HFCS FAQs

1. **What is the HFCS?**

   The Household Finance and Consumption Survey (HFCS) is co-ordinated by the European Central Bank (ECB) and carried out by euro area National Central Banks (NCBs) and a number of National Statistical Institutes (NSIs) as part of a common euro area project. The HFCS provides detailed information on households' real and financial assets, liabilities, net wealth, gross income, consumption and savings. A key feature of the survey is that it is harmonised across participating countries, meaning that common concepts, definitions and methodologies are used to ensure that the data is comparable across the euro area. This makes the HFCS the only harmonised source of information about household wealth and its distribution in the euro area.

2. **Who conducts the HFCS in Malta and how is it carried out?**

   In Malta, the HFCS is conducted by the Central Bank of Malta (CBM) in cooperation with the National Statistics Office (NSO). The survey is carried out using a structured questionnaire that collects information at both the household and individual levels. Data is collected through face-to-face interviews (Computer Assisted Personal Interview - CAPI) and telephone interviews (Computer Assisted Telephone Interview - CATI).

3. **What type of data does the HFCS collect?**

   The HFCS collects two main types of data.

   The first covers household-level information, including data on real assets (such as the main residence, other real estate, self-employment businesses, vehicles and valuables), financial assets (such as deposits, bonds, shares, mutual funds, voluntary pension schemes and life insurance policies), liabilities (including mortgage debt and non-mortgage debt such as credit card balances, consumer loans and other personal borrowing), consumption and saving, and intergenerational transfers (such as inheritances and gifts).

   The second covers individual-level data on the demographic characteristics, employment, income and pension entitlements of all household members aged 16 and over.

   The Survey may also include an ad hoc module on a specific topic. For example, the 2023 HFCS wave included questions on household energy expenditure and energy-efficiency investments.

   For a detailed list of definitions, kindly refer to the 'Definitions' tab in the HFCS Dashboard.

4. **Why is this data collected?**

   The HFCS provides detailed information on the financial situation of households and how it differs across the population. It also enables comparisons across euro area countries and helps monitor how household finances evolve over time.

The data is an important resource for central banks, other policymakers, researchers, analysts and the broader public. They are used to examine issues such as the distribution of wealth, asset portfolios, indebtedness, access to credit, sources of income, saving behaviour, financial vulnerability and the effects of economic developments and policy measures on households.

The evidence generated by the survey helps inform monetary policy, financial stability assessments and other public policies, contributing to better-informed decision-making. The HFCS also supports academic research and economic analysis by providing a rich source of data that advances knowledge of household financial behaviour and its implications for the wider economy. In addition, the survey benefits the broader public by enhancing understanding of household finances and providing reliable evidence to support informed public debate.

5. How are households selected and how does the HFCS ensure that the results are representative of households in Malta?

Households are selected through a random sampling approach whereby they are chosen at regular intervals from the national population register maintained by the NSO, following a random starting point. The sample also includes a panel component, consisting of households that participated in previous waves of the survey. This makes it possible to analyse how the financial position of the same households changes over time. Statistical weighting and calibration techniques are then applied to ensure that the survey results accurately reflect the wider Maltese population.

6. Why might survey data differ from official or administrative statistics?

It is normal for survey estimates to differ from official or administrative statistics. This is because different data sources are designed for different purposes and may use different concepts, definitions, reference periods and population coverage. In addition, as the HFCS is based on a representative sample of households rather than the entire population, its results are statistical estimates and are therefore subject to a degree of sampling variability. Moreover, respondents may not always know or recall exact values for certain financial information.

The HFCS follows a well-established methodology and applies rigorous validation procedures which are homogenised across euro area member states to ensure the quality of data. Differences between the HFCS and other data sources are therefore expected and do not necessarily indicate inconsistencies. Rather, the different sources complement one another.

7. Are the survey questions the same across waves?

Most core questions remain consistent across waves to allow comparisons over time. However, some questions may be updated or expanded to reflect new economic developments, policy needs or emerging topics. Additional modules may also be introduced in specific waves.

8. How frequently is the HFCS conducted and when will the next wave take place?

The HFCS is conducted approximately every three years across the euro area. Malta has participated in all waves conducted to date, namely the 2010, 2014, 2017, 2021 and 2023 waves. The next wave is scheduled to take place in 2026. The reference period is generally the year preceding the survey so, for example, the data collected for the 2023 wave refers to 2022.

9. If I am selected to participate in the survey, how will my personal information be protected?

Participation in the survey is voluntary. All information collected is treated as strictly confidential and used only for statistical and research purposes. The data is anonymised before being used for analysis and processed in accordance with Maltese data protection legislation and European data protection standards. Personal information is never published or shared in identifiable form.

10. How can I access the data?

Anyone can access the public HFCS Dashboard directly on the Central Bank of Malta website. This interactive tool provides immediate access to aggregated statistics on all information from the HFCS dataset for Malta.

Researchers can request access to Malta's anonymised microdata by contacting the HFCS team at hfcs@centralbankmalta.org. The data will only be provided once the applicant meets the applicable access conditions and confidentiality requirements.

11. What are the main limitations of the HFCS?

Like all surveys, the HFCS is subject to some limitations:

- Results are based on sample data and are therefore subject to sampling variability;
- Some households may decline participation or may not provide information for certain questions;
- Respondents may not always know or recall exact values for certain variables;
- Wealthy households are often harder to survey, which can affect estimates of household finances;

Despite these limitations, the HFCS is based on a robust methodology and undergoes extensive quality checks. The survey is therefore considered a reliable source of information on the financial situation of households in Malta and across the euro area.

12. Where can I find more information and data from the HFCS?

Users may access the HFCS dashboard, which provides data visualisations and allows the download of aggregated HFCS data for Malta. The dashboard also includes a list of definitions, as well as links to publications by Bank staff on HFCS results and research based on HFCS data.

More information on the HFCS is also available on the European Central Bank HFCS webpage.

For further queries, please contact the HFCS team at hfcs@centralbankmalta.org.