

**19 September 2014**

**Press release: Gainfully Occupied Population**

Further to the recent discussions in the press as to which sectors in the economy have contributed to largest increases in employment, the Malta Statistics Authority has compiled the following report based on information produced in the News Release 169/2014 issued by the National Statistics Office on the 11 September 2014. The tables compiled (see below) cover a period of twelve months, from April 2013 to April 2014. In our statistical analysis, we take into account the fact that 3,050 full-time employees formerly part of the Ministry for Resources and Rural Affairs, (MRRA) were transferred to the Ministry of Sustainable Development, Environment and Climate Change or the Ministry for Transport and Infrastructure<sup>1</sup>. This assumption is being put forward to allow for strict comparability measures between the various NACE<sup>2</sup> classes over time.

It is to be noted that the former MRRA employees were classified within the Construction sector (NACE 41-43). In this instance, the primary NACE code has historically been applied to such economic units. If a further economic breakdown is applied according to the NACE Rev. 2 manual a better statistical representation could be

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<sup>1</sup> Gainfully Occupied Population: April 2014, Methodological Notes, Note 6, pp24

*Year-on-year increases in full-time employment within Public Administration and Defence Compulsory Social Security (NACE 84) were primarily the result of a classification shift in public sector employment from Construction (NACE 41-43) due to a transfer of employees from the Ministry for Resources and Rural Affairs, to either the Ministry of Sustainable Development, Environment and Climate Change or the Ministry for Transport and Infrastructure. Thus the drop in the number of employees in Construction (NACE 41-45) resulted in an increase in the number of employed in Public Administration and Defence, Compulsory Social Security (NACE 84). This change was first recorded in the Gainfully Occupied Population news release of August 2013 (News Release no: 007/2014 published on the 13 January 2014).*

<sup>2</sup> NACE is an acronym for the Statistical Classification of Economic Activities in the European Community used to designate the various statistical classifications of economic activities developed since 1970 in the European Union.  
[http://epp.eurostat.ec.europa.eu/cache/ITY\\_OFFPUB/KS-RA-07-015/EN/KS-RA-07-015-EN.PDF](http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-RA-07-015/EN/KS-RA-07-015-EN.PDF)

obtained. The Malta Statistics Authority will be looking into this matter to improve the quality of future NSO releases.

The attached tables portray the absolute number of employees in each NACE class and the resulting net effect for the total, private and public sector. The analysis in Table 1 indicates that the comment made in News Release 169/2014 that "*Public Administration and Defence, Compulsory Social Security (NACE 84) and Administrative and Support Services Activities (NACE 77-82) contributed mostly to the increase in employment*" is not correct. The commentary in that News Release also stated that there was a drop in employment in the construction sector. As already stated, the changes in the recorded employment in these sectors were, however, mainly driven by the reclassification in the main economic activity (NACE) of the employees of the MRRA, rather than by a real change in economic activity.

As Table 1 shows, the sector with the largest increase in employment was the Administrative and support service activities sector (NACE 77-82). This was followed by the Human health and social work activities sector (NACE 86-88) and the Professional, scientific and technical activities sector (NACE 69-75). As stated, the increase in Public Administration and Defence, Compulsory Social Security (NACE 84) was not the main contributor towards the overall increase in employment, as the increase in this sector was primarily driven by a reclassification of workers previously recorded in the Construction sector (NACE 41-43). In the absence of this reclassification, employment in Public Administration and Defence, Compulsory Social Security would have risen by 265 full-time employees. Moreover, excluding this reclassification, employment in construction would have risen by 195. The increase in public sector employment in Transportation and storage (NACE 49-53) reflected the transfer of ownership of the national bus system.

**Table 1: The three largest groups contributing to total employment**

<b>NACE Classification</b>	<b>2014M04</b>	<b>2013M04</b>	<b>Net Increase/(Decrease)</b>
Professional, scientific and technical activities	8,376	7,745	631
Human health and social work activities	13,618	12,905	713
Administrative and support service activities	9,898	9,046	852
<b>Total Gainfully Occupied (including apprentices)</b>	<b>161,558</b>	<b>156,219</b>	<b>5,339</b>

**Table 2: The three largest groups contributing to employment in the public sector**

<b>NACE Classification</b>	<b>2014M04</b>	<b>2013M04</b>	<b>Net Increase/(Decrease)</b>
Public administration and defence; compulsory social security	10,902	10,637	265
Human health and social work activities	10,209	9,799	410
Transportation and storage	2,721	1,977	744
<b>Total Gainfully Occupied (including apprentices)</b>	<b>43,549</b>	<b>41,816</b>	<b>1,733</b>

**Table 3: the three largest groups contributing to employment in the private sector**

<b>NACE Classification</b>	<b>2014M04</b>	<b>2013M04</b>	<b>Net Increase/(Decrease)</b>
Wholesale and retail trade; repair of motor vehicles and motorcycles	23,787	23,181	606
Professional, scientific and technical activities	8,324	7,707	617
Administrative and support service activities	8,949	8,213	736
<b>Total Gainfully Occupied (including apprentices)</b>	<b>118,009</b>	<b>114,403</b>	<b>3,606</b>

**Table 4: Part-time employment movements**

<b>NACE Classification</b>	<b>2014M04</b>	<b>2013M04</b>	<b>Net Increase/(Decrease)</b>
Education	5,965	5,563	402
Accommodation and food service activities	10,268	9,789	479
Wholesale and retail trade; repair of motor vehicles and motorcycles	10,423	9,798	625
<b>Total</b>	<b>58,537</b>	<b>55,409</b>	<b>3,128</b>