item non-response**

Not applicable.

#### **Sub-Concept 13.3.4: Processing error**

Coding errors may result in misclassification of the legal unit for e.g by NACE. Also, errors possibly included in the source data, for e.g. regarding number of employees, may be carried forward to the BR after the bulk uploading of data. However, such inconsistencies are catered for throughout various quality checks.

#### **Sub-Concept 13.3.5: Model assumption error**

Not applicable.

### **CONCEPT 14 – TIMELINESS AND PUNCTUALITY**

#### **Sub-Concept 14.1: Timeliness**

Series A, B, C, D and M are transmitted within 18 months from the end of reference period 2016, that is, end of June 2018.

Series E, F, G and H are transmitted within 20 months from the end of reference period 2016, that is end of August 2018.

#### **Sub-Concept 14.2: Punctuality**

Data has always been delivered before the deadline dates specified in concept 14.1.

### **CONCEPT 15 – COHERENCE AND COMPARABILITY**

#### **Sub-Concept 15.1: Comparability – Geographical**

Common guidelines between countries are adhered to. To this end data are geographically comparable.

#### **Sub-Concept 15.2: Comparability – Over Time**

As from 2011, for an entity to be eligible to hold a VAT number, the VAT department imposed a threshold of a minimum of 7,000 euro turnover. This affected mainly the sole traders' population, since other types of organisation utilise other sources. This threshold came to an end by the end of 2014. Such changes aim to achieve a faster and a higher standard of output in conformity with the latest international data-compilation and presentation requirements on active substances in marketed plant protection products.

### **Sub-Concept 15.3: Coherence – Cross Domain**

The BR is a live register, and the population is considered at the time of reporting. Data on the population of active enterprises may slightly differ from the data on the number of enterprises of the SBS data. Such differences are due to the different methodologies used in defining the populations and different time frames for collecting the data. Administrative registers utilised for the business register population are mainly the MFSA, registry of companies and the VAT registered units. To this end registrations of units in the BR and these sources are fully comparable.

#### **Sub-Concept 15.3.1: Coherence – Sub-Annual and Annual statistics**

Not applicable since the data are compiled annually.

#### **Sub-Concept 15.3.2: Coherence – National Accounts**

Not applicable.

### **Sub-Concept 15.4: Coherence – Internal**

Internal inconsistencies are mainly related to employment figures being reported differently across a number of other surveys. The Business Register updates the employment values only after checking a number of sources and surveys, mainly MFSA, SBS, JVS and STBS.

## **CONCEPT 16 – COST AND BURDEN**

The Business Register is the source of this data and so the respondent burden imposed by the process is minimal.

## **CONCEPT 17 – DATA REVISION**

### **Sub-Concept 17.1: Data revision – Policy**

At the NSO, there is currently no internal policy governing revisions that occur for all statistics produced. Nonetheless, a revisions policy is being drafted to safeguard a coordinated revisions system across statistical domains.

This policy will take account of the need and causes for revisions; time and frequency of revisions; data and other statistical products affected by such revisions; and length of periods revised.

### **Sub-Concept 17.2: Data revision – Practice and Data Revision**

Deaths are revised for the latest two consecutive years. An enterprise has to be dormant for more than two years to be considered as dead.

## CONCEPT 18 – STATISTICAL PROCESSING

### Sub-Concept 18.1: Source data

The business register is the data source of the demography data. The administrative data that identifies the population of active enterprises, within the Business register, for a given year is not directly available from one direct source. The main source for limited liability companies is the Registry of companies which is regulated by the MFSA, while the main source for sole traders' main the VAT department. In 2011, the VAT department started to exclude units whose turnover is less than 7,000 Euros. To this end, units with a turnover below 7,000 Euros, not included in any of the other administrative registers were excluded from the population of active enterprises. During the initial phase of a unit, the Business Register questionnaire is the main source of information. Updates regarding turnovers, employment, births and deaths are derived from the MFSA and VAT.

### Sub-Concept 18.2: Frequency of data collection

The data are taken directly from the Business Register, which is continuously updated. Annual data report the current business demography situation annually.

### Sub-Concept 18.3: Data Collection

The Business Register questionnaire is the main source of information for legal units during their initial phase. Updates regarding turnovers, employment, births and deaths are derived from the MFSA and VAT. Employment updates are in general updated from Jobsplus data, JVS data and SBS data. The Business Demography data are taken directly from the Business Register, which holds the whole population.

### Sub-Concept 18.4: Data Validation

MFSA units are matched with units from the VAT department. The first step is done by linking the MFSA number. While new units are being uploaded, the BR system identifies any possible duplication, including name checks, which exclude and do not upload legal units should there be any duplications. Enterprises that register under VAT register C (Register of Companies which do trade (import/export) are checked manually by name and ID card of owner to check if they already belong to another unit. This VAT number is used for trade outside Malta and normally given to a business that has another VAT number already  
Data validation is compiled using Eurostat's EDIT data validation tool.

### Sub-Concept 18.5: Data Compilation

The Business Demography data are taken directly from the Business Register (which holds the whole population). The active business demography population is identified as those unit having either positive turnover or positive employment figures.

**Sub-Concept 18.5.1: Imputation**

Not applicable.

**Sub-Concept 18.6: Adjustment**

Not applicable.

**Sub-Concept 18.6.1: Seasonal Adjustment**

Not applicable.

**CONCEPT 19 – COMMENT**

No further comments.