

MASTER FILES

ROOM C-120

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SM/85/99
Correction 1

CONTAINS CONFIDENTIAL
INFORMATION

April 24, 1985

To: Members of the Executive Board
From: The Secretary
Subject: Malta - Staff Report for the 1985 Article IV Consultation

The following corrections have been made in SM/85/99 (4/5/85):

Page 18, under "Prices and incomes," line 2:

for "GDP deflator	7.8	3.4	-0.3	-0.1"
read "Unit wage costs in manufacturing	11.0	4.4	-1.4	-5.7"

line 3:

for "National minimum wage	17.5	11.2	--	--"
read "Real average wage per employee	3.0	7.9	0.9	0.5"

line 4:

for "Unit labor costs in manufacturing	14.8	7.1	-0.1	2.2"
read "Output per employee	7.2	7.8	0.1	1.2"

A corrected page is attached.

Att: (1)

Other Distribution:
Department Heads

Malta--Statistical Issues

1. Outstanding Statistical Issues

a. Monetary statistics

The Bureau of Statistics is reviewing the comments sent by the Central Bank on the proposed revisions in reclassifying the financial institutions which was the main issue in the Report on Mission to Malta (sent October 1984).

b. Government finance

The 1984 issue of the GFS Yearbook contains data for 1982 for statistical tables and data for 1980 for the derivation table. The mission encouraged the authorities to provide data for the derivation table for 1981-82, and to compile monthly data in the government finance statistics format.

2. Coverage, currentness, and reporting of data in IFS

During the past year, the reporting of data for inclusion in IFS has been good.

Status of IFS Data

		<u>Latest Data in March 1985 IFS</u>
Real Sector	- National Accounts	1983
	- Prices	November 1984
	- Production	n.a.
	- Employment	n.a.
	- Earnings	n.a.
Government Finance	- Deficit Surplus	1980
	- Financing	1980
	- Debt	1980
Monetary Accounts	- Monetary Authorities	November 1984
	- Deposit Money Banks	November 1984
	- Other Financial Institutions	November 1984
External Sector	- Merchandise Trade: Values	November 1984
	- Merchandise Trade: Prices	November 1984
	- Balance of Payments	1983
	- International Reserves	January 1985
	- Exchange Rates	January 1985

Basic Data 1/

<u>Area and population</u>						
Area		316 sq. kilometers (122 sq. miles)				
Population (October 1984) ^{2/}		331,221				
Population increase (average annual rate)		1.1 percent				
<u>GDP per capita (1984)</u>		Lm 1,406 or US\$3,046.8				
<u>Output by sector (1984)</u>		In millions of Maltese liri	As percent of total			
Agriculture and fisheries		19.0	4.5			
Manufacturing, shipbuilding and repair		128.2	30.1			
Construction and public utilities		47.2	11.1			
Public administration		56.1	13.2			
Other services		231.6	54.4			
GDP at factor cost		426.0	100.0			
<u>Demand and supply</u>		1981	1982	1983	1984	
		Percentage change in constant prices				
Private consumption		3.3	2.9	1.4	2.4	
Public consumption		7.5	5.6	-1.1	-3.0	
Gross fixed investment		17.2	14.7	15.8	-4.2	
Changes in stocks ^{3/}		1.2	4.7	-7.2	2.2	
Total domestic demand		7.5	10.4	-3.5	2.2	
Exports of goods and services		-11.4	-13.8	-1.8	3.0	
Imports of goods and services		-7.7	-1.9	-7.2	4.5	
GDP at market prices (GDP at factor cost)		3.3 (3.9)	2.3 (3.5)	-0.6 (0.2)	1.5 (2.6)	
<u>Labor market</u>		1981	1982	1983	1984	
		In thousands; end-period				
Labor force		122.9	122.3	120.9	122.3	
Gainfully employed		116.2	111.1	110.6	111.3	
Unemployment rate (in percent)		5.5	9.2	9.0	8.9	
<u>Prices and incomes</u>		1981	1982	1983	1984	
		Annual percentage change				
Retail prices		11.5	5.8	-0.9	-0.5	
Unit wage costs in manufacturing		11.0	4.4	-1.4	-5.7	
Real average wage per employee		3.0	7.9	0.9	0.5	
Output per employee		7.2	7.8	0.1	1.2	
Real personal disposable income		5.3	5.5	0.4	2.1	
<u>Government finance</u>		1981	1982	1983	1984	1985
					Revised	Budget
		In millions of Maltese liri				
Total domestic revenue		164.6	178.4	179.2	176.8	190.5
Of which: Tax revenue		123.2	125.7	121.7	115.8	124.8
Total expenditure and net lending		168.0	189.9	191.2	192.9	196.1
Of which:						
Current expenditure		137.7	153.1	156.0	159.5	160.0
Capital expenditure and net lending		30.3	36.8	35.2	33.4	36.1
Fiscal deficit (in percent of GNP)		-0.7	-2.2	-2.4	-3.2	-1.1
Use of cash balances (in percent of GNP)		-2.9	0.7	-1.0	1.4	0.4