



STATISTICS DIRECTORATE  
DIRECTORATE FOR SCIENCE, TECHNOLOGY AND INDUSTRY

## Working Party on SMEs and Entrepreneurship

**SME STATISTICS: TOWARDS A MORE SYSTEMATIC STATISTICAL MEASUREMENT OF SME BEHAVIOUR**

**THE OECD BOLOGNA PROCESS**

**2nd OECD Ministerial Conference on SMEs on "Promoting Entrepreneurship and Innovative SMEs in a Global Economy -- Towards a more Responsible and Inclusive Globalisation" organised by the OECD and the Turkish Ministry of Industry and Trade, Istanbul, 3-5 June 2004**

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## ANNEX 2. STOCKTAKING OF DEFINITIONS AND METHODS ON SME STATISTICS

### Introduction

The purpose of this document is to propose a **Stocktaking of definitions and methods on SME statistics** available at national level. It is based on information collected in 2004 through the Statistics on Enterprises by size-Class data collection exercise for non-EU members of the OECD. This information was brought together with the Eurostat Business Statistics framework and quality reviews reported by EU members and accession countries to Eurostat and additional information found in other written contributions to the Workshop on improving Statistics on SMEs and Entrepreneurship. The quality and wealth of information readily available at Eurostat for European Community members oriented our decision not to collect extra metadata from these countries.

In its **first part**, this document provides a listing of definitions and methods that were provided by non-European Community members of the OECD in their replies to the Statistics on Enterprises by size-class questionnaire early 2004.

In its **second part**, a summary description of Eurostat Annual Business Statistics exercise relating to SMEs is proposed. This information, which provides an excellent overview of SME data availability and characteristics was first presented by Eurostat at the Workshop on improving Statistics on SMEs and Entrepreneurship that was held at the OECD in September 2003 [“Taking Stock of existing SMEs Statistics, Eurostat D2: SME data and metadata methodologies in the EU” COM/STD/NAES/DSTI/EAS(2003)3].

The **third part** of this document relates to information available at Eurostat on a country by country basis. This information was complemented by country submissions to the OECD questionnaire on the state and perspectives of SME statistics. For practical purposes, a sample of only three countries (Hungary, Portugal and Sweden) has been chosen, although information is available for all EU countries.

**Part I.**  
**STOCKTAKING OF METADATA FOR SME STATISTICS IN**  
**OECD NON-EUROPEAN COMMUNITY MEMBERS**

In its first part, this document provides a listing of definitions and methods that were provided by non-European Community members of the OECD in their replies to the Statistics on Enterprises by size-class questionnaire early 2004. European Community members were not consulted in this exercise, as information was available at Eurostat. The replies from Canada, Japan, New Zealand, Norway, Switzerland, Turkey and the United States are compiled here. Work is continuing to complete the information relating to the other three OECD countries not belonging to the EU (Australia, Mexico and Korea). The information covers the institutional aspects and contact information. The industrial classification and its compatibility with ISIC are provided. Legal arrangements on the obligation to reply and confidentiality are reported. Areas more specific to SME information are also covered such as the reference unit and the definition of an SME, criteria used to classify SMEs and the SME business frame. Variables and reference documents are listed when available. More particular attention is given to Business demography, and if they exist, specific surveys on business demography are described.

Sources of data are another point of focus. Titles, methods of collection, response rates, periodicity and thresholds are provided together with any other information available. In the area of statistical adjustments to data, estimates of non-response, adjustments made to data and treatment of confidentiality are covered. Specific strategies for SME data collection and dissemination are also provided.

## CANADA

### 1. Name of institution

Statistics Canada/Statistique Canada.

#### *Nature of institution*

Statistical office.

#### *Contact information*

Small Business and Special Surveys Division and *Unité des petites entreprises*.

#### *Web site of the institution*

WWW.STATCAN.CA

#### *Other institutions responsible for producing the statistics*

Industry Canada Small Business Research And Policy Branch.

#### *Contact information for other institutions*

WWW.IC.GC.CA ...see strategies or performance plus.

### 2. Industrial classification

North American Industrial Classification System (NAICS) Canada, 2002. NAICS is the agreed upon common framework for the production of comparable statistics by the statistical agencies of the three countries, Canada, Mexico and the United States. Its hierarchical structure encompasses all economic activities and is composed of sectors (two-digit code), subsectors (three-digit code), industry groups (four-digit code), and industries (five-digit code). However, the numbering system that has been adopted is a six-digit code, of which the first five digits are used to describe the NAICS levels that will be used by the three countries to produce comparable data, and the sixth digit is used to designate national industries. So NAICS with Canadian detail is designated NAICS Canada.

NAICS Canada 2002 consists of 20 sectors, 103 subsectors, 328 industry groups, 728 industries and 928 national industries and replaces NAICS Canada 1997.

*Number of levels of disaggregation: 5*

#### *Levels of disaggregation*

20 sectors,

103 subsectors,  
328 industry groups,  
728 industries, and  
928 national industries.

***Concordance with international classifications***

NAICS, like ISIC, was principally designed to provide a classification for grouping establishments based on the kind of activity in which they are primarily engaged. Whereas the main criteria employed in delineating the divisions, groups and classes of ISIC are: (a) the character of the goods and services produced; (b) the uses to which the goods and services are put; and (c) the inputs, the process and technology of production, it is the third criterion of ISIC Rev 3 that forms the conceptual basis of NAICS which makes it unique among industrial classifications in being based on a single criterion. In the development of NAICS, efforts were made to create industries that, at least, did not cross the two-digit boundaries of ISIC Rev 3.

**3. Legal arrangements governing data collection**

Statistical data is collected in conformity with the requirements of the Statistics Act.

***Obligation to reply***

The legislation which assigns to Statistics Canada its wide scope for data collection also makes it mandatory for all respondents to provide the information requested unless an order is obtained to make response voluntary. The Act considers refusals or the provision of false or misleading information as criminal offences subject to penalties. Although the legislation does not contain one clearly articulated provision that conveys the obligation of respondents to provide requested information, the Agency relies on a combination of sections to establish that obligation. Guidelines to help determine which survey should be mandatory and which to carry it out on a voluntary basis upon a ministerial order have been developed. They form part of the Policy on Informing Survey Respondents.

The Survey on Financing of Small and Medium sized enterprises discussed further is a voluntary survey conducted every 3 years (2000 and 2003) etc.

***Legislation on confidentiality***

Two provisions of the Act underline the core character of the confidentiality commitment the Agency makes to its respondents and reinforce its application in actual practice. One provides that each employee must swear an oath not to divulge confidential information and the other provides penalties for breaches of confidentiality. The legislation makes a formal commitment to respondents that the information they provide will never be released to anyone in a form that will identify them without their authorization.

**4. Criteria used to determine size classes**

Number of employees and turnover together with some legal form determine size classes.

***Definition of an SME****Commonly accepted definition of an SME*

There are no Canada's standards definitions. However, the one used in our survey includes all incorporated and non-incorporated, employer and non-employer businesses with less than 500 employees and 50 millions (canadian \$) in revenue.

**5. Databases on enterprises by size class**

- Survey on Financing of Small and Medium Enterprises (SME)
- Small Business Profiles (SBP)
- Employment Dynamics (ED)
- Labour Force Surveys (LFS)
- Longitudinal Employment Analysis Program (LEAP)

**6. Reference unit**

Enterprise: Reporting and observation unit.

Establishment: Reporting for selected surveys.

***Collection of data***

Administrative information + triennial sample surveys + monthly surveys + data linkage

*Methods of collection*

- 1) Administrative information – Details of businesses that have a business number with CCRA – Canada custom and Revenue Agency.
- 2) Survey Feedback – Frame changes detected by statistical programs during the conduct of their respective inquiries.
- 3) Profiling – Inquiries designed to maintain the Business Register up to date.

*Frequency of the collection*

The Business Registry is updated once a month. New businesses and businesses that have ceased activities are identified by processing the current version of the Business Number file from the Taxation Authorities. This monthly processing also updates changes to name, address and size measurements for small businesses. All businesses are updated on a continuous basis using survey feedback and results of frame inquiries.

*Agency collecting the data*

Statistics Canada.

**7. Availability of data according to different breakdowns**

National, regions (provinces and territories) + CMA for BR and LFS.

*Availability of data according to geographical breakdown*

True.

*Availability of data according to type of area (urban/rural)*

False.

**8. Variables**

The information stored in the BUSINESS REGISTER includes for all size class:

- # Identification information: Name (legal and operating name); Address (physical location).
- # Classification information: Standard industrial classification code (SIC and NAICS); Standard geographical classification code derived from the postal code component of the physical address of the business; Size code based on the number of employees; Size code based on gross business income.
- # Linkage information: Identification number (BN-Business Number) giving access to CCRA (Canada Custom and Revenue Agency) administrative information.
- # Business Organization information – Legal and operating composition of large enterprises.
- # Survey arrangements – Contact information for questionnaires directed to businesses selected for statistical inquiries.

Small businesses are further represented in the BR by their:

- # Administrative Entity – The Business Number with the Taxation Authorities forms the basis for a business.
- # Statistical Entity – For small businesses, there is only one statistical entity, and
- # Survey Reporting Entity – The reporting entity holds all information required to manage a statistical inquiry. The reporting entity includes information such as the mailing address, the contact person, the telephone and fax numbers, the method of collection and follow-up for non-response, etc.

While large businesses are further represented by their:

- # Administrative Record – Both the Employer Deduction Account and the Corporate Income Tax Account are linked for large businesses.



- # Legal Entity – The legal entity record represents normally a corporation. Corporations through shared ownership can own and control other corporation(s). A group of corporations under common ownership and control is referred to as the legal structure.

For the annual industrial surveys, namely “The Baseline Survey on The Financing of Small and Medium Enterprises in Canada”, estimates are produced for over 100 defined domains of interest based on stratification variables (*e.g.* region, industry type, size and age of business as estimated by the date the business was entered onto the Business Register) as well as questionnaire variables (*e.g.* number of employees, type of creditor).

The Labour Force data source and The Longitudinal Employment Analysis Program (Leap) Data File do not specifically contain information by size class. Instead, they are used for deriving information on Employment Dynamics and business entries and exits for Canada, the provinces and territories.

#### *Methods of collection*

For a given year, this file identifies and records the total payrolls of each and every employer business in Canada by accessing the complete file of T4 slips issued by businesses to employees. In essence, the Dynamics are derived by grouping businesses according to changes observed on the file for a given comparison year relative to the preceding base. A complex set of algorithms is used to detect and correct year-over-year changes of a purely administrative nature that would otherwise lead to over-estimation of the occurrence of business entries and exits.

See Administrative sources for variables included in The Employment Dynamics CD-ROM.

#### **9. Reference documents**

No indication.

#### **10. The SME business frame is based on**

##### *SME business frame based on*

Statistical sources.

##### *Business frame additional comments*

The business frame is based on statistical sources. The accuracy of the information on the Business Register which is used as the survey frame for the survey on Financing of Small and medium sized enterprises is measured regularly. These measurements are used to develop survey sampling methodologies and data collection strategies as well as to manage Business Register improvements.

The following enterprises are excluded from the SME Financing survey population:

- 1- Enterprises with 500 or more employees.
- 2- Enterprises with over \$50 million in gross revenue.
- 3- Enterprises coded as being non-profit (schools, hospitals, charities, etc.).
- 4- Cooperatives.

5- Joint ventures.

6- Municipal/Federal Government.

7- Enterprises with no commercial activities in the reference year.

8- Subsidiaries with over 50 % ownership by parent company/holding companies.

9- Enterprises in specific industries, identified by the North American Industry Classification System.

***The SME business frame is included in the business frame for all***

False.

**11. Demography**

Demography (births all): Fully able to capture.

Demography (deaths all): Fully able to capture.

***Demography additional comments & general assessment***

The Employment Dynamics CD-ROM, 1983 to 1999 exemplifies the ability to fully capture births and deaths of SMEs from the LEAP file described above. However, given that the Employment Dynamics data are derived from a universe file of all businesses with paid employees, they are subject to non-sampling errors, but not to sampling error. Non-sampling errors are present in data whether a sample or a complete census of the population is taken. These errors may be introduced at various stages of data processing (such as coding, data entry, editing, tabulation, etc.) and include response errors introduced by tax filers as a result of misclassifications. All efforts are undertaken to minimize non-sampling errors through edits and data analysis, but some of these errors are outside the control of Statistics Canada. Specifically, Revenue Canada tax forms are designed for the collection of income data for tax purposes and not for statistical purposes. In the context of the Employment Dynamics, no measure of non-sampling error has been developed

***Specific surveys on the demography of enterprises***

The Business Register: is a structured list of businesses engaged in the production of goods and services in Canada. It includes all incorporated businesses, with or without employees. For unincorporated businesses the BR includes all employer businesses, and businesses with no employee but with GST sales greater than \$30K (the BR will not include unincorporated businesses with no employee and with GST less than \$30K). The list can be used to conduct demographic studies of businesses.

**12. Sources of data**

Reference unit for source of data: Enterprise.

***Census: title and main characteristics***

THE BUSINESS REGISTER: is a structured list of businesses engaged in the production of goods and services in Canada.

**Method of collection:**

**Response rate:**

**Periodicity:**

**Threshold:**

***Sample survey: title and main characteristics***

*Survey on The Financing of Small and Medium Enterprises in Canada.* The objective of this survey is to collect general characteristics on small businesses and their financing initiative. It collects information on the types of debt, lease and equity financing that small and medium enterprises (SMEs) rely on. Furthermore, it collects information on any recent attempts to obtain new financing.

Methods of collection: directly from respondents of selected industries. The survey is a sample survey. It is voluntary. The survey was conducted partly via a CATI (computer assisted telephone interview) application and partly via a paper questionnaire in 2000, while in 2001 the supplementary survey was conducted only via CATI.

Frequency of the collection: Baseline every 3 years 2000, 2003.

Agency collecting the data: Statistics Canada's Small Business and Special Surveys Division conducts this survey on behalf of Industry Canada and Finance Canada, as part of a larger program of research on small- and medium-sized firms which started up in 2000.

Labour force surveys: provides estimates of employment and unemployment, employment estimates by industry, occupation, public and private sector, hours worked and much more, all cross-classifiable by a variety of demographic characteristics. Estimates are produced for Canada, the provinces, and a large number of sub-provincial regions.

***Methods of collection***

The LFS is conducted using Computer Assisted Interviewing (CAI). The LFS uses a rotating panel sample designed so that selected dwellings remain in the LFS sample for six consecutive months. It is a mandatory survey.

Frequency of collection: Monthly.

Agency collecting the data: Statistics Canada's Labour Statistics Division.

Method of collection

No indication.

Method of sampling

Survey on the Finance: Statistics Canada's Business Register is used as the survey frame for the target population of all private sectors, for-profit enterprises with fewer than 500 employees and gross revenues less than \$50 million in Canada. The sampling frame contains 833 821 enterprises.

The initial stratification is by region, industry type, size and age of business. The number of employees in the enterprise is used to define the size of a business and the age of the business is estimated using the date that the business was entered onto the Business Register. A sample of enterprises, based on the stratification is randomly selected from the BR.

Response rate

Survey on the Finance: 63% in 2000 and 66% in 2001.

Periodicity of data collection

Survey on the finance: Every 3 years 2000, 2003, (Supplemental survey in 2001).

Threshold:

Survey on the finance: Fewer than 500 employees and gross revenues less than \$50 million.

Size classes covered by the survey

0 employees; 1-4 employees; 5-19 employees; 20-99 employees; 100-499 employees.

***Administrative source: title and main characteristics***

EMPLOYMENT DYNAMICS CD-ROM, 1983 to 1999. It presents Net year-over-year changes in total number of businesses, payrolls, and average labour units, by industry grouping and by employment-size classes, between 1983 and 1999, with the initial year in each comparison denoted as “the base year” and the terminal year as the “comparison” year.

Data are broken down according to the following gross components which are calculated for individual employment-size groupings of firms:

1. job gains attributed to newly identified employers;
2. job losses attributed to firms that ceased to be identified as employers;
3. job gains attributed to continuing employers that increased their respective employment levels;
4. job losses attributed to continuing employers that decreased their respective employment levels.

The following are the employment-size classes which are covered by this source:

Total, all sizes

1. <5 ALUs
2. 5-19 ALUs
3. 20-49 ALUs
4. 50-99 ALUs
5. 100-499 ALUs
6. 500+ ALUs

And the following are the business life statuses:

Total, all life statuses

1. Newly identified
2. Total continuously identified
  - a) Continuously identified, with increasing ALUs
  - b) Continuously identified, with decreasing ALUs
3. No longer identified
4. 100-499 ALUs
5. 500+ ALUs

Periodicity of update of administrative sources:

Annually from 1983 to 1999.

***Other source: title and main characteristics***

The Longitudinal Employment Analysis Program (LEAP) data file.

*Tax data program:* The Longitudinal Employment Analysis Program (LEAP) Data File: (Source data file for the Employment Dynamics CD ROM product61F0020XCB).

*Methods of collection:* linkages of administrative and survey data on companies.

*Frequency of collection:* With each addition of data for a new year from the BR and the surveys, the LEAP database undergoes a series of edit and validation checks based on cross-sectional and longitudinal analysis. Individual records as well as industry/area aggregates are scrutinized for accuracy and consistency.

*Agency collecting the data:* Statistics Canada's Business and Labour Analysis Division.

***Statistical adjustments to data***

*Estimates of non response:*

A methodology document is available – All references available through [www.statcan.ca](http://www.statcan.ca) see definitions, data sources and methods ref. # 2941.

*Adjustments:*

Parameters of interest are estimated with Statistics Canada's Generalized Estimation System (GES).

Initial sample weights are adjusted to account for refusals and other non-response. A post-stratified estimator is used to calibrate to a known total number of enterprises in each of the number of employee categories. These known counts are obtained from the BR, taking into account out-of-scope rates.

*Treatment of confidentiality:*

Confidentiality analysis includes the detection of possible "direct disclosure", which occurs when the value in a tabulation cell is composed of a few respondents or when the cell is dominated by a few

companies. A number of cells in each release are suppressed to protect the confidentiality of data suppliers and/or for data quality reasons. The suppressions are shown by an "x" in the data tables.

Confidential data are included in sub-totals and totals; however, this is only done after various confidentiality rules have been applied to prevent direct or residual disclosure of identifiable data.

### **13. Dissemination**

#### ***Dissemination of SME designed by***

Joint venture with Industry Canada and the Department of Finance.

#### ***Core variables time lag reference year and time of publication***

15

#### ***Specific variables time lag reference year and time of publication***

20

#### ***Strategy for SME stats compared to other business statistics***

Through the SURVEY ON FINANCING OF SMALL AND MEDIUM-SIZED ENTERPRISES, quality data on the accessibility of financing for SME are collected, analyzed and reported on a regular basis to the House of Commons Standing Committee on Industry, Science and Technology. The first of these reports entitled SME Financing in Canada: 2002 can be found at <http://strategis.ic.gc.ca/fdi>.

The overall purpose of the survey is to improve understanding and monitoring of the factors which influence SME's financing needs and access to credit, the characteristics of borrowers and non-borrowers, the roots causes of loan approvals versus turndowns, and the key drivers of SME satisfaction relating to a variety of aspects of the bank-SME business relationship.

#### ***Overall strategy for demand on SME stats***

Other survey objectives include helping to better understand the nature and outcomes of applications for financing by gender, visible minorities, start-ups and youth.

**JAPAN****1. Name of institution**

Ministry of Economy, Trade And Industry.

***Nature of institution***

Ministry.

***Contact information***

Public Relations and International Affairs Office, Research and Statistics Department, Economic and Industrial Policy Bureau.

***Web site of the institution***

<http://www.meti.go.jp>.

***Other institutions responsible for producing the statistics***

Industrial Statistics Office, Research and Statistics Department, Economic and Industrial Policy Bureau, Ministry of Economy, Trade and Industry.  
Phone: +81-3-3501-9945, Fax: +81-3-3501-7790

***Contact information for other institutions:*****2. Industrial classification**

Standard Industrial Classification for Japan (JSIC).

***Number of levels of disaggregation: 4******Levels of disaggregation***

- Division 14
- Major Group (2-digit) 99
- Group (3-digit) 463
- Industry (4-digit) 1 324

***Concordance with international classifications***

JSIC corresponds with ISIC in the 4-digit level.

### **3. Legal arrangements governing data collection:**

The Statistical Law and the Statistical Coordination Law.

#### ***Obligation to reply***

For the Designated Statistics Surveys, persons and corporations covered by them are obligated to respond (Article 5 of the Statistical Law); offenders are subject to penalty. (Article 19 of the Statistical Law).

#### ***Legislation on confidentiality***

The confidentiality of information on any person, juridical person, or other bodies, collected for official statistical surveys, shall be secured. (Article 14 of the Statistical Law).

No person shall use individual completed Designated Statistics questionnaire forms for non-statistical purposes; however, the questionnaire forms may be used for such non-statistical purposes when the use thereof is approved and made public by the Minister of MPHPT. (Article 15 of the Statistical Law).

### **4. Criteria used to determine size classes**

Number of persons engaged determine size classes.

#### ***Definition of an SME***

(1) Any entity which is a company whose capital or total amount of investment does not exceed three hundred million yen (¥ 300 000 000), or a company or an individual whose regular workforce does not exceed three hundred persons, and which is principally engaged in manufacturing, construction, transportation or any other category of business (except those categories of business mentioned in any of items (2) to (4) below).

(2) Any entity which is a company whose capital or total amount of investment does not exceed one hundred million yen (¥ 100 000 000), or a company or an individual whose regular workforce does not exceed one hundred persons, and which is principally engaged in the wholesale trade.

(3) Any entity which is a company whose capital or total amount of investment does not exceed fifty million yen (¥ 50 000 000), or a company or an individual whose regular workforce does not exceed one hundred persons, and which is principally engaged in the service industry.

(4) Any entity which is a company whose capital or total amount of investment does not exceed fifty million yen (¥ 50 000 000), or a company or an individual whose regular workforce does not exceed fifty persons, and which is principally engaged in the retail trade.

#### ***Commonly accepted definition of an SME***

No indication.

### **5. Databases on enterprises by size class**

No indication.



**6. Reference unit*****Collection of data***

All above data sources are same as SSIS data sources.

***Availability of data according to different breakdowns:******Census of Manufacturers***

- Industry edition (by industry classification, by prefecture, by size class, etc.)
- Commodity edition
- Industrial Site and Water edition
- Municipality edition
- Industrial Districts edition
- Enterprise Statistics Edition
- Survey of Business Diversification Edition

***Census of Commerce***

- Report by industry (Summary, Prefectures, Municipalities)
- Statistics by Type of Business Edition
- Statistics by Type of Site Environment Edition

**7. Availability of data according to different breakdowns*****Availability of data according to geographical breakdown***

True.

***Availability of data according to type of area (urban/rural)***

False.

**8. Variables**

No indication.

**9. Reference documents**

No indication.

**10. The SME business frame is based on**

***SME business frame based on***

Brings together several sources.

***Business frame additional comments***

In Japan, the business frame composed only of the small and medium-sized enterprise doesn't exist, Statistical Frame of Establishment and Enterprises (SFEE) is a database that contains the establishments of all scales. The business frame brings together several sources.

SFEE is updated using the returns of the three major censuses (the Establishment and Enterprise Census, the Census of Commerce, and the Census of Manufactures), the Financial Statements of Corporations by Industry, and other useful data sources in the private sector (Teikoku Databank).

***The SME business frame is included in the business frame for all***

True.

**11. Demography**

Demography (births all): partially able to capture.

Demography (deaths all): partially able to capture.

***Demography additional comments & general assessment***

It is only the Establishment and Enterprise Census that covers all industries, the capture of births or deaths assumes only the update by the Establishment and Enterprise Census data.

The Establishment and Enterprise Census has been conducted every five years as large scale, a simplified interim census is conducted three years after a large scale census.

Because the census is not carried out every year, regarding the latest situation, neither births nor deaths is completely captured.

***Specific surveys on the demography of enterprises***

No indication.

**12. Sources of data**

Reference unit for source of data: Establishment.

***Census: title and main characteristics***

Census of Manufacturers (for manufacturing industry ISIC D)

Census of Commerce (for wholesale and retail trade industry ISIC G)

Method of collection: Paper questionnaire distributed and collected by enumerators

Response rate: Nearly 100%.

Periodicity:

- Annual (for Census of Manufactures)
- Every 5 years (for Census of Commerce)

Threshold:

The surveys have been conducted on all establishments only in years where the last digit is 0, 3, 5, or 8. In all other years, the survey is limited to those establishments which engage four or more persons. (for Census of Manufactures).

All establishments which belong to commerce (for Census of Commerce).

***Sample survey: title and main characteristics:***

Method of collection:

Method of sampling:

Response rate:

Periodicity of data collection:

Threshold:

***Administrative source: title and main characteristics***

No indication.

***Periodicity of update of administrative sources***

No indication.

***Other source: title and main characteristics***

Survey of Selected Service Industries (for service sectors, part of ISIC K and O). This is a survey of the actual conditions of service industries in all establishments which have METI-designated services.

***Statistical adjustments to data***

*Estimates of non response*

Do not estimate non-response.

*Adjustments*

Do not adjust.

*Treatment of confidentiality*

An "x" is substituted for the data when the number of establishments is 1 or 2. This is because each reporter's secret information is likely to become apparent to the public when such confidential data

appears as it is. Furthermore, even if the number of establishments is 3 or more, "x" is substituted in the same way when the confidential data for which "x" has already been substituted, seems to become apparent.

**13. Dissemination**

***Dissemination of SME designed by***

NSO Small and Medium Enterprise Agency.

***Core variables time lag reference year and time of publication***

Between 12 and 18 months: in the case of the Establishment and enterprise Census by MPHPT.

***Specific variables time lag reference year and time of publication:***

Less than a year In the case of the single-year questionnaire for the White Paper.

***Strategy for SME stats compared to other business statistics***

No indication.

***Overall strategy for demand on SME stats***

We aim to create a system that can link up with the various statistics of other Ministries (*e.g.* “Labour Force Survey” and “Employment Status Survey” by MPHPT, the labour statistics by MHLW).

**NEW ZEALAND****1. Name of institution**

Statistics New Zealand.

***Nature of institution***

Statistical office.

***Contact information***

International Liaison Officer, Statistics New Zealand, PO Box 2922, Wellington, New Zealand.

***Web site of the institution***

WWW.STATS.GOVZ.NZ

***Other institutions responsible for producing the statistics***

N.A.

***Contact information for other institutions***

N.A.

**2. Industrial classification**

ANZSIC 96 V4.0 Australian New Zealand Standard Industrial Classification.

***Number of levels of disaggregation: 5******Levels of disaggregation***

Division	16
Sub division	54
Group	163
Class	461
Sub class	482

***Concordance with international classifications***

Yes, ANZSIC concurs to ISIC rev 3 at the ISIC class 4<sup>th</sup> level.

**3. Legal arrangements governing data collection:**

Statistics Act 1975.

***Obligation to reply***

Yes.

***Legislation on confidentiality***

Three principles of data confidentiality:

- Data collected is used for statistical purposes only.
- Information is to be kept confidential.
- Identifiable information not to be published or otherwise disclosed.

[SECT. 37. SECURITY OF INFORMATION]--

- (1) Information furnished to the Statistician under this Act shall only be used for statistical purposes.
- (2) No person other than an employee of the Department who has made the statutory declaration specified in section 21 of this Act shall be permitted to see any individual schedule or any answer to any question put under this Act except for the purposes of a prosecution or a proposed prosecution under this Act.
- (3) No information contained in any individual schedule and no answer to any question put for the purposes of this Act shall, except for the purposes of a prosecution or a proposed prosecution under this Act, be separately published or disclosed to any undertaking or to any person not being an employee of the Department who has made the statutory declaration specified in section 21 of this Act.
- (4) All statistical information published by the Statistician shall be arranged in such a manner as to prevent any particulars published from being identifiable by any person (other than the person by whom those particulars were supplied) as particulars relating to any particular person or undertaking, unless:
  - a) That person or the owner of that undertaking has consented to their publication in that manner, or has already permitted their publication in that manner; or
  - b) Their publication in that manner could not reasonably have been foreseen by the Statistician or any employee of the Department.
- (5) For the purposes of subsection (4) of this section the Statistician shall make such office rules as he considers necessary.
- (6) Subsections (2) and (3) of this section apply notwithstanding any provision contained in the Customs Act 1966, the [Tax Administration Act 1994] or any other Act.

## STATUS COMPENDIUM.

Hist. s.37 (6) omitted words “Inland Revenue Department Act 1974” and substituted words “Tax Administration Act 1994” on 1 April 1995, and applies as from 1995-96 income year by 1994, No. 164, s.YB 1.

Hist. s.37-s.37F were substituted for the original s.37 (as variously amended) by s.7 (1) of the Statistics Amendment Act 1985.

## [SECT. 37A. STATISTICIAN AUTHORISED TO DISCLOSE CERTAIN INFORMATION]

Notwithstanding section 37 of this Act, the Statistician may disclose the following information.

- (a) Information supplied by a person or undertaking in respect of which disclosure is consented to in writing by the person, or a competent officer of the undertaking, who or which supplied it;
- (b) Information available to the public under any Act or public document;
- (c) Information in the form of an index or list of the names and addresses of individual undertakings, together with the industrial classification allotted to them and the number of persons engaged;
- (d) Details of external trade, movement of ships, and cargo handled at ports;
- (e) With the approval of the Minister, such particulars respecting individual fire, accident, and life insurance offices as are desirable in the public interest, not being information received through the Inland Revenue Department.
- (f) Information supplied by a local authority.

#### 4. Criteria used to determine size classes

Number of full-time equivalents persons engaged determine size classes.

#### *Definition of an SME*

New Zealand does not have a formal definition of an SME.

#### *Commonly accepted definition of an SME*

Notwithstanding, the national tax agency does make some distinctions with respect to compliance rules for smaller businesses. These include:

- Goods and Services Tax (equivalent of VAT).
- Compulsory registration for those businesses with annual turnover that exceeds \$40 000.
- Availability of 6 monthly GST returns filing for businesses with annual turnover that does not exceed \$250 000.
- Default option is 2 monthly GST returns filing.

- Monthly GST returns filing for businesses with annual turnover exceeding \$24 million.

#### *Goods and Services Tax Accounting*

Either cash or accrual accounting can be adopted for the purposes of GST reporting for businesses with turnover not exceeding \$1.3 million.

Accrual accounting for businesses with annual turnover exceeding \$1.3 million.

#### *Employers*

Businesses that employ staff are required to account monthly to the Tax Office for Pay As You Earn (PAYE) Tax deducted from employee salaries and wages.

Large employers, defined as those with annual PAYE Tax deductions of \$100 000 or more, are required to account to the Tax Office twice monthly on deductions made from employee remuneration.

Statistics New Zealand has not yet adopted a formal definition for SMEs. However in its presentation of business demographic statistics it uses the following FTE categories for businesses:

- 0-5 FTE
- 6-9 FTE
- 10-19 FTE
- 20-49 FTE
- 10-49 FTE
- 50-99 FTE
- 100 plus FTE

In the 2001 survey of business practices and performance conducted by Statistics New Zealand (and jointly sponsored by Ministry of Economic Development, Ministry of Research, Science and Technology (MORST) and Statistics New Zealand) the following categories were used:

- Small firms                      6 to 19.5 FTEs
- Medium firms                    20 to 49.5 FTEs
- Large firms                        50 or more FTEs

The Ministry of Economic Development prepared a report in June 2002 entitled “SMEs in New Zealand – Structure and Dynamics” which for its purposes defined SMEs as enterprises employing 19 or fewer FTEs. This was based on data from the Business Demography dataset prepared by Statistics New Zealand.



In turn, one of New Zealand's trading banks (National Bank of New Zealand) undertook a survey of over 1 000 New Zealand businesses in June 2002 and used the following definition:

- Micro firms                      0 to 5 employees
- Small firms                        6 to 20 employees
- Medium firms                    21 to 50 employees
- Large firms                        More than 50 employees

The New Zealand Centre for SME Research, which is part of the College of Business at Massey University, in one of its publications uses the following employment size classes:

- Micro businesses                0 – 5 employees
- Small businesses                6 – 49 employees
- Medium sized businesses      50 – 99 employees
- Large businesses                100 or more employees

#### **5. Databases on enterprises by size class**

Business Frame: Statistics New Zealand maintains a database (business frame) of all businesses.

#### **6. Reference unit**

##### *Collection of data*

The financial information is derived from the Annual Enterprise Survey undertaken by Statistics New Zealand. This is a postal survey of approximately 30 000 New Zealand Businesses.

#### **7. Availability of data according to different breakdowns**

Limited industry and size group breakdowns are available because of sampling and confidentiality constraints.

##### *Availability of data according to geographical breakdown*

False.

##### *Availability of data according to type of area (urban/rural)*

False.

#### **8. Variables**

#### **9. Reference documents**

No indication.

**10. The SME business frame is based on**

*SME business frame based on:*

No indication.

*Business frame additional comments:*

New Zealand does not have a distinct SME business frame.

*The SME business frame is included in the business frame for all:*

True.

**11. Demography**

Demography (births all): partially able to capture.

Demography (deaths all): to capture.

***Demography additional comments & general assessment***

Births and Deaths: New business formation and business cessation (births and deaths) are captured on the Statistics New Zealand Business Frame. However, due to the reliance on unique tax identifiers for recording firm births and deaths, it can be difficult to distinguish between administrative and economic changes. For example, when a firm changes legal status or ownership it may be issued with a new tax identifier. Such changes, while reflecting administrative change, can inflate the total number of births and deaths. While the absolute number of businesses classified in this way is small in relation to the total number of businesses, the bias may be significant because the number of new births and deaths per period is relatively small. A conservative estimate is that about 20 percent of deaths are due to this administrative churn<sup>1</sup> (Statistics New Zealand, September 2003, Feasibility Report: Linked Employer-Employee Data (LEED), p. 21). This level of error would affect any analysis of new and ceased firms and job and worker flow rates. Work currently underway within Statistics New Zealand towards establishing Linked Employer-Employee Data (LEED) is expected to help reduce this problem.

***Specific surveys on the demography of enterprises***

No indication.

**12. Sources of data**

Reference unit for source of data

***Census: title and main characteristics***

Method of collection: Postal Survey, Administrative data.

Response rate: 90 percent.

Periodicity: No indication.

---

1 . Estimated based on analysis of monthly data over the period April 1999 to April 2002.

Threshold: No indication.

***Sample survey: title and main characteristics***

Annual Business Frame Update Survey. Annual Enterprise Survey. Employing Units with over \$30 000 GST sales or purchases not engaged in Agriculture.

Method of collection: Annual Postal survey.

Method of sampling: Approximately 30 000 New Zealand Businesses: AES is stratified by industry and full-time equivalent persons engaged. The sample is split into approximately 80 industry groups, according to the predominant activity of the accounting unit. These 80 groups are defined using the New Zealand Standard Industrial Classification (NZSIC). The target population for AES since the 1994/95 year is enterprises compulsorily registered for GST that are economically significant. Prior to this the target population was enterprises compulsorily registered for GST.

The sample is drawn from Statistics New Zealand's Business Frame, with the following industry exclusions [defined by New Zealand Standard Industrial Classification (NZSIC) and Australian and New Zealand Standard Industrial Classification (ANZSIC)]:

- agriculture and livestock production (NZSIC major group 111; ANZSIC subdivision A0).
- non-market central and local government services (NZSIC major division 91; ANZSIC division M)
- rental and lease of real estate and property development (NZSIC group 8312; ANZSIC group L771)
- self-employed insurance, and real estate commission agents (NZSIC subgroups 82302, 83113; part of ANZSIC groups K752, K772)
- self-employed building society commission agents (NZSIC 81492; part of ANZSIC class K7519)
- water works and supply (NZSIC group 4103, division 42; ANZSIC subdivision D37)
- pipeline transportation (NZSIC group 7115; ANZSIC class 16501)
- superannuation funds (NZSIC group 8220; ANZSIC class K7412)
- sporting and recreation clubs and sports people (NZSIC group 9440; part of ANZSIC classes P9319, P9330)
- authors and composers (NZSIC group 9415; ANZSIC class P9242)
- religious organisations (NZSIC group 9391; ANZSIC class Q9610)
- social and related community services nec (NZSIC group 9399; ANZSIC class Q9629)
- domestic services to households (NZSIC group 9530; ANZSIC Q9700).

Central and local government services (non-market) are covered by the Central Government Enterprise and Local Government Enterprise Surveys, respectively.

Response rate: The target response rates are 70 percent by accounting unit, and 85 percent by industry income. Achieved response rates vary across industries. Non-respondents have their data imputed. The AES imputation methodology takes into account a wide range of factors when determining values for non-respondents. The method is considered to give a good estimate of both the annual level and the inter-annual movement.

Periodicity of data collection: Annual: The survey is conducted annually. The sample is selected in July, with provisional results available about 15 months later.

Threshold: No indication.

***Administrative source: title and main characteristics***

Periodicity of update of administrative sources: No indication.

***Other source: title and main characteristics***

No indication.

***Statistical adjustments to data***

*Estimates of non response:*

No indication.

*Adjustments:*

No indication.

*Treatment of confidentiality:*

No indication.

**13. Dissemination**

***Dissemination of SME designed by***

NSO.

***Core variables time lag reference year and time of publication***

Annual Enterprise Survey: 18 months.

***Specific variables time lag reference year and time of publication***

Business demography 8 months.

***Strategy for SME stats compared to other business statistics***

No indication.

***Overall strategy for demand on SME stats***

No indication.

## NORWAY

### 1. Name of institution

Statistisk sentralbyrå.

Statistics Norway.

#### *Nature of institution*

National statistical office.

#### *Contact information*

Industry: Energy and Industrial Production Statistics, Statistics Norway. Wholesale and retail trade, construction, real estate, renting and business activities, sewage and refuse disposal, sanitation and similar activities, and other service activities: Division for Service and Construction Statistics, Statistics Norway.

Transport, tourism, and ICT: Division for Transport and Tourism Statistics, Statistics Norway.

#### *Web site of the institution*

WWW.SSB.NO

#### *Other institutions responsible for producing the statistics*

No indication.

#### *Contact information for other institutions*

No indication.

### 2. Industrial classification

NACE REV. 1

#### *Number of levels of disaggregation: 6*

#### *Levels of disaggregation*

A SECTION

AA SUBSECTION

11 DIVISION

11.1 GROUP

11.11 CLASS

11.111 SUBCLASS

***Concordance with international classifications***

There are direct concordance with ISIC on all levels of detail.

**3. Legal arrangements governing data collection**

The Norwegian Statistics Act of 1989, §§2-2 and 2-3.

***Obligation to reply***

Yes.

***Legislation on confidentiality***

§ 2-5. The use of information.

(1) Information collected in accordance with any prescribed obligation to provide information, or which is given voluntarily, may only be used for the production of official statistics or for such other use as is approved by the Data Inspectorate and is not detrimental to the security of the realm. If information is handed over, the obligation of secrecy pursuant to § 2-4 shall also apply to the recipient of the information. When particular grounds so indicate, the Data Inspectorate may nevertheless make exceptions to such obligation of secrecy for certain types of information.

We can not publish figures within groups with less than 3 enterprises, and in groups with monopoly and duopoly.

**4. Criteria used to determine size classes**

Number of persons engaged and turnover determine size classes

***Definition of an SME***

Statistics Norway does not have an official definition of SME.

Independent enterprises with less than 100 employees.

***Commonly accepted definition of an SME:***

There is no legal definition for medium sized enterprises, but small enterprises are defined in the accounting act 1998-07-1756 as an enterprise fulfilling 2 out of the following 3 criteria over the last two years:

- having less than NOK 40 000 000 in turnover,
- having less than NOK 20 000 000 in total in the balance,

- having less than 50 employees.

**5. Databases on enterprises by size class**

No indication.

**6. Reference unit**

Industry: We use the term enterprise in our statistics, but today enterprise = legal unit. The Enterprise as a unit will be included in Central Register of Establishments and Enterprises this year. Establishment – local kind of activity unit: Establishment.

Wholesale and retail trade, construction and real estate, renting and business activities.

We use the term enterprise in our statistics, but we also publish figures for establishment (*i.e.* local kind of activity unit). Sewage and refuse disposal, sanitation and similar activities, and other service activities.

We only publish figures for establishment (*i.e.* local kind of activity unit).

Transport, tourism, ICT: We use the term enterprise in our statistics, but we also publish figures for establishment (*i.e.* local kind of activity unit).

***Collection of data***

Number of employees is updated monthly from the register of employers.

**7. Availability of data according to different breakdowns**

***Availability of data according to geographical breakdown***

True.

***Availability of data according to type of area (urban/rural)***

False.

**8. Variables**

No indication.

**9. Reference documents**

See <http://www.ssb.no/english/subjects/10/>

**10. The SME business frame is based on**

***SME business frame based on***

Brings together several sources.



***Business frame additional comments***

Admin and stat sources for mining and quarrying, manufacturing.

Admin and stat sources for construction and services.

Admin and stat sources for services. Nace 90 + 93 is based only on administrative source.

***The SME business frame is included in the business frame for all:***

True.

**11. Demography**

Demography (births all): fully able to capture.

Demography (deaths all): fully able to capture.

***Demography additional comments & general assessment***

No indication.

***Specific surveys on the demography of enterprises***

No indication.

**12. Sources of data**

Reference unit for source of data: Establishment.

***Census: title and main characteristics***

Method of collection:

Response rate:

Periodicity:

Threshold:

***Sample survey: title and main characteristics***

- Structural statistics for wholesale and retail trade, construction and real estate, renting and business activities.
- Structural statistics for transport and communication.
- Structural statistics for hotels and restaurants.
- Structural statistics for activities of travel agencies, tourist offices and tour operators.

***Method of collection:***

Paper questionnaire sent by mail.

***Method of sampling:***

- Industry:

- All LKAUs with at least 30 employees at the time of sampling are included.
- In addition are all LKAUs in multi-enterprises with at least one manufacturing LKAU with 20 or more employees included.
- For LKAUs with less than 30 employees (but more than 5), a sample is drawn, based on a stratification by activity (Nace) and ze.

- Wholesale and retail trade, construction, real estate, renting and business activities, sewage and refuse disposal, sanitation and similar activities, and other service activities:

- all enterprises with at least 100 employees at the time of sampling are included (they receive the a paper questionnaire with many questions).
- all enterprises which consists of at least 2 local kind-of-activity units. They receive a paper questionnaire with questions about employment and turnover

- Transport, tourism, and ICT:

- all enterprises that have been in business for the reference year are in the population. A sample stratified after the number of employees is made. If the largest enterprises by turnover is not in the sample, these are added afterwards. The enterprises receive an extensive questionnaire which they have to answer and return with their financial statement.
- We have a census for the variables number of employees and turnover. This information we mostly find in official registers. For those where this is not the case, the enterprises with one LKAU receives a paper questionnaire with questions about their income.
- All enterprises which consists of at least 2 local kind-of-activity units and that are not in the main sample receive a paper questionnaire with questions about employment and turnover.

***Response rate:***

Structural statistics for manufacturing: 97 %. Structural statistics for transport, tourism and ICT: 89-95 % (the data collection is split into six sections).

***Periodicity of data collection:***

Annual.

***Threshold:***

Structural statistics for transport, tourism and ICT: No thresholds apart from enterprises in the public sector not being included.

***Administrative source: title and main characteristics***

- Employer and employees register.
- Value added tax register.
- Trading statements from the Norwegian Internal Revenue Service.
- Register of Annual Company Reports in Brønnøysund.
- The Central Register of Establishments and enterprises.
- The Central Coordinating register for legal entities.

***Periodicity of update of administrative sources***

Regularly.

***Other source: title and main characteristics***

Business registers, registers of employers.

***Statistical adjustments to data******Estimates of non response:***

No indication.

***Adjustments:***

No indication.

***Treatment of confidentiality:***

Confidential data are presented with a “C”. Confidential data are included in subtotals and totals.

**13. Dissemination*****Dissemination of SME designed by***

No indication.

***Core variables time lag reference year and time of publication***

Industry: 16. Wholesale and retail trade, construction, real estate, renting and business activities, sewage and refuse disposal, sanitation and similar activities, and other service activities: 18.

***Specific variables time lag reference year and time of publication***

Industry: 16. Wholesale and retail trade, construction, real estate, renting and business activities, sewage and refuse disposal, sanitation and similar activities, and other service activities: 18.

***Strategy for SME stats compared to other business statistics***

No indication.

***Overall strategy for demand on SME stats***

No indication.

**SWITZERLAND****1. Name of institution**

Office fédéral de la statistique.

***Nature of institution:***

Statistical office.

***Contact information:***

No indication.

***Web site of the institution***

No indication.

***Other institutions responsible for producing the statistics***

No indication.

***Contact information for other institutions***

No indication.

**2. Industrial classification**

NACE REV. 1

***Number of levels of disaggregation***

No indication.

***Levels of disaggregation***

4<sup>th</sup> level of NACE.

***Concordance with international classifications***

No indication.

**3. Legal arrangements governing data collection*****Obligation to reply***

No indication.

*Legislation on confidentiality*

No indication.

**4. Criteria used to determine size classes**

*Definition of an SME*

No indication.

*Commonly accepted definition of an SME*

No indication.

**5. Databases on enterprises by size class**

No indication.

**6. Reference unit**

*Collection of data*

Non-monetary variables: decennial census and 2 intermediary exercises. Monetary variables: annual survey.

**7. Availability of data according to different breakdowns**

*Availability of data according to geographical breakdown*

False.

*Availability of data according to type of area (urban/rural)*

False.

**8. Variables**

Number of enterprises, number of establishments and number of persons engaged. These variables can be broken down to the 4<sup>th</sup> level of NACE classification, by enterprise legal form. Number of persons engaged can be broken down according to gender and to three levels of activity.

**9. Reference documents**

No indication.

**10. The SME business frame is based on**

*SME business frame based on*

No indication.

***Business frame additional comments***

No indication.

***The SME business frame is included in the business frame for all***

False.

**11. Demography**

Demography (births all): fully able to capture.

Demography (deaths all): to capture.

***Demography additional comments & general assessment***

Births are fully covered.

***Specific surveys on the demography of enterprises***

Enterprise Demography (ED) is being developed in Switzerland, with a view to, ultimately, observe birth, death, merger and other demographic events of the enterprise together with the survival rate. Although births and survival rates are fully identifiable for SMEs, the other demographic events mix SMEs and larger enterprises.

The NSO has developed the ED inspired by work done at Eurostat, as it did for the size class ventilation of enterprises. However, some divergence exist. The main divergence resides in capturing the creation of new enterprises: Eurostat uses enterprise registers while Switzerland favours enterprise surveys.

Work done by the NSO have allowed follow up of enterprise creations since 1997 and first results on survival rates during the first four years of enterprise life are available now.

In coming years, developments will consolidate birth statistics and survival on one hand, and, on the other hand, the extension of enterprise demography to other demographic events. We are confident that these developments will be directly useable for SME analysis.

**12. Sources of data**

Reference unit for source of data: No indication.

***Census: title and main characteristics***

Recensement décennal des entreprises, supplemented by 2 intermediary censae.

Method of collection: No indication.

Response rate: No indication.

Periodicity: Decennial.

Threshold: No indication.

***Sample survey: title and main characteristics***

Annual Survey on Accounting Results, under the name of "Value added Statistics".

***Method of collection***

Large enterprises are fully covered while smaller ones are covered through a random sample. The sample size is too small to allow size class breakdowns.

***Method of sampling***

No indication.

***Response rate***

No indication.

***Periodicity of data collection***

Annual.

***Threshold***

No indication.

***Administrative source: title and main characteristics***

No indication.

***Periodicity of update of administrative sources***

No indication.

***Other source: title and main characteristics***

No indication.

***Statistical adjustments to data***

***Estimates of non response***

No indication.

***Adjustments***

No indication.

***Treatment of confidentiality***

No indication.



**13. Dissemination*****Dissemination of SME designed by***

No indication.

***Core variables time lag reference year and time of publication***

No indication.

***Specific variables time lag reference year and time of publication***

No indication.

***Strategy for SME stats compared to other business statistics***

No indication.

***Overall strategy for demand on SME stats***

Three paths: Structural Statistics for a static description, Enterprise Demography for evolution follow up. These two pillars constitute the foundation of systematic and regular monitoring of enterprise statistics. Ad hoc studies may shed light on "thematic" aspects of SMEs, they do not need to be periodic.

## TURKEY

### 1. Name of institution

State Institute of Statistics (SIS).

#### *Nature of institution:*

Statistical office

#### *Contact information*

Necatibey cad. No :114 06100 Bakanlıklar / ANKARA (TÜRKİYE)

#### *Web site of the institution*

<http://www.die.gov.tr>

#### *Other institutions responsible for producing the statistics*

No indication.

#### *Contact information for other institutions*

No indication.

### 2. Industrial classification

(manufacturing): ISIC Rev.2 – ISIC Rev.3- NACE Rev.1.1.

(construction): ISIC Rev.2.

(trade, services, hotel and restaurants and financial intermediary): Between 1982 and 1992 second revision of International Standard Industrial Classification (ISIC Rev.2) has been used. From 1992 to 2001 third revision of international standard industrial classification (ISIC Rev.3) has been used. After 2002, NACE Rev.1.1 is being used..

(transportation): BİRLEŞMİŞ MİLLETLER'İN ULUSLARARASI STANDART SANAYİ SINIFLAMASI 3.REV. (USSS 3.REV.) – there is a national classification at six digits level which is based on ISIC REV.3.

*Number of levels of disaggregation:* 4

#### *Levels of disaggregation*

ISIC Rev.2 – ISIC Rev.3 at two, three and four digit levels by manufacturing sector.

We are producing statistics about trade, services, hotel and restaurants and financial intermediary institutions. Information which related with these institution, given according to ISIC Rev.3 at two, three, four and six digit levels.

Transportation

ISIC REV 3	National classification at six digit level
6010	THERE
6021	NINE
6022	SIX
6023	NINE
6030	FIVE
6110	FOUR
6120	FOUR
6210	FOUR
6220	FOUR
6301	THREE
6302	FIVE
6303	TWENTY
6304	THREE
6309	SIX
6411	ONE
6412	FOUR
6420	TWELVE

***Concordance with international classifications***

We use International classifications directly.

Yes, at fourth level of ISIC Rev.3 (trade, services, hotel and restaurants and financial intermediary)

There is a direct concordance between the national classification and ISIC Rev.3. At four digits level. (transportation).

**3. Legal arrangements governing data collection**

Under the decree commanded as law No. 219 which refers to law No. 53 on SIS.

***Obligation to reply***

There is an obligation for statistical units to reply to requests for information from your organisation. Those who doesn't respond correctly and in time are subject to penalty according to the related articles of law No. 53 on SIS.

Surveys are mandatory. In most cases, enterprises refusing to reply are persued and fined accordingly.

***Legislation on confidentiality***

Data pertaining to one or two private sector establishments are not given due to the code of confidentiality implemented by law No. 53 which is indicated by the decree commanded as law 219.

SIS is obliged and is responsible to safeguard confidential data. Obtained data may only be used for statistical purposes. Dissemination of data is prevented in cases where individual data may be identified. A figure is not published if it consists of the aggregation of two or less observation.

#### **4. Criteria used to determine size classes**

In manufacturing number of employees, number of persons engaged and legal form determine size classes. In construction: number of persons engaged and turnover determine size classes. In transportation: number of employees, number of persons engaged, turnover and legal form determine size classes. In trade, services, hotel and restaurants and financial intermediaries: number of employees 1, 2, 3-4, 5-6, 7-9, 10-19, 20-49, 50-99, 100-199, 200-499, 500+

Number of persons engaged 1, 2, 3-4, 5-6, 7-9, 10-19, 20-49, 50-99, 100-199, 200-499, 500+

Turnover 15200, 15201-33700, 33701-80100, 80101-160500, 16501-326000, 326001-651000, 651001-1623000, 1623001-3250000, 3250001+ (Million TL) legal form of ownership (sole proprietorships, partnerships, corporations) sole proprietorships, simple partnerships, general partnerships, limited partnerships, limited liability partnerships, joint-stock company, cooperative association, others.

#### ***Definition of an SME***

ÇALIŞANLARIN YILLIK ORTALAMA SAYISI 1-9 OLAN İŞYERLERİ: ÇOK KÜÇÜK ÖLÇEKLİ

ÇALIŞANLARIN YILLIK ORTALAMA SAYISI 10-49 OLAN İŞYERLERİ: KÜÇÜK ÖLÇEKLİ

ÇALIŞANLARIN YILLIK ORTALAMA SAYISI 50-250 OLAN İŞYERLERİ: ORTA ÖLÇEKLİ

ÇALIŞANLARIN YILLIK ORTALAMA SAYISI 251+ OLAN İŞYERLERİ: BÜYÜK ÖLÇEKLİ

#### ***Commonly accepted definition of an SME***

NSO of Turkey will use a definition of:

- Micro establishment: employees with 1-9
- Small establishment: employees with 10-49
- Medium establishments: employees with 50-249 employment

#### **5. Databases on enterprises by size class:**

Establishments are classified by number of persons engaged. The following size classes are used to classify the establishments.

1, 2, 3-4, 5-6, 7-9, 10-19, 20-49, 50-99, 100-199, 200-499, 500+ there are no databases on enterprises by size class.

#### **6. Reference unit**

A work-place where single ownership or controlling status is established and generally where one type of economic activity is carried out and which has the registers and accounting sources necessary to fill in the questionnaire.

***Collection of data***

Full enumeration method is used for road transport establishments, air transport establishments, sea transport establishments, brokerage for selling bus ticket, freight transport agencies, commissioners, and travel agencies.

Data on transportation statistics are compiled from annual transportation establishments survey.

**7. Availability of data according to different breakdowns**

For manufacturing.

***Availability of data according to geographical breakdown***

True.

***Availability of data according to type of area (urban/rural)***

False.

**8. Variables*****MANUFACTURING***

Production, or output, at producers' prices, is the value of output calculated by subtracting the value of the beginning of the year stock (finished and semi-finished goods and goods purchased to be resold without any further processing) from the total of receipts from sales and services rendered to others, receipts from sales of transfers of electricity plus the value of the end-of-year stock (finished and semi-finished goods and goods purchased to be resold without any further processing) and the production value of fixed assets produced by the establishments' staff for own use.

Value added at producers' prices is obtained by subtracting the value of inputs from output. The value of input is calculated by subtracting the value of the end-of-year stock (raw materials, supplementary materials, packaging materials and fuel) from the total value of goods and services purchased or transferred, electricity purchased and the value of the beginning-of-year stock (raw materials, supplementary materials, packaging materials and fuel).

Total employment, number of persons engaged (E) or the average number of persons engaged, is obtained by adding the number of owners and partners and unpaid family workers, active in November, in the establishment to the average of employees.

Employment, number of salaried employees (Y) or the average number of employees is the arithmetic average of the number of employees in February, May, August and November.

Employment, number of operatives (J) or the average number of operatives: Operatives include technical personnel, Foremen Supervisors and other skilled workers, and unskilled workers, Number of operatives is the arithmetic average of the number of operatives in February, May, August and November.

*Persons engaged*

- Employees

Covers the workers in the establishments whatever their title, who were paid wages and salaries and the like. (Unpaid family workers, owners and partners are excluded.) Employees who were temporarily absent on this day because of illness, annual leave or strikes etc. were also included.

- Operatives

- Technical personal

- a) High level technical personnel: Without regarding the type of profession, employees such as engineers and the like who manage and orientate the production for which they are highly responsible.
- b) Medium level technical personnel: Without regarding the type of profession, employees trained at a certain level who manage and orientate the production for which they are responsible.

- Foremen, supervisors and other skilled workers: Those who are responsible for the distribution of the work and controlling the quality of the work done.

- Unskilled Workers: Persons who work physically in production and people other than listed above.

- Administrative and other employees

- Management and administrative personnel: High level paid administrators who are responsible for the management of the establishment, having authority for the representing the establishment and signing documents. Their technical training background does not affect their quality of being administrative personnel.

- Officers: Accountant, cashier, secretary, typist etc. and the personnel who work in health and education services of the establishment.

- Other employees: Workers other than mentioned above :Loading, unloading and storage workers, drivers, door keepers, quarts, representatives

- Owners and partners

Consists of owners and partners who spend more than half of their working time in an individual proprietorship general or limited partnership. If an owner or partner was paid a salary, he was included in the “employee” category.

- Unpaid family workers

Covers family working without regular payment who most their working time in the establishment, such as the husband, wife, children and others who live in the same household and whose food and clothing needs are provided by the family. If family members receive payment for work, they are included in the “employee” category.

## ANNUAL AVERAGES

- Average number of employees: Is the arithmetic average of the number of employees in February, May, August and November.
- Average number of persons engaged: This figure is obtained by adding the number of working owners and partners and unpaid family workers, active in November in the establishments, to the annual average of the employees for individual proprietorship, simple partnership, general partnership and limited partnership. Otherwise annual average number of employees and annual average number of persons engaged are equal.

Hours worked by operatives (H) in one year are calculated by multiplying the average number of operatives by the hours worked in one shift and the number of days worked in a year.

Investment is gross additions to the fixed assets the year. It is calculated by subtracting the sales value of fixed assets sold during the year from total expenditures made on new or used fixed assets purchased from the domestic market, fixed assets imported new or used, fixed assets produced by the establishments' own staff, parts of fixed assets installed during the year purchased on a bid basis, major repairs and expenditures made on fixed assets studies and plans, drawings, machinery, equipment, motor vehicle and building, other construction, office equipment and furniture (used by the establishment and expected to have a productive life of more than one year and recorded in the capital accounts) and expenditures on land and land improvements

Investment in machinery and equipment: Gross additions to machinery and equipment during the year is calculated by subtracting the sales value of machinery and equipment sold during the year from the expenditures made on: new or used machinery and equipment purchased from the domestic market, machinery and equipment imported new or used, machinery and equipment produced by the establishments own staff, part of machinery and equipment installed during the year purchased on a bid basis, major repairs and expenditures made on machinery and equipment, machinery and equipment which is used by the expected to have a productive life or more than one year is recorded in the capital accounts.

Number of establishments (N): An establishment is a work place where single ownership or controlling status is established and generally where one type of economic activity occurs and which has the register and accounting sources necessary fill in the questionnaires.

Total wages and salaries (of all engaged persons) (A) = Wages and salaries, employees. (B) = Annual payments to employees. Because unpaid family workers, owners and partners aren't be paid any wage and salary. If an owner or partner was paid a salary, family members receive payment for work, they are included in the "employee" category.

Total wages and salaries (all engaged persons) (A) or wages and salaries, employees (B) or annual payments to employees, includes all payments in the form of wages and salaries and per diems gross of income tax, social security and pension fund premiums. It excludes social security and pension contributions and the like payable by the employer. It also includes overtime payments, bonuses, indemnities and payments in kind.

Wages and salaries, employees. (B) = Wages and salaries, operatives (O) + Wages and salaries, administrative and other worker employees.

Compensation of labour employees (S): This variable includes all payments in cash and kind made to employees only during the reference year and payments for employees to social security, lay-off and severance pay, saving fund and housing allowances.

Other employers' social contributions, employees (T): This variable includes payments for employees to social security, lay-off and severance pay, saving fund and housing allowances.

Wages and salaries operatives (O): This variable includes all payments in cash and kind made to operatives only during the reference year.

## CONSTRUCTION

Name of the establishment: Which is the written name in the shop-sign and invoice title explaining the establishment legally. It may be found explanations, which specifies name, surname or legal status of owner(s) in the name of the establishment.

Main activity: If there is one activity, this activity is taken as the main activity. If there is more than one activity, main activity is determined according to the number of persons engaged. If this is not possible, another criterion is the gross value of production.

### *Legal status of the establishment*

1. Proprietorship: Establishment established to gain profit by one person and responsible with all assets due to her / his charges and working under one title.
2. Simple Partnership: An enterprise type applying by people introducing labour and relying on their experiences without a big amount of capital. It is not a capital company. Also, its foundation is not related to the legal formalities and there are no legal personalities.
3. General Partnership: A company established between real persons to run the company under one title as one legal person and responsibilities of partners are not restricted against the company assets.
4. Limited Partnership: A company established to run the company under one title and one or several partners are not restricted against the company assets, whereas other partner(s) are restricted with a known capital against the company assets.
5. Limited Liability Company: A company established by two or more real or legal person(s) under one title and partners of this type of company are restricted with an undertaken capital for protecting the liabilities. Real capital of this company is fixed. Limited partnership could be founded for all legally allowed economic activities except the banking and insurance sectors. Number of partners must be within the range of two and fifty.
6. Joint-Stock Company: A company restricted with all assets for liabilities and having a title. Real capital is fixed and divided to margins. This company type is suitable for participating a great number of allottees and working with a large amount of capital. In Turkey, joint-stock company can be founded with at least five persons.
7. Cooperative: Foundations with changeable partnership and changeable capital which are established to protect known economic benefits of partners, to possess legal personality and especially to perform job and livelihood requirements with mutual helping, supporting and



security by real and legal public persons, private administrations, municipalities, villages, associations and unions.

8. Others: A company which has a legal status other than the types specified above. Such as: Pious foundations, etc.

#### *Persons engaged*

1. Employees: Include the workers in the establishment whatever their title, who are paid wages and salaries and the like (unpaid family workers, working proprietorship and active partners are excluded). Employees who are temporarily absent on this day because of illness, annual leave or strikes etc. are also included.
2. Working proprietors and active partners: Include working proprietors and active partners who spend most of their working time in an individual proprietorship, simple, general or limited partnership. If an owner or partner is paid a salary, he/she are included in the "employee" category.
3. Unpaid family workers: Include the family workers such as husband, wife, children and others who live in the same household, working without payment and spending most of their working time in the establishment and whose food and clothing needs are provided by the family. If family workers receive payment for their work, they are included in the "employee" category.

#### *Annual averages related to persons employed*

1. Annual average number of employees: It is the arithmetic average of the number of employees in twelve months
2. Annual average number of persons engaged: This figure is obtained by adding the number of working proprietors and active partners and unpaid family workers active in November in the establishment to the annual average number of employees.

Regular employees: People who work continuously for a complete year within the permanent staff.

Temporary employees: People who work for a specific period of time or periodically in one year.

Part-Time employee: People whose general working hours are less than the 70 % of the monthly or weekly normal working hours of the establishment.

#### *Annual payments to employees*

Include wages, salaries, daily wage, overtime, bonus, premium and indemnity, social contributions and payments in kind, employer's contributions to employees for social security, informing and priority indemnity, saving funds and housing funds. The value of annual payments is compiled for production workers and others in detail.

*Goods and services purchased by or transferred to the establishment*

1. Purchases value of construction materials which are used for construction: Covers purchases value of raw, supplementary used in the construction of the establishment own use or in the construction of materials made by others for the establishment (with the input prices).
2. Cost of spare parts which are not fixed assets, official materials which are not in terms of inventory, stationary materials, minor hand tools, materials used in alteration, renovation and development and working clothes: Cover cost of spare parts which are not fixed assets, equipment, accessories, minor hand tools, official material which are not in terms of inventory, material purchases used in the construction of investment goods, renovation and development works made by the establishment's own staff and working clothes.
3. Cost of goods purchased expressly for resale: Purchases value of materials purchased to be resold without any further processing for only commercial purposes.
4. Cost of work done made by a sub- contractor on the fee of a contract : Payments made for the work done to other people and establishments on the fee of the contract by giving the required materials.
5. Cost of purchased fuels: Purchases value of coal, fuel-oil, crude oil- diesel, benzine, LPG, etc. to be used in consumption, heating, transportation, and the other activities.
6. Water expenses: Cost of water consumed by the establishment in the year.
7. Purchased electricity : Cost of electricity consumed by the establishment in the year.
8. Cost of commissions work done in purchasing and selling: Commissions paid to other establishments by second and third people related with purchasing and selling works of the establishment.
9. Cost of minor repair and maintenance: Includes minor repair and maintenance expenses, machinery and equipment expenses and building repair and maintenance expenses belonging to the establishment.
10. Transportation expenses: Include payments made for transporting of load and passenger related with the production activities performed by the establishment and payments made for business travels related with the transportation.
11. Insurance expenses: Include insurance expenses made for the establishment, machinery, equipment, fire, accident and the like except the insurance expenses paid to the Social Security Institute as the employer's share.
12. Postal expenses: Payments made for the postal services (mail, telephone, telegraph, telex, fax, etc.)
13. Advertisement expenses: Payments made for advertisement purposes. Advertisement expenses are taken in the distinction of expenses of advertisement preparation, expenses for press and newspaper advertisement and advertisement expenses on radio and television.
14. Expenses of project and research: Payment made for project and research.

15. Expenses of control and offer: The cost of control and offer.
16. Payments for business: Include payments for accountant, lawyer, notary, expert etc.
17. Engineering, architecture works, etc. expenses: Payments paid to engineer and architecture for the works made by them.
18. Banking expenses : Include commission expenses dealing with banking, export of bond and other banking expenses to perform the activities of the establishment.
19. Expenses of license and occupancy permit: Payments made for license and occupancy permit.
20. Interest payments: Payments made for all credits and liabilities used to continue establishment activities (except the interest payments related with the fixed capital investment).
21. Rent expenses: Cover machinery and establishment rents for office, bureau, warehouse, etc.

*Sales and transfers and value of construction and services rendered*

1. Construction work done by deposit, with a contract, sales with credit, monthly installment sales.
2. Construction work rendered.
3. Value of sales goods which are purchased to be resold without any further processing: Covers sale value of goods for resale without any further processing.
4. Construction work done by a subcontractor: Receipts obtained from the construction activity by using other's materials on other establishment's account.
5. Receipts for repair, maintenance and assembly: Service receipts obtained through repairing and maintaining of machinery, equipment, tools, apparatus, etc. suitable to manufacturing types of the establishment.
6. Revenues from installation works: Receipts obtained from the installation works made by the establishment.
7. Revenues from engineering, architecture works, etc.: Revenues obtained from the engineering and the architecture works, etc. made by establishment
8. Advertisement and commission receipts: Receipts obtained from the advertisement and commission.
9. Renting receipts: Incomes from the renting made by the establishment.
10. Reproach assuagement: Receipts from the reproach by the establishment.
11. Interest receipts: Incomes obtained from the interests.
12. Participation to capital increase: Receipts obtained from the participation to capital increase.

*Stocks*

Are compiled as the beginning and end of the year values. Informations of building materials, beginning year and end of the year stock of fuel for use to construction are taken. Supplementary value tax

1. Included. Materials of other firms excluded anyway they are in the work place or not.
2. Supplementary value tax of beginning year and end of the year stock of bought goods for selling are taken.
3. Informations of at the beginning of the year and at the end of the year construction stocks are taken. Information related to building works which are made done others are not included.
4. Stock of semi-finished construction (of the finished part of the construction not finished); semi-finished constructions are those in process, which are not ready to be sold. The data about the beginning and the end of year stock values is compiled.

Fixed capital investment, sales and other expenses concerned with fixed assets: Cover purchased and transferred fixed assets and sales made from the existing fixed assets in the same year.

Fixed capital investment: Defines building machinery, transportation vehicles, land, official materials and furniture in terms of inventory having usage of more than one year and development, renovation and improvement works and major repairs increasing their lifetime and productivity.

Value added tax: Value added tax which entered to Turkish System by the law No. 3065 dated 25 October 1984, is an expenditures and sales tax having very wide coverage. This tax that is related to every section of the society very closely because of having very wide coverage is based on the foundation of taxing goods and services from the first production stage to last purchasing stage. Value added tax has very important characteristic as being a complementary of tax system together with the taxes taken from income and wealth.

Machinery park: This title includes all machinery having by the establishment.

Depreciation fund: Is the money separated to balance the decreasing in the fixed capital value which result from the physical and economic reasons. If the establishment has its own machinery, equipment, vehicle, place, store, warehouse and the like fixed assets and separating wear and tear fund for them, these are shown here.

Output: The value of output is calculated by subtracting the value of beginning of the year stocks (finished and semi-finished goods) from the revenues of sales and services rendered to others plus the value of end of the year stocks (finished and semi-finished goods) and the production value of the fixed assets produced by the establishments' staff for own use.

Input: The value of input is calculated by subtracting the value of end of the year stocks (construction materials, fuels and goods for resale) from the total value of goods and services purchased or transferred and the value of beginning of the year stocks (construction materials, fuels and goods for resale).

Value Added: Determined as the value of output less the value of input.

## TRADE, SERVICES, HOTEL AND RESTAURANTS AND FINANCIAL INTERMEDIARY

Working status of the establishments: It is separated into two groups as year-round and seasonal.

Establishments working as year-round: It is an establishment which works permanently during the year.

Establishments working as seasonal: It is an establishment which works for a specific period of time or periodically in the year.

The number of persons engaged: The number of persons engaged is defined as the total number of persons who work in the enquiry unit (inclusive of working proprietors, partners working regularly in the establishment and unpaid family workers, etc.) as well as persons who work outside the unit who belong to it and are paid by it (*e.g.* sales representatives, delivery personnel, repair and maintenance teams, etc.). The number of persons engaged includes persons absent for a short period (*e.g.* sick leave, paid leave or special leave, etc.), and also those on strike, but not those absent for an indefinite period. It also includes part-time workers who are regarded as such under the laws of the country concerned and who are on the payroll, as well as seasonal workers and apprentices on the payroll.

It excludes manpower supplied to the unit by other establishments, persons carrying out repair and maintenance work in the enquiry unit on behalf of other establishments, as well as those on compulsory military service.

Employees: It covers the workers in the establishment whatever their title, who are paid wages and salaries and the like. Employees who are temporarily absent on this day because of illness, annual leave or strikes etc. are also included.

Owners and partners: It consists of owners and partners who spend most of the working time in an individual proprietorship, simple partnership, general partnership or limited liability company. If owners and partners are paid salaries for his labour excluding his profit gain, they are included in the employee category.

Unpaid family workers and apprentices: It covers wife, husband, children and others who live in the same household and whose food and clothing needs are provided by the family and who work without taking a regular payment and spending most of their working time in the establishment, and apprentices. If they receive payment for work, they are included in the employee category.

Total number of employees: It is the total number of employees in February, May, August and November.

Annual average number of employees: It is a value which is obtained by dividing the total number of employees into the number of worked sample months.

Annual average number of persons engaged: This value is obtained by adding the number of owners, partners and unpaid family workers active in November in the establishment to the annual average number of employees.

Total number of man-hours worked in the year: This value is obtained by multiplying the number of man-days worked in the establishment in the year by average number of daily working hours and average number of persons engaged.

Annual gross payments to employees: It includes all payments made to persons engaged in the form of wages and salaries and daily-wage before deduction of income tax, social security and pension fund premiums. It excludes social security and pension contributions and the like payable by the employer. It includes overtime payments, bonuses, indemnities and payments in kind.

Regular employees: Persons who work continuously for a complete year within the permanent staff.

Casual employees: Persons who work for a specific period of time or periodically in the year.

Part-time workers: Part-time workers are taken to be persons whose usual hours of work are less than 70% of the weekly or monthly number of hours normally worked in the unit concerned. This definition encompasses all forms of part-time work (half-day work, work limited to one, two or three days a week, etc.).

Production of fixed assets: It includes the value of capital goods, built or produced by the establishment itself with its own labour force, and major repairs carried out by the establishment itself.

Stocks: Stocks are compiled as at the beginning and at the end of the year stocks for trade goods and material and fuel stocks separately. This item does not include the goods belonging to other establishments which are kept in stock for further processing by the establishment.

Value added: The calculation of value added in Trade sector is given below.

Input: The value of input is calculated by subtracting the total value of stock of material and fuel at the end of the year and goods purchased to be resold without any further processing from the total value of the purchases of goods and services and stock of material and fuel at the beginning of the year.

Output: The value of output is calculated by subtracting the total value of stock of trade goods at the beginning of the year and goods purchased to be resold without any further processing from the total value of sales of goods and services, stock of trade goods at the end of the year and production value of fixed assets produced by the establishment's own staff.

Value added, The value added is calculated by subtracting input from output.

## TRANSPORTATION

Number of establishments

Number of salaried employees

Number of persons engaged

Number of females employees (in November)

Turnover at producer prices

Production at producer prices

Value added at producer prices

Investment

Investment in machinery and equipment

R&D expenditures

Wage and salaries of salaried employees

Compensation of labour, salaried employees

Other employers' social contributions, salaried employees.

## 9. Reference documents

- Annual Manufacturing Industry Statistics
- Construction and Installation Establishments Statistics
- Trade Statistics, Service Statistics, Hotel – Restaurant Statistics, Radio and Television Broadcasting Institutions Statistics, Financial Intermediary Institutions Statistics
- \*Road transportation, supporting and auxiliary transportation services statistics
- \*Sea transportation statistics
- \*Air transportation statistics

## 10. The SME business frame is based on

### *SME business frame based on*

Administrative sources for all activities (ISIC 10-99) except agriculture, forestry and fisheries (ISIC 01-02-05 )

### *Business frame additional comments*

There is no a central register in SIS up to now. There is a sectoral register for each department and most of them were based on survey information. BR will be available in 2004 in terms of EU recommendations. Now, it is under construction. The new BR will based on statistical source and administrative source.

### *The SME business frame is included in the business frame for all*

False.

## 11. Demography

Demography: (births all): partially able to capture.

Demography: (deaths all): partially able to capture.

### *Demography additional comments & general assessment*

It is very difficult to define economic activity, size, location precisely.

*Specific surveys on the demography of enterprises*

There is no specific survey on demography of establishments.

**12. Sources of data**

Reference unit for source of data: Establishment (manufacturing 10+).

(trade, services, hotel and restaurants and financial intermediary).

(construction)

(manufacturing 1-9)

(trade, services, hotel and restaurants and financial intermediary)

(transportation)

*Census: title and main characteristics:*

Banking Questionnaire, Insurance Questionnaire, Mutual Funds Questionnaire, Financial Leasing Questionnaire, Special Financial Houses Questionnaire, Factoring Establishments Questionnaire, Agricultural Credit Cooperatives Questionnaire, (trade, services, hotel and restaurants and financial intermediary)

Transportation Establishments Survey

Annual Manufacturing Industry Survey

Small Sized Manufacturing Industry Statistics

Annual Electricity Generation Survey

Annual Electricity Distribution Survey

Annual Municipality Water Statistics Survey

Annual Natural Gas Distribution Statistics Survey

Mining and Quarrying Statistics Questionnaire

Mining and Quarrying Statistics Sand, Clay and Stone Questionnaire

Construction and Installation Establishments Survey

*Method of collection*

Survey is carried out in two stages. At the first stage, paper questionnaires are sent by mail to all establishments covered. In the second stage, survey is carried out by the interviewer from the establishments, which are not responded to the survey



**Response rate**

Banking :	77%
Insurance:	79%
Mutal Funds:	82%
Financial Leasing:	53%
Special Financial Houses:	100%
Factoring Establishments:	59%
Agricultural Credit Cooperatives:	100%

Response rate given only for 2001

Because of sectorial structure establishments answered questionnaire forms less than included in the survey (transportation)

Manufacturing:	90%
Electricity:	100%
Municipality water:	70%
Natural gas distribution:	100%
Construction and Installation:	70%
Mining and Quarrying:	95%
Sand, Clay and Stone:	90%

**Periodicity**

Annually.

**Threshold**

Establishments in each activity codes arranged from firstly province, legal status from larger to the smaller. In this arrangements sampling have been performed by taking turnover as size establishments which have a turnover value of greater than the value obtained by dividing total turnover taken in any activity code to the sample number, was taken into enumeration. At full enumeration criteria is turnover and economic activity codes not number of person employed. (trade, services, hotel and restaurants and financial intermediary).

All the manufacturing establishments in the public sector and establishments with 10 or more persons engaged in the private sector.

Annual average number of persons engaged:

1	in public sector only
2	in public sector only
3-4	in public sector only
5-9	in public sector only
10-24	in public sector only
25-49	in public sector only
50-99	in public sector only
100-199	in public sector only
200-499	in public sector only
500-999	in public sector only
1000 +	in public sector only

Establishments with 1-9 persons engaged.

***Sample survey: title and main characteristics***

Trade Establishments Questionnaire, Service Establishments Questionnaire, Hotels, Restaurant, Pastry Houses and Cafes Questionnaire, Radio and Television Questionnaire, Insurance Agency Questionnaire, Foreign Exchange Offices Questionnaire.

Small Sized Manufacturing Industry Statistics.

Construction and Installation Establishments Survey.

***Method of collection***

Paper questionnaires sent by mail, fax, telephone and personal interviews.

***Method of sampling***

Sampling method in the construction sector.

The frame obtained from the first stage results of the 1992 General Census of Industry and Business Establishments was formed the source in the sampling of construction and installation establishments in the second stage. As the aim is making guesses at the base of four digit economic activity branches; considering cost, labour and previous works, distribution in the determined sum of sampling space of four digit economic activity branches, is performed with "Compromise Allocation" method.

In the sampling of small sized manufacturing industry establishments as the aim is making guesses at the base of four digit economic activity branches; considering cost, labour and previous works,

distribution in the determined sum of sampling space of four digit economic activity branches, is performed with "Compromise Allocation" method.

$$n_h = \bar{n} \cdot [K^2 + (1-K^2) \cdot M_{2h}]^{1/2}$$

$n_h$  = number of samples in any strata

$\bar{n}$  = average sample space per section

$$M_h = N_h / (N/H) = H \cdot W_h$$

$K$  = relative importance

$H$  = strata number (number of activity branches)

$n_{min} = K \cdot \bar{n}$  sample space per the smallest section

There is a chance to guarantee the sample space in determined number and also in the smallest section with this distribution method. Consequently, the smallest section will be considered structurally by a full enumeration. Determination of four digit economic activity branches, in which numbered in establishments, in full enumeration, is not determined arbitrarily, but in the system.

Four digit economic activity branches, which will be taken by full enumeration, have small or equal number of establishment than  $n_{min}$ .

Sampling in the manufacturing industry is made proportional with size. Size expressed for the manufacturing industry is the annual average number of employees. By being arranged from the annual average of employees in the legal status of the establishments inside the four digit economic activity branches, the sampling is done. In the sampling which is done with the PPS (Probability proportional to size), although the chance of the small sized establishments is little for being sampled, and their effects to the guesses is too much. For the aim of avoiding it, small sized establishment's sampling probabilities are tried to be equalized by adding a constant number of "k". More information on the sampling method and the resulting variance in the manufacturing industry can be provided upon request.

Same samples selected for 1996 Annual Small Sized Manufacturing Industry Questionnaire, were also used for 1997 survey. For establishments which were closed in 1997 and refusing to give answer or moved to an another place, a substitution was used and the sample space was regulated as to be minimum  $135 \times 0.75$  ( $n_{min}$ ) for required estimation in four digit economic activity code. A correction coefficient was obtained by using the number of establishments in the census year and the net establishment increase calculated from the number of opened and closed establishments of proprietorships and simple partnerships. Corrected factors were formed by multiplying the coefficient number with the given factors of establishments in each sector.

#### b. Full Enumeration Limits

In the previous chapters, we had shown that if the number of establishments is less or equal than the  $n_{min}$  on the base of 4 digit economic activity branches, then the activity branches are taken with the full enumeration method. The limits of full enumeration in the 4 digit economic activity branches taken with the sampling method were determined as shown below. Lists were prepared according to the activity branches on the base of sectors (ordered lists) and the sizes in the internal stratum were ordered ascendingly. More information on the full enumeration method used can be provided upon request.

In any case where four digit economic activity code of an establishment is changed in 1996 and different from that of in the 1997 Annual Small Sized Manufacturing Industry Questionnaire, it was classified according to it's final four digit economic activity code, but evaluated by a coefficient where it was first sampled.

Probability Proportional to Size Method. (trade, services, hotel and restaurants and financial intermediary).

***Response rate***

Trade:	75%
Services:	72%
Hotel and Restaurant:	70%
Radio and Television:	69%
Insurance Agency:	62%
Foreign Exchange Offices:	61%
Response rate given only for 2001:	66% ( transportation )
Small Sized Manufacturing Industry:	80-100%
Construction and Installation:	70%

***Periodicity of data collection***

Annual.

***Threshold***

This survey is applied to all Construction and Installation Establishment in private sector chosen from 1992 General Census of Industry and Business Establishment by sampled method.

Arrangements are made according to turnover and economic activities.

***Administrative source: title and main characteristics***

The following institutions are being used for updating the address frame: Turkish Treasury, Ministry of Industry, Ministry of Tourism, Ministry of National Training, Ministry of Health, radio and Television Top Board (trade, services, hotel and restaurants and financial intermediary).

***Periodicity of update of administrative sources***

Annually.

***Other source: title and main characteristics***

Annual statistical survey related with trade and services. Section G, H, J, K, M, N, O (trade, services, hotel and restaurants and financial intermediary).

Annual transportation establishments surveys:

- address list of the establishments related to road transportation is obtained from the ministry of transportation according to the kind of certificate.
- address list of the travel agencies is obtained from the ministry of tourism and association of turkish travel agencies according to the kind of certificate.
- address list of establishment performing air transportation is obtained the general directorate of civil aviation, ministry of transportation.
- address list of the sea transport establishments is obtained from the undersecretary of maritime.

***Statistical adjustments to data****Estimates of non response*

Data on previous year of non-response establishment survey are increased taking into consideration whole sale price index numbers. (manufacturing industry sector for the establishments with 10+ persons engaged.)

Factor value is used for estimates of non-response. For 2001, net increase is computed by taking the number of opened and closed establishments from the publication on Statistics on Companies, Cooperatives and Firms. A correction coefficient is obtained by adding the net increase to total number of establishments estimated for 2000, and by dividing this value into factor totals of establishments covered by the sample in 2001. Corrected factors are provided by multiplying this coefficient by factors given to establishments. Data obtained from these procedures reflect the situation of trade establishments (number of establishments, input, output, value added etc.) in Turkey in 2001. Same method is used for Services, hotel and restaurant, radio and television statistics. (trade, services, hotel and restaurants and financial intermediary).

*Adjustments*

Data are confirmed asking to establishments by telephone or interviewers or data are changed to the average value of sector belong to that establishment or data are changed to the value expanded with the average increase rate in backward series by using inflation rate. (manufacturing sector)

*Treatment of confidentiality*

Data pertaining to one or two private sector establishments are not given due to the code of confidentiality implemented by law No.53 which is indicated by the decree commanded as law 219.

In some cases data pertaining to three and more establishments are not given for hinder to obtain confidential figures by mathematical process. Hidden private sector data are shown in sum of two or three digit, level sector codes, province or national total. (manufacturing )

If there is one or two establishments, data would not be given within the estimated economic activity. They just presented within the general total. (trade, services, hotel and restaurants and financial intermediary)

A figure is not published if it consists of the aggregation of two or less observation. (transportation).

### **13. Dissemination**

#### ***Dissemination of SME designed by:***

NSO.

#### ***Core variables time lag reference year and time of publication***

18-24 months.

#### ***Specific variables time lag reference year and time of publication***

18-24 months.

#### ***Strategy for SME stats compared to other business statistics***

There is not any problem for the manufacturing industry statistics for meeting the demand on SMEs. For the other sectors also there is no any big problem. With the compliance of SBS to the EU, we are able to supply fully harmonized SMEs data.

#### ***Overall strategy for demand on SME stats***

We are planning to use the new data dissemination system. We also want to disseminate data by creating dynamic databases via the Internet.

## UNITED STATES

### 1. Name of institution

Bureau of the Census (US Department of Commerce).

#### *Nature of institution*

Statistical Agency

#### *Contact information*

Address: 4700 Silver Hill Road, Washington DC 20233

Telephone: +1-301-763-2558

E-Mail: [webmaster@census.gov](mailto:webmaster@census.gov)

#### *Web site of the institution*

[www.census.gov](http://www.census.gov)

#### *Other institutions responsible for producing the statistics*

The Office of Advocacy at the US Small Business Administration sponsors the “Statistics of US Business” series of reports, which present annual data on enterprises by size class. The Census Bureau compiles these reports using data on hand from its business register and from the economic census.

#### *Contact information for other institutions*

Office of Advocacy

US Small Business Administration

Address: 409 3rd Street SW

Washington, DC 20416

Telephone: +1-202-205-6533

E-Mail: [advocacy@sba.gov](mailto:advocacy@sba.gov)

Web Site: <http://www.sba.gov/advo/>

### 2. Industrial classification

Through 1996: Standard Industrial Classification (SIC) (1)

1997-2001: North American Industry Classification System (NAICS), 1997 (2)

Starting 2002: North American Industry Classification System, 2002

*Notes:* 1 Last revised for 1987.

2 Developed and implemented in partnership with Canada and Mexico. The Census Bureau will use the NAICS 2002 revision for the 2002 Economic Census and subsequent annual programs.

***Number of levels of disaggregation: 5***

***Levels of disaggregation***

Level of detail for the 2002 Rev

Sectors (2-digit codes):	20	(1997:20)
Subsectors (3-digit codes):	100	(1997:96)
Industry groups (4-digit codes):	317	(1997:311)
NAICS industries (5-digit codes):	725	(1997:721)
US industries (6-digit codes) (3):	1179	(1997:1,170)

*Note 3:* National detail for the United States; NAICS partners Canada and Mexico may have national variations at the 6-digit NAICS level.

***Concordance with international classifications***

Yes, there is a concordance (a work in progress) between 6-digit US NAICS 2002 industries and corresponding 4-digit ISIC rev. 3.1 industries. This concordance is available at:  
<http://www.census.gov/epcd/naics/concordances/#isic>

**3. Legal arrangements governing data collection**

*Title 13, United States Code*

- Section 131 gives authority for the economic census (covers years ending in ‘2’ and ‘7’)
- Section 182 for surveys that furnish annual and other interim current data on the subjects covered by the census
- Section 193 for other preliminary and supplemental statistics

***Obligation to reply***

Yes, title 13, United States Code, Section 224 provides mandatory collection authority for the economic census and most annual economic surveys; however, most other sub-annual economic indicator surveys do not have mandatory authority.

***Legislation on confidentiality***

Yes, title 13, United States Code has the following confidentiality provisions regarding the Census Bureau’s Collections.

Section 9. Information as Confidential; Exception

Neither the Secretary, nor any other officer or employee of the Department of Commerce or bureau or agency thereof, or local government census liaison, may: (1) use the information furnished under the provisions of this title for any purpose other than the statistical purposes for which it is supplied; or (2)



make any publication whereby the data furnished by any particular establishment or individual under this title can be identified; or (3) permit anyone other than the sworn officers and employees of the Department [of Commerce] or bureau or agency thereof to examine the individual reports.

No department, bureau, agency, officer, or employee of the Government, except the Secretary [of Commerce] in carrying out the purposes of this title, shall require, for any reason, copies of census reports which have been retained by any such establishment or individual. Copies of census reports which have been so retained shall be immune from legal process, and shall not, without the consent of the individual or establishment concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

#### Section 214. Wrongful disclosure of information

Whoever, being or having been an employee or staff member referred to in subchapter II of chapter 1 of this title, having taken and subscribed the oath of office, or having sworn to observe the limitations imposed by section 9 of this title, or whoever, being or having been a census liaison within the meaning of section 16 of this title, publishes or communicates any information, the disclosure of which is prohibited under the provisions of section 9 of this title, and which comes into his possession by reason of his being employed (or otherwise providing services) under the provisions of this title, shall be fined not more than \$5 000 or imprisoned not more than 5 years, or both.

#### **4. Criteria used to determine size classes**

Number of employees, number of persons engaged and turnover together with legal form determine size classes.

#### ***Definition of an SME***

Under authority of the small business act, the u.s. small business administration (sba) establishes and occasionally updates a small business size standard for purposes of determining eligibility for sba programs that advance the interests of small businesses, promote their development, and ensure their participation in a representative share of US. government contracts. This standard sets industry-specific upper limits for the size of qualifying small businesses that vary according to the North American Industry Classification System (NAICS). For many industries in the mining and manufacturing sectors (NAICS 21, 31, 33), this upper limit is set at 500 employees; for many industries in the wholesale trade sector (NAICS 42), it is set at 100 employees; and for many industries in the non-goods-producing sectors (NAICS 44-45, 48-49, 51-56, 61-62, 71-72, and 81 except 814), it is set at annual receipts of US \$6 million (there is some variation within sectors).

Please see the following for more information on SBA:

- mission and programs: <http://www.sba.gov/>
- small business size standard: <http://www.sba.gov/businessop/standards/smallbus.html>
- <http://www.sba.gov/size/indextableofsize.html>

#### ***Commonly accepted definition of an SME***

The most commonly accepted definition for administrative purposes is the small business size standard established by the US Small business administration; see d.l.a above. There is no commonly accepted SME definition for statistical purposes. US Statistical agencies generally do not conduct data

collections that target SMES specifically; rather, economic collections cover enterprises of all sizes. In some cases, statistical products present data for smaller businesses that are derived as a subset of a collection's larger data set. For example:

US Statistical agencies use standard employment and receipts size classes to present data in selected products. These products allow data users to apply small, medium, and large business definitions (within constraints of the standard size classes) that suit their particular purposes. Some of the census bureau's economic census products illustrate this use of standard size classes; please see:

Establishment and firm size report, 1997 census of retail trade:

<http://www.census.gov/prod/ec97/97r44-sz.pdf>

The US Bureau of labor statistics has issued reports on "the characteristics of small-business employees" that are based on a subset of data collected for all employees. In these reports, a small business is defined as an enterprise with fewer than 500 employees; please see:

Characteristics of small-business employees: <http://www.bls.gov/opub/mlr/2000/04/art3full.pdf>

## **5. Databases on enterprises by size class**

Statistics of US business, a statistical product sponsored by the US small business administration and compiled by the census bureau, presents summary data for enterprises by size class. Similarly, the census bureau's annual county business patterns series and some quinquennial economic census data products present summary data for establishments and/or enterprises by size class. These products generally are available from web sites in electronic, downloadable formats, but they are not databases per se. Please see: Statistics of US business: <Http://www.sba.gov/advo/stats/data.html>

Establishment and firm size report, 1997 census of retail trade (example):

<http://www.census.gov/prod/ec97/97r44-sz.pdf>

## **6. Reference unit**

Enterprise: Unit of observation for statistics on enterprises by size class; derived from data for establishment reporting units.

Establishment: Basic statistical unit for the business register and principal reporting unit for the economic census

### ***Collection of data***

Business Register. Census.

## **7. Availability of data according to different breakdowns**

For states and metropolitan areas. Metropolitan areas.

### ***Availability of data according to geographical breakdown***

True.

**Availability of data according to type of area (urban/rural)**

True.

**8. Variables**

*Number of enterprises:* a count of enterprises, where the census bureau's definition of enterprise is as follows: an enterprise is an economic unit comprising one or more establishments under common ownership or control. In the business register's implementation, this unit represents the top-level US parent company and all subsidiary US companies of which the parent owns or controls a majority (more than 50 percent) interest plus all eins (business taxpaying entities) and establishments affiliated with the parent and its US subsidiaries.

*Number of establishments:* a count of establishments, where the census bureau's definition of establishment is as follows: an establishment is an economic unit, generally at a single physical location, where business is conducted or where services or industrial operations are performed. Examples include a mine, factory, warehouse, sales office, grocery store, bank, hotel, movie theater, doctor's office, museum, and central administrative office.

*Employment:* number of paid employees, both full- and part-time for the pay period including march 12 of the reference year.

Includes:

- salaried officers and executives of a corporation;
- employees on paid sick leave, paid vacations, and paid holidays.

Excludes:

- proprietors or partners of an unincorporated business;
- employees of departments or concessions operated by other companies at the location of the reporting business;
- independent contractors engaged by the reporting business;
- full- and part-time leased employees who work at the reporting business but whose payroll taxes are filed under the employer identification number (business taxpayer identification number) of an employee leasing company (professional employer organization);
- temporary staff who work at the reporting business but who are provided by a staffing service;
- unpaid family workers.

*Payroll:* all forms of compensation paid to employees before subtractions for social security and medicare taxes, income tax withholdings, insurance premiums, union dues, and other payroll deductions.

Includes:

- salaries, wages, reported tips, commissions, bonuses, holiday pay, vacation pay, and sick-leave pay;
- employee contributions to qualified pension plans;
- the value of taxable fringe benefits;
- amounts paid to officers and executives of corporations.

Excludes:

- withdrawals from profits or other compensation of proprietors or partners;
- amounts paid to independent contractors engaged by the reporting business;
- amounts paid to an employee leasing company (professional employer organization) for leased employees;
- amounts paid to a staffing service for temporary staff.

Number of persons engaged, turnover at producer prices, value added at factor costs, compensation of labor for all engaged persons: statistics of US business, which is the only available series of annual data for enterprises by size class, does not provide any of these measures. The statistics we are sending have employment (above) in lieu of number of persons engaged and payroll (also above) in lieu of compensation of labor for all engaged persons. We can provide value of shipments/sales/receipts/revenue (measure varies by sector) in lieu of turnover only for years covered by an economic census (those ending in '2' and '7').

**9. Reference documents:**

Please see the following Web documents/publications:

- Statistics of US Business: <http://www.sba.gov/advo/stats/data.html>
- Economic Census: <http://www.census.gov/epcd/www/econ97.html>

<http://www.census.gov/prod/ec97/pol00-hec.pdf>

**10. The SME business frame is based on**

***SME business frame based on***

Brings together several sources. It is based on other sources for agriculture.

***Business frame additional comments***

The business frame brings together several sources.

1. The Census Bureau has a general-purpose Business Register that covers businesses of all sizes, including SMEs; there is no separate/special frame for SMEs. It is mostly based on administrative sources and partly on statistical source.

2. The National Agricultural Statistics Service at the US Department of Agriculture maintains a separate farm list to support statistical coverage of agriculture crop and animal production (NAICS 111 112). The Census Bureau's Business Register has administrative records (payroll tax data) for farm operators with paid employees, but it does not delineate full enterprise or establishment (local unit) coverage for enterprises engaged exclusively in agriculture production, which is out-of-scope to the Census Bureau's economic statistics programs.

***The SME business frame is included in the business frame for all***

True.

**11. Demography**

Demography (births all): fully able to capture.

Demography (deaths all): fully able to capture.

***Demography additional comments & general assessment***

We are able to trace changes in these attributes adequately.

***Specific surveys on the demography of enterprises:***

The Census Bureau does not do any surveys that specifically address the demography of enterprises.

**12. Sources of data**

Reference unit for source of data: Establishment (enterprise) derived from establishments. For administrative sources: taxpaying entity: employer identification number

***Census: title and main characteristics***

Economic census.

***Method of collection***

Direct collection for establishment reporting units using paper questionnaires sent/returned by mail or electronic instruments (mostly computer self-administered questionnaires; a few spreadsheets and ascii flat files) sent/returned by CD-rom or internet transmission:

- all establishments of multi-establishment enterprises;
- larger single-establishment enterprises (those having annual payroll above an industry-specific cutoff);
- a probability sample of smaller single-establishment enterprises (those having annual payroll below an industry-specific cutoff).

Administrative records for selected smaller single-establishment enterprises (those having payroll below an industry-specific cutoff and not selected in the sample for direct collection).

***Response rate***

- 86.7 % for the 1997 economic census
- 84.2 % for the 2002 economic census

***Periodicity***

Every 5 years (covers years ending in '2' and '7').

***Threshold***

There is an industry-specific annual payroll size threshold for single-establishment enterprises:

- all those above the threshold receive a census questionnaire.
- a probability sample of those below the threshold receive a census questionnaire.
- those below the threshold and not selected in the sample for direct collection receive no questionnaire; they are represented instead by administrative data.

***Sample survey: title and main characteristics***

N/A (The census bureau conducts many sample surveys of business, but these surveys generally do not produce statistics on enterprises by size class).

Method of collection:

Method of sampling:

Response rate:

Periodicity of data collection:

Threshold:

***Administrative source: title and main characteristics***

Tax information from the Department of the Treasury, Internal Revenue Service (IRS):

- 1) business master file (master list of business taxpaying entities):
  - initial (business birth): IRS form ss-4: application for employer identification number (one time)
  - maintenance: various tax forms listed below
- 2) payroll tax returns:
  - IRS form 941: employer's quarterly federal tax return (quarterly)
  - IRS form 943: employer's annual federal tax return for agricultural employees (annual)

## 3) business income tax returns:

- IRS form 1040, schedule c US individual income tax return, profit or loss from business (sole proprietorship) (annual)
- IRS form 1065: US return of partnership income (annual)
- IRS form 1120 series (various): US corporation income tax return (annual)
- IRS form 851: affiliations schedule (for corporation income tax returns) (annual)
- IRS form 990 series (various): return of organization exempt from income tax (annual)

Industrial classifications from the Department of Labor, Bureau of Labor Statistics' Quarterly Census of Employment and Wages (ES-202) program (collections conducted by the 50 States and the District of Columbia in connection with the Federal/State Unemployment Insurance Program):

- Initial: Status Determination Form (One Time)
- Maintenance:
  - Multiple Worksite Report (Quarterly);
  - Quarterly Contribution Report (Quarterly);
  - Annual Refiling Survey (Survey to Renew Industrial Classification; covers 1/3 of establishments annually in 3-year rotating panels).

Industrial Classifications from the Social Security Administration (One-Time Classification of Business Births):

- IRS Form SS-4: Application for Employer Identification Number (one-time collection conducted by the IRS; see above). Tax Information From The Department of The Treasury, Internal Revenue Service (IRS):

## 1) Business Master File (Master List Of Business Taxpaying Entities):

- Employer Identification Number (Taxpayer Id)
- Business Names, Legal, Trade, "In Care Of"
- Business Addresses, Mailing And Physical Location
- Owner's Social Security Number (Sole Proprietorships)
- Industrial Classification, NAICS
- Employment Code (Type Of Employer)
- Tax Filing Requirement Indicators
- Other Status And Transaction Codes

2) Payroll Tax Returns:

- Employer Identification Number
- Taxable Period Covered
- Employment Code (Type of Employer)
- Number of Employees for Pay Period Including March 12 (First Quarter Returns Only)
- Wage Measures:
  - Total Compensation (Total Wages And Tips Plus Other Compensation)
  - Taxable Social Security Wages
  - Taxable Social Security Tips
  - Taxable Medicare Wages And Tips
- Other Status And Transaction Codes

3) Business Income Tax Returns (Various Forms; Characteristics Vary Somewhat By Form):

- Taxpayer Identification Number:
  - Employer Identification Number (All Except Sole Proprietorships)
  - Social Security Number (Sole Proprietorships)
- Accounting Period
- Industrial Classification (Naics)
- Output Measure Components (Value Of Shipments/Sales/Receipts/ Revenue; Use Varies By Industry And Availability Varies By Tax Form):
  - Gross Receipts or Sales Less Returns and Allowances
  - Interest Income (Selected Tax Forms)
  - Total Gross Rents (Selected Tax Forms)
  - Portfolio Interest Income (Loss) (Selected Tax Forms)
  - Net Gain (Loss) From Investments (Selected Tax Forms)
  - Other Income (Loss) (Selected Tax Forms)
  - Total Revenue (Selected Tax Forms)
  - Direct [Fundraising] Expenses (Selected Tax Forms)
  - Cost of Goods Sold (Selected Tax Forms)
- Total Assets
- Total Deductions/Expenses



- Inventory, Beginning- and End-of-Year (Selected Tax Forms)
- Parent Corporation Employer Identification Number (Corporation Tax Returns Only)
- Other Status And Transaction Codes

#### F.2.c.3. Periodicity of data updating

[Indicate how often the data is updated: annually, other (please specify)]

#### Tax Information From the IRS:

- Business Master File: quarterly updates from Current Processing
- Payroll Tax Returns: weekly updates from Current Processing of Quarterly (Business) and annual (Agricultural Employers) returns.
- Business Income Tax Returns: weekly updates from Current Processing of Annual Returns.

Industrial Classifications from the Bureau of Labor Statistics: quarterly updates from Quarterly Collections.

Industrial Classifications from the Social Security Administration: one time (Business Births).

#### ***Periodicity of update of administrative sources***

*other source: title and main characteristics:*

The Census Bureau conducts annual and more frequent industrial surveys for most sectors, but these surveys generally do not produce statistics on enterprises by size class

#### *Statistical adjustments to data*

#### *Estimates of non response*

Estimation for nonresponse (both unit and item) is done by:

- direct substitution of administrative records information (single-establishment enterprises only)
- prorated distribution of administrative records information (selected multi-establishment enterprises)
- imputation using regression methods and industry-specific regression factors (where the value from administrative records is unavailable or unsuitable)

Administrative records and imputed values each account for 10 percent or less of most estimates.

#### *Adjustments*

No indications.

*Treatment of confidentiality*

The Census Bureau's Economic Programs apply standard rules and disclosure detection/avoidance procedures (an automated disclosure analysis system), as approved by the Agency's Disclosure Review Board, to preclude the publication of any statistic that would disclose data for an individual enterprise, either directly or by derivation (primary or secondary/residual disclosure, respectively). Any such statistic is suppressed in all publications; the value is withheld, and a "(D)" symbol is presented instead. However, suppressed values are included in broader industry and geographic subtotals/totals as long as those subtotals/totals are not primary or secondary disclosures in their own right.

**13. Dissemination***Dissemination of SME designed by*

Joint venture. The US Small Business Administration (SBA) sponsors "statistics of US business," which is a special compilation of data from the census bureau's business register. The SBA and the census bureau work cooperatively to design this product.

*Core variables time lag reference year and time of publication*

Between 18 and 24 months.

*Specific variables time lag reference year and time of publication**Strategy for SME stats compared to other business statistics*

Specific interest in SME statistics comes from and through the US Small Business Administration (SBA). The census bureau works cooperatively with the SBA to produce statistical products (all based on existing general-purpose economic data; we have undertaken no collections that target SMEs specifically) that answer the needs of the SBA. The SBA, in turn, is in touch with small businesses and with users of SME statistical data and acts as an advocate for their interests.

*Overall strategy for demand on SME stats*

Nature and level of interest unknown. The US Small Business Administration would be in a better position to supply this information.

**Part II.**  
**SME STATISTICS IN THE CONTEXT OF THE EUROSTAT ANNUAL  
 BUSINESS STATISTICS EXERCISE**

Eurostat produces SME statistics for more than 25 European countries. What follows was presented by Eurostat under the title “Taking Stock of existing SMEs Statistics, Eurostat D2: SME data and metadata methodologies in the EU” with the code COM/STD/NAES/DSTI/EAS(2003)3 at the Workshop on improving Statistics on SMEs and Entrepreneurship that was held at the OECD in September 2003.

**Abstract**

Eurostat collects Annual Business Statistics broken down by employment size class in the framework of the Structural Business Statistics Regulation. Data availability and quality for size class /SME data have very much improved during the SBS transitional period (from reference year 1995 to reference year 1999) and is quite satisfactory for reference years 2000 and 2001. Yet these SME data still pose some methodological challenges. Statistical confidentiality is a significant issue for SME statistics as well.

**1. The European legal framework**

The variable used for building the employment size class is the “number of persons employed”, for which the definition is the following:

*The number of persons employed is defined as the total number of persons who work in the observation unit (inclusive of working proprietors, partners working regularly in the unit and unpaid family workers), as well as persons who work outside the unit who belong to it and are paid by it (e.g. sales representatives, delivery personnel, repair and maintenance teams). It includes persons absent for a short period (e.g. sick leave, paid leave or special leave), and also those on strike, but not those absent for an indefinite period. It also includes part-time workers who are regarded as such under the laws of the country concerned and who are on the pay-roll, as well as seasonal workers, apprentices and home workers on the pay-roll.*

*The number of persons employed excludes manpower supplied to the unit by other enterprises, persons carrying out repair and maintenance work in the enquiry unit on behalf of other enterprises, as well as those on compulsory military service.*

*Unpaid family workers refer to persons who live with the proprietor of the unit and work regularly for the unit, but do not have a contract of service and do not receive a fixed sum for the work they perform. This is limited to those persons who are not included on the payroll of another unit as their principal occupation.*

Different data sets by size class are required for services, manufacturing and trade in the framework of the SBS-R. The variables requested together with the size class bands differ from one data set to another.

*SME statistics on services*

As far as the size class breakdown is concerned, a change has been introduced and will come into force from reference years 2002 onwards. Below, the size class breakdown available for 1995-2001 data is in **bold**, whereas the one applicable from reference year 2002 onwards is not.

Series name	Annual enterprise statistics by size class.
First reference year	1995
Frequency	Annual
Activity coverage	NACE Rev.1 Sections H, I and K
Characteristics	11 11 0 Number of enterprises 12 11 0 Turnover 12 15 0 Value added at factor cost 15 11 0 Gross investment in tangible goods (optional) 16 11 0 Number of persons employed
Level of activity breakdown	Section H, I and K of NACE Rev.1: 3-digit level (Group)
Level of size class breakdown	For Section H, I and K: Number of persons employed: 1, 2-9, 10-19, 20-49, 50-249, 250+, from reference year 2002 onwards <b>Number of persons employed: 1-4, 5-9, 10-19, 20-49, 50-99, 100-249, 250-499, 500-999, 1 000+, 1995 - 2001 data currently available in NewCronos</b>

*Statistics on Manufacturing and Construction*

Series name	Annual enterprise statistics by size class.
First reference year	1995
Frequency	Annual
Activity coverage	NACE Rev.1 Sections C-F
Characteristics	11 11 0 Number of enterprises 12 11 0 Turnover 12 12 0 Production value 12 14 0 Value added at basic prices (optional) 12 15 0 Value added at factor cost  13 11 0 Total purchases of goods and service 13 32 0 Wages and salaries 13 33 0 Social security costs  16 11 0 Number of: persons employed 16 13 0 Number of employees 16 15 0 Number of hours worked by employees  22 11 0 Total intra-mural R & D expenditure (optional for size classes below 50 persons employed) 22 12 0 Total number of R & D personnel (optional for size classes below 50 persons employed)
Level of activity breakdown	NACE Rev.1 3-digit level (Group)
Level of size class breakdown	Number of persons employed: 1-9, 10-19, 20-49, 50-249, 250+, from reference year 2002 onwards <b>Number of persons employed: 1-9, 10-19, 20-49, 50-99, 100-249, 250-499, 500-999, 1 000+, 1995 - 2001 data currently available in NewCronos</b>

*Statistics on trade*

Series name	Annual enterprise statistics by size class
First reference year	1995
Frequency	Annual
Activity coverage	NACE Rev.1 Section G
Characteristics	11 11 0 Number of enterprises 12 11 0 Turnover 12 15 0 Value added at factor cost 15 11 0 Gross investment in tangible goods (optional) 16 11 0 Number of persons employed
Level of activity breakdown	NACE Rev. 1, 3-digit level (Group)
Level of size class breakdowns	Number of persons employed: 1, 2-9, 10-19, 20-49, 50-249, 250+, from reference year 2002 onwards <b>Number of persons employed: 1, 2-4, 5-9, 10-19, 20-49, 50-99, 100-249, 250-499, 500-999, 1 000+, 1995 - 2001 data currently available in NewCronos.</b> Annual turnover in million EUR: 0 to less than 1, 1 to less than 2, 2 to less than 5, 5 to less than 10, 10 to less than 20, 20 to less than 50, 50 to less than 200, 200 and more

*Amendment of the size class breakdown by Commission Regulation No 1614/2002 and applicable from reference year 2002 onwards*

As described above, size class breakdowns have been simplified by the Commission Regulation No 1614/2002 applicable from reference year 2002 onwards. The number of size class has been reduced, in particular in the population of the large businesses.

This simplification was introduced to a large respect because of confidentiality issues.

To be more explicit, we consider a basic instance and the following confidentiality pattern, where the symbol "C" indicates that the cell is confidential.

Using the old size class breakdown:

Total	1	2-4	5-9	10-19	20-49	50-99	100-249	250-499	500-999	1000+
								C		C

The user of this table is in a position to know the relative share of small and large enterprises with the breakdown at 250 persons employed (= total - [1 + 2-4 + 5-9 + 10-19 + 20-49 + 50-99 + 100-249]). However the sophisticated breakdown among the population of large businesses is not very useful, as both the size class 250-499 and 1000+ are confidential. Therefore the new size class breakdown considers 250+ only.

It is indeed of high probability, with the new size class breakdown, that the size class 250+ is not confidential, so that it is much easier to directly assess the importance of SMEs.

Total	1	2-9	10-19	20-49	50-249	250+

However, current size class data available in NewCronos, following the "old" size class breakdown, are still very useful. Indeed, these confidentiality problems exist at detailed level of the NACE Rev.1 but are of much minor importance either at more aggregated level of the NACE Rev.1, or still at detailed level of the NACE Rev.1 but at EU-15 level.

## **2. Increasing data availability since the beginning of the SBS transitional period**

### ***Current data availability***

Data availability for size class data has very much improved in particular since the end of the transitional period. It has to be mention that the data availability for Accession Countries has now become almost as satisfactory as for Member States of the European Union.

### ***Future data availability and release of European totals***

EU-15 totals by size class are currently available for reference years 1999 and 2000 as shown in the table below.

Ten Acceding countries will join EU on 1/5/2003. EU-25 totals by size class will therefore be available in NewCronos at this date (not before). In the meantime, Acceding Countries totals together with Accession countries totals (Accession countries include Acceding Countries plus Bulgaria and Romania) should be in NewCronos within autumn 2003.

**SBS Size class data availability in NewCronos - State of the art 15/9/2003**

S = Services

T = Trade

M = Manufacturing

C = Construction

	1995				1996				1997				1998				1999				2000				2001			
	S	M	T	C	S	M	T	C	S	M	T	C	S	M	T	C	S	M	T	C	S	M	T	C	S	M	T	C
<b>B</b>																												
BU																												
CY																												
CZ																												
<b>DK</b>																												
<b>D</b>																												
<b>EE</b>																												
<b>EL</b>																												
<b>E</b>																												
<b>F</b>																												
HU																												
<b>IRL</b>																												
<b>I</b>																												
LT																												
LV																												
<b>L</b>																												
<b>NL</b>																												
<b>A</b>																												
PL																												
<b>P</b>																												
<b>RO</b>																												
<b>FIN</b>																												
SI																												
SK																												
<b>S</b>																												
<b>UK</b>																												
<b>EU15</b>																												
<b>NO</b>																												

 = series available in NewCronos

These data, together with relevant metadata (NewCronos explanatory texts) are available in NewCronos ie the Eurostat dissemination database under the size class domain.

*theme4/sbs/sizclass: Annual enterprise statistics broken down by size classes*

SBS data are disseminated in the Eurostat dissemination database, under the SBS domain and the Size class collection.

#### ***A specific summary table for SME data***

Specific groups of NACE Rev.1 codes are calculated and released with a view to assessing both the impact of these industries in all SMEs and the impact of SMEs in all these industries. In accordance with the Eurostat Unit responsible for Science, Technology and Innovation statistics, Eurostat followed the OECD classification.

- High technology industries  
NACE Rev.1 24.4, 30, 32, 33, 35.3

- Medium high technology industries  
NACE Rev.1 24-24.4, 29, 31, 34, 35.2+35.4+35.5

- Medium low technology industries  
NACE Rev.1 23, 25, 26, 27, 28, 35.1

- Low technology  
NACE Rev.1 15, 16, 17, 18, 19, 20, 21, 22, 36, 37

- Capital intensive industries  
NACE Rev.1 155, 156, 157, 158, 159, 211, 241, 243, 245, 247, 252, 261, 265, 267, 271, 274, 34

- Labour intensive industries  
NACE Rev.1 151, 152, 153, 17, 18, 19, 20, 262, 282, 293, 297, 335, 342, 351, 352, 354, 364, 365

- ICT industries  
NACE Rev.1 30, 31.3, 32, 33.2, 33.3, 64.2, 72. NACE Rev.1 51.43, 51.64, 51.65 are excluded from the size class tables, as only data at NACE Rev.1 3-digit level are available. Yet they are available in the national tables (breakdown by NACE Rev.1 at 4-digit level).

- Knowledge intensive market services  
NACE Rev.1 61, 62, 64, 70, 71, 72, 73, 74

To avoid any confusion, the term “knowledge intensive market services” is used instead of Knowledge intensive services, as the latest include NACE Rev.1 80, 85 and 92, which are not covered by the SBS Regulation for the time being.

These indicators are presented in a summary table where size class have been simplified and grouped into three classes:

[1-19 persons employed] Small enterprises

[20-249 persons employed] Medium size enterprises

[250+ persons employed] Large enterprises

### **3. Methodological issues related to SBS data by size class**

#### ***Quality checks performed by Eurostat***

The activity breakdown of “national” series (breakdown by NACE Rev.1 only) is more detailed than the one of size class series (breakdown by NACE Rev.1 and size class). However; Eurostat checks the overall consistency of both series, as they share a common dimension (NACE Rev.1).

Otherwise the ratio Number of persons employed / Number of enterprises (16110 / 11110) has to be within the boundaries defining each size-class. For example, for the NACE Rev.1 DB and the size-class 02 (1 to 9 persons employed), the value of the ratio 16110 / 11110 has to be between 1 and 9.



Consistency over time of all SBS variables and of basic SBS ratios is checked as well.

### ***Level of detail of size class data***

A single Regulation is in force for both small and large countries. Small countries meet indeed some difficulties in producing data with such a high level of detail. Even if many data are either 0 or confidential, Eurostat still requests them at the level of detail foreseen by the Regulation so that European estimations by size class are as reliable as possible.

### ***Coverage of small businesses***

The SBS Regulation foresees a statistical coverage of all businesses without any size class cut off. Yet it has been difficult for some NSIs to cover small businesses during the transitional period, so that historical SBS data by size class sometimes cover large businesses only.

### ***Implementation of the European recommendation on SMEs***

The SME definition currently in force in Community law is that adopted by the recommendation Commission Recommendation 96/280/EC.

In particular, small and medium-sized enterprises are defined as enterprises, which have fewer than 250 employees, and have either an annual turnover not exceeding € 50 million, or an annual balance-sheet total not exceeding € 43 million. In addition, they have to be independent and should not be affiliate of any enterprise group.

The last criterion seems particularly difficult to meet, as it requires a sound knowledge of the financial links between businesses. It is however of high probability that an SME affiliate of a large international group differs from a “normal” independent SME in terms of access to markets, R&D, scale economies, etc. The European Statistical System would probably under estimate the actual concentration of many industries, if it did not take into account to a sufficient respect this “group” effect.

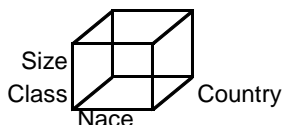
## **4. Statistical Disclosure Control (statistical confidentiality)**

The SBS-R foresees the collection of data broken down by NACE Rev.1 at 4-digit level, while size class data are broken down by NACE Rev.1 at 3-digit level only.

Still, confidentiality treatment needs to be co-ordinated between the two different tables. Otherwise one figure might be hidden in one table and not in another - and the protection would be broken. This operation, where confidentiality flags have to be synchronised between the tables on every intersecting dimension, is called table to table protection.

In addition to these two dimensions Activity + size class, Eurostat calculates and releases European totals as soon as it does not break any national confidentiality rule.

To sum up, Eurostat deals by processing SBS size class data with hierarchical tables having three dimensions: Nace, Size class and country. Eurostat has to produce overall safe tables. Not only *Primary confidential* figures should be hidden. Users should not be in a position to recalculate these figures either, so that addition cells have to be hidden for *secondary confidentiality*.



This secondary confidentiality operation with more than two critical dimensions can hardly be performed by a basic IT system. A proper mathematical model, accessible through an efficient engine, is to be used instead.

Eurostat has been testing and using for statistical production the German engine GHMITER through the software CIF (Confidentiality Interface) since autumn 2001. The German engine GHMITER uses the rectangular parallelepiped method to smoothly protect data against both absolute and approximate disclosure.

The hyper cube methods appeared to suit particularly well large tables or tables with more than two critical dimensions such as SBS. It met Eurostat requirements both in terms of treatment of dominance and table to table protection.

However, as GHMITER tends to be over protective, Eurostat has been testing the alternative software Tau-Argus, developed by Statistics Netherlands in the framework of the CASC<sup>2</sup> project (Computational Aspect of Statistical Confidentiality) since Summer 2003.

## 5. Quality indicators for European size class data

Eurostat collects quality indicators (coefficients of variation, total and item non-response) in the framework of the Commission Regulation N°1618/99 concerning the criteria for the evaluation of quality of Structural Business Statistics, including coefficients of variation by size class. Variance is to be calculated taken into account sampling, non-response and misclassification.

Eurostat is in a position to calculate coefficients of variation (ie quality indicators) for European totals by size class.

### Coefficients of variations of size class data at EU level

In %

NACE Rev,1 3-digit level C to K without J

Variable: Turnover

Reference year: 1999

	1-19	20-249	250 +
p10	3,8	0,9	0,0
p25	5,0	1,6	0,0
p50	6,7	2,5	0,0
p75	9,4	4,6	0,0
p90	12,1	40,2	0,6

Source: Eurostat

How to read this table? 25% of 3-digit NACE Rev1 codes in the stratum 1-19 have a coefficient of variation lower than 5%, while 75% are higher.

<sup>2</sup> project partly subsidised by the 5th Framework program of the EU under grant no IST-2000-25069

CVs are clearly higher for small businesses than for large ones, which means that accuracy of SME data would be worse (taken into account the above mentioned criteria) than the one of large businesses statistics.

This is mainly due to the fact that large businesses are completely enumerated (take-all stratum) while small businesses are not (take-some stratum). This pattern is observed in almost all European countries. Therefore, the variance due to sampling is zero for large businesses but inflates the variance of SME data.

The variance due to sampling is very low for large businesses. Still other quality problems, such as industrial heterogeneity or problems linked to globalisation, are posed for this population.

**Part III.**  
**EXAMPLES OF NATIONAL QUALITY REPORTS**  
**OF THE STRUCTURAL BUSINESS STATISTICS<sup>3</sup>**

The information presented here illustrates what European Community Member states and Accession countries report under the "Commission Regulation No 1618/99 of 23 July 1999 concerning the criteria for the evaluation of quality of structural business statistics". Where available, country reports have been complemented with country submissions to the OECD questionnaire on the state and perspectives of SME statistics and other information on survey strategies. Three country examples are proposed here, as our purpose was less to be exhaustive than to illustrate the description of the SBS framework given in Part 2. These examples are Hungary, Portugal and Sweden. Coverage can be extended to other EU and Accession countries. For reader ease, the information is presented in the same way as in Part 1.

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<sup>3</sup> National Quality reports of the Structural Business Statistics are available on the Eurostat web site at [http://forum.europa.eu.int/irc/dsis/bmethods/info/data/new/sbs\\_national%20reports.html](http://forum.europa.eu.int/irc/dsis/bmethods/info/data/new/sbs_national%20reports.html). This is where the information presented here was found.

**HUNGARY****1. Name of institution**

Hungarian Central Statistical Office (HCSO)

*Nature of institution:*

Statistical office

*Contact information:*

*Web site of the institution:*

*Other institutions responsible for producing the statistics:*

*Contact information for other institutions:*

**2. Industrial classification:**

NACE Rev 1.1

*Number of levels of disaggregation:*

*Levels of disaggregation:*

4 digits

*Concordance with international classifications:*

**3. Legal arrangements governing data collection:**

*Obligation to reply:*

*Legislation on confidentiality:*

**4. Criteria used to determine size classes**

Number of employees and balance sheet

*Definition of an SME:*

- ME: Less than 250 employees, net turnover per year at longest 4 000 million HUF or a balance sheet total at longest 2 700 million HUF.

- SE: Less than 50 employees, net turnover per year at longest 700 million HUF or a balance sheet total at longest 500 million HUF.

*Commonly accepted definition of an SME:*

Less than 250 and 50 employees

**5. Databases on enterprises by size class:**

**6. Reference unit:**

Legal unit: companies, partnerships and sole proprietors.

*Collection of data:*

Structural Business Statistics Survey covers : Annual Survey of Labour Data , Annual Survey of Performance, Annual Survey on Breakdown of Turnover.

**7. Availability of data according to different breakdowns:**

*Availability of data according to geographical breakdown:*

False.

*Availability of data according to type of area (urban/rural):*

False.

**8. Variables**

**9. Reference documents**

**10. The SME business frame is based on**

SME business frame based on:

Business frame additional comments:

The SME business frame is included in the business frame for all:

True.

**11. Demography**

Demography (births all): fully able to capture.

Demography (deaths all): fully able to capture.

*Demography additional comments & general assessment:*

Every new legal unit (including every SME) have to complete a survey at the Registration Office or at the Registry Court before the start of its business activity. The data and the unique identifier number

of the new unit will be transmitted to the Tax Office and to the Statistical Office. In cases of deaths the change of status is registered if an administrative source (Tax Authority, Registration Office or Registry Court) transmits the record on it. After two years without any administrative contact and information the unit will be recorded as non-active (dead). In case of SMEs with 1-4 employees the Statistical Office has only administrative data. The changes of the units (activity, ownership, location) are registered in the Business Register if the administrative sources can send the information on them.

*Specific surveys on the demography of enterprises*

No indication.

**12. Sources of data**

Reference unit for source of data: Enterprise

*Census: title and main characteristics*

Method of collection:

Response rate:

Periodicity:

Threshold:

*Sample survey: title and main characteristics:*

The SBS surveys were carried out partly through a sample:

- exhaustive surveys for legal units with 20 and more (in construction 10 and more)
- by a sample for those with 5-19 (in construction 5-9) employees.

The SBS surveys covered the following sections:

- Annual Survey of Labour Data: NACE Rev. 1. A-O
- Annual Survey of Performance: NACE Rev. 1. A-I, K, M-O
- Annual Survey on Breakdown of Turnover: NACE Rev. 1. A-I, K, M-O

Method of collection:

Method of sampling:

The target population for the sampling survey included the active enterprises with 5–19 (in construction 5–9) employees. (Enterprises with less than 5 employees were not surveyed.) Enterprises with less than 50 employees had to fulfil only a simplified questionnaire.

The sampling frame for the survey and the number of enterprises were provided by the Business Register (BR) of the Hungarian Central Statistical Office (HCSO). Observational and at the same time sampling units were the enterprises of the BR belonging to the appropriate NACE sections and size groups,

and having a so-called obligatory data-supplier status (indicating that the enterprise is active). The data collection covered those units, which had been selected from the sampling frame.

A stratified sample had been selected for the survey. The criteria for stratification were the following:

- economic activity (categories: three-digit level groups for Construction, subdivisions 55.1–55.2 and 55.3–55.5 for Hotels and restaurants, two-digit level divisions elsewhere),
- size (categories: 10–19 and 5–9 employees),
- headquarter (categories: capital and countryside).

The total sample size had been determined by taking into account both accuracy demands and cost limitation. The sample size for the various strata had been determined by a modified Neyman allocation. The sample had been selected systematically, according to the decreasing order of the random numbers belonging to the various enterprises in the BR. We had given a preference to the enterprises belonging to the sample of the monthly surveys of the HCSO.

Response rate:

Periodicity of data collection:

Annual.

Threshold:

5 employees and over.

*Administrative source: title and main characteristics:*

periodicity of update of administrative sources:

*other source: title and main characteristics:*

*Statistical adjustments to data*

Estimates of non response:

Data of those non-respondents were imputed (by zero) of which – on the basis of information on the cause of non-response – we supposed that they would have sent us a questionnaire with only zero values.

Adjustments:

While estimating from the data of the enterprises, outliers were detected and handled separately.

In the course of the processing, a few indicators were estimated by strata for the sampled enterprises, the outliers and the other enterprises enumerated completely. Within the various sampled strata, the population totals were estimated by the Horwitz-Thompson estimator with equal selection probabilities. The variance of the population totals was estimated by the corresponding formula.



The estimated totals of the various strata (division, size and headquarter category) were broken down among the corresponding substrata (class, size and headquarter category). For this, the following data of the BR were used: the number of the enterprises in the various classes, furthermore their turnover and number of employees (coming primarily from surveys of the HCSO, secondarily from tax data of the year 1997). From the variance of the stratum, the variances of the various substrata were estimated by assuming homoscedascity.

Treatment of confidentiality:

### **13. Dissemination**

Dissemination of SME designed by:

NSO.

Core variables time lag reference year and time of publication:

Between 12 and 18 months

Specific variables time lag reference year and time of publication:

Between 12 and 18 months.

Strategy for SME stats compared to other business statistics:

Overall strategy for demand on SME stats:

## PORTUGAL

**1. Name of institution:**

INSTITUTO NACIONAL DE ESTATÍSTICA

*Nature of institution:*

Statistical office

*Contact information:*

*Web site of the institution:*

*Other institutions responsible for producing the statistics:*

*Contact information for other institutions:*

**2. Industrial classification:**

NACE

*Number of levels of disaggregation:*

*Levels of disaggregation:*

*Concordance with international classifications:*

**3. Legal arrangements governing data collection:**

*Obligation to reply:*

*Legislation on confidentiality:*

**4. Criteria used to determine size classes :**

number of employees

*Definition of an SME:*

Employment: less than 500 persons employed.

Turnover: less than 40 million euros.

*Commonly accepted definition of an SME:*

Employment: less than 500 Persons employed.

Turnover: less than 40 million euros.

**5. Databases on enterprises by size class:**

**6. Reference unit:**

Legal Unit [Regulation n° 696/93 (CE)]

*Collection of data:*

Structural Business Statistics Survey + Administrative data

**7. Availability of data according to different breakdowns:**

Geographic breakdown at level : NUTS II

*Availability of data according to geographical breakdown:*

False

*Availability of data according to type of area (urban/rural):*

False

**8. Variables**

**9. Reference documents:**

**10. The SME business frame is based on**

SME business frame based on:

Brings together several sources.

Business frame additional comments:

The business frame (FUE, Business Register) is based on administrative sources and others surveys carried out by INE on enterprises.

The SME business frame is included in the business frame for all:

True.

**11. Demography**

Demography: births all: partially able to capture.

Demography: deaths all: partially able to capture.

*Demography additional comments & general assessment:*

Since the end of 1999 the NSO does not have access to fiscal information on sole proprietors in order to update the Business Register. As consequence enterprises births on that legal class are not available. This problem applies to all activities. As enterprise deaths should be considered units that have no employment or turnover. The partial coverage of sources that update these two variables tends to delay the moment of death. Usually the Business Register considers death of enterprises when the enterprises cease their VAT registration or when surveyed, the enterprises are identified as dead.

The classification of economic activity has high quality if it is attributed by the statistical system. The economic classifications that result from administrative procedures still have to be improved. Until 2003 the Business Register does not keep record of changes of ownership, of mergers or break-ups.

*Specific surveys on the demography of enterprises:***12. Sources of data:**

Reference unit for source of data: Enterprise

*Census: title and main characteristics:*Method of collection:Response rate:Periodicity:Threshold:*Sample survey: title and main characteristics:*

Structural Business Statistics: The Structural Business Survey collects information about all Portuguese enterprises, covering the entire country: Mainland, Açores and Madeira, a representative sample is assured at the level of NUTS II (Decree - Law n.º 46 / 89 of 15th of February).

The survey population was based on FUE (Business Register) this file is updated by administrative sources and by others surveys carried out by INE on enterprises.

The survey strategy of the SBS for the year 2000, was to reduce the response burden, by:

- Tax information or other internal sources combine with survey data;
- Reducing the partial answers by analysing of the correct treatment;
- For less then 20 persons employed the questionnaire is more easy to full in and do not require a complex organization of the account plan;
- Estimation procedures also are being use since 1996, for some variables are not inquired for the enterprises with less then 20 persons employed;
- Specific formation was given to the technicians to improve the quality of the information obtained;

- Quality indicators for each item of the questionnaire were produced and submit to some control by the technicians;
- Comparability between sources is considered important and it is done to verify the data for the main variables of the questionnaire that are being use;
- User's satisfaction and need's are important for the project and we are in contract with the main users of the information;
- Production of coefficients of variation for data survey;
- Quality of data was improved by using the following procedures:
- improve the response rate, reducing the unit non-response rate;
- Time series comparability;
- improve the timeless of the final data;
- reduce the item non-response rate for, the main variables.

Method of collection:

Method of sampling:

Response rate:

Periodicity of data collection:

Threshold:

The Business Register excludes sole proprietors since the end of 1999.

*Administrative source: title and main characteristics:*

periodicity of update of administrative sources:

*other source: title and main characteristics:*

*Statistical adjustments to data*

Estimates of non response:

Adjustments:

Treatment of confidentiality:

### **13. Dissemination**

Dissemination of SME designed by:

NSO.

Core variables time lag reference year and time of publication:

Number of Persons Employed, Turnover and other economic variables are published 18 months after the reference year.

Specific variables time lag reference year and time of publication:

Demographic variables are not published yet.

Strategy for SME stats compared to other business statistics:

Overall strategy for demand on SME stats:

**SWEDEN**

**1. Name of institution:**

Statistiska centralbyran. Statistics Sweden

*Nature of institution:*

Statistical office

*Contact information:*

Karlavägen 100, Klostergatan 23

*Web site of the institution:*

*Other institutions responsible for producing the statistics:*

*Contact information for other institutions:*

**2. Industrial classification:**

NACE

*Number of levels of disaggregation:*

*Levels of disaggregation:*

*Concordance with international classifications:*

**3. Legal arrangements governing data collection:**

*Obligation to reply:*

*Legislation on confidentiality:*

**4. Criteria used to determine size classes :**

number of employees and balance sheet

*Definition of an SME:*

based on EU Recommendation 2003/361/EC.

*Commonly accepted definition of an SME:*

SME is mostly defined as enterprises with less 250 employees and Small enterprises are defined as enterprises with less than 50 employees.

**5. Databases on enterprises by size class:**

**6. Reference unit:**

Statistical units: Institutional unit, Enterprise, kind- of activity unit (KAU), local KAU, and enterprise group according to the EU-regulation(696/93) and administrative units: legal unit and local unit

*Collection of data:*

Structural Business Statistics Survey + Administrative data: SRU (Standardised annual company reports)

**7. Availability of data according to different breakdowns:**

*Availability of data according to geographical breakdown:*

False.

*Availability of data according to type of area (urban/rural):*

False.

**8. Variables**

**9. Reference documents:**

**10. The SME business frame is based on**

SME business frame based on:

brings together several sources

Business frame additional comments:

Business Register

Data Sources for principal activity

An enterprise at birth:

Every newly registered legal unit carries a code for its principal activity (by NACE rev.1) as it enters the Business Register (BR) at Statistics Sweden (SCB). This code is provided by the Swedish National Tax Board, and based on information from an “activity declaration” which is mandatory for every person or group of persons who wants to register a new legal unit in Sweden.

As the new legal unit enters the BR the system automatically generates one local unit, one local kind of activity unit, one kind of activity unit and one enterprise unit. All of these units, together with the



original legal unit, are connected and given the same activity code as the one carried by the legal unit. This group of connected units – Local, LKAU, KAU, Legal, Enterprise - is an enterprise at birth in the BR. Besides activity code, other attributes such as address and number of employees (if any) are attached to the enterprise. The PAYE (‘Pay As You Earn’) register is the major information source on employment of the enterprise as long as it is too new to be included in surveys conducted by SCB.

#### Enterprises with more than one local unit:

There is no formal way (such as an administrative source or a census) by which SCB can detect if an enterprise has more than one local unit. However, if various regularly performed checks indicate that an enterprise with a single registered local unit may be active at several locations (a large number of employees is one indication, feedback from surveys is also used), then this enterprise is contacted and as a result of this contact one or more new local unit(s) may be created for the enterprise.

In November/December every year, all enterprises with two or more local units are included in a specific survey (the ‘PAYE survey’). The purpose of this survey is to let the enterprises involved define all their local units to which they later (in the spring), on request, are going to attach the PAYE data for their employees. Every person in Sweden with a PAYE value over a certain limit (presently about 35 000 SEK) is connected with a particular local unit among those defined from the survey, i.e. the local unit where the person has earned most of his/her money during the previous year.

The ‘PAYE survey’ does not collect information for updating of activity codes. However, there is another annual survey, the ‘BR survey’ performed in the spring, which does collect information on activity for every local unit of multi-local enterprises. For every local unit involved, all activities previously registered by SCB and ordered by their relative importance (size, see below) are pre-printed. The respondent is asked to verify or to revise the pre-printed information. The BR survey is the main source for determination of principal activity of enterprises (and their connected units). However, for enterprises involved in manufacturing (and above a certain cut-off limit in size) the Annual Production Statistics in Manufacturing (the ‘PRODCOM Survey’) is used to determine principal activity.

#### Enterprise and Legal unit:

In a limited number of cases – presently about 50 cases - the enterprise comprises several legal units. Hence for the vast majority of enterprises in the BR there is (at a fixed point in time) a one-to-one relation between enterprise and legal unit. Normally, both have the same principal activity. However, if the enterprise is a holding company (head office), which is regarded as an ancillary activity, then the enterprise and the legal unit, although one-to-one, may have different principal activity. This is the most common exception to the general rule (i.e. same activity) in the one-to-one case. The principal activity for an enterprise is determined from activities registered at the local units connected with the enterprise.

#### Local unit and LKAU:

An LKAU consists of the whole or a part of a local unit in the BR. At the present time a very limited number of local units (about 40) are split into several LKAUs. In an overwhelming majority of cases there is a one-to-one relation between LKAU and local unit. Hence the LKAU is the smallest unit of the BR, however mostly coinciding with the local unit.

#### Enterprise and KAU:

In most cases there is a one-to-one relation between Enterprise and KAU. However, a number of enterprises – presently about 70 - are split into several KAUs. In such cases the KAU is an aggregate of LKAUs.

The SME business frame is included in the business frame for all:

True.

## **11. Demography**

Demography: births all: fully able to capture.

Demography: deaths all: partially able to capture.

*Demography additional comments & general assessment:*

The business frame covers all births but the coverage of the deaths is less timeliness. It is not possible to identify real births in the business frame due to the fact that change of legal form, take-overs, mergers etc. are included among the newly registered enterprises.

*Specific surveys on the demography of enterprises:*

## **12. Sources of data:**

Reference unit for source of data: Enterprise

*Census: title and main characteristics:*

Method of collection:

Response rate:

Periodicity:

Threshold:

*Sample survey: title and main characteristics:*

Structural Business Statistics: Large enterprises:

All enterprises with 50 employees or more and belonging to the target population of SBS -2001 were included in the sample by total enumeration. An enterprise with less than 50 employees may be moved to the category 'large enterprises' if it holds a very large balance sheet total. This involves cases where the balance sheet total exceeds 200 MSEK ( 22 million EURO) for enterprises in real estate (NACE =70) while the corresponding limit is 500 MSEK for all other categories. There were in total about 800 such enterprises moved into the category 'large enterprises'.

Method of collection:

A questionnaire was sent to every such enterprise. Furthermore, every enterprise divided into two or more kind-of-activity units (KAUs) received one questionnaire for every separate KAU. There were 76 such enterprises.

Enterprises with two or more local units were required to fill in a special questionnaire for every local unit - regarding number of employees, labour costs and a number of items regarding investments.

Method of sampling:

There is no sampling done. All enterprises with more than 50 employees are surveyed together with smaller enterprises with a balance sheet total that exceeds 200 MSEK

Response rate:Periodicity of data collection:Threshold:

All enterprises with 50 employees or more

*Administrative source: title and main characteristics:*

SRUs ('Standardiserade RäkenskapsUtdrag' in Swedish or 'Standardised Annual Company Reports' in English): For small enterprises:

This category comprises all enterprises with less than 50 employees - except those included among the large ones as described above. There has been no direct data collection from the businesses in this category. Instead administrative data, the so called SRUs, have been used.

Have been collected on an annual basis by the National Tax Board (National Revenue Service) from all Swedish enterprises since the early 1990s. Although the main purpose is to assist the National Tax Board in its work, the SRU data are available to Statistics Sweden for statistical purposes. The SRU material was tested in 1994/95 by Statistics Sweden for its potential as data source. As a result of these tests, the SRUs are used on a full scale for the SBS since 1996. The SRUs are used on a take-all basis, i.e. there is no probability sampling involved. However, some SRUs are missing or rejected, on the average about 12%. The missing SRUs are mostly among the smallest businesses. This means that the impact of the nonresponse on estimates is generally much lower than the reported unweighted nonresponse rates may seem to indicate.

periodicity of update of administrative sources:

*other source: title and main characteristics:*

*Statistical adjustments to data*

Estimates of non response:

Strata comprise 3- digit NACE groups for sole proprietors and, for all other legal forms, the combinations of 4- digit NACE sub groups and size group by number of employees (0, 1-4, 5-9, 10-19, 20-49).

Reweighting within strata is done: The weight "Number frame elements/number of sample elements" is replaced by the weight "Number of frame elements/number of responding elements".

Adjustments:Treatment of confidentiality:

**13. Dissemination**

Dissemination of SME designed by:

NSO.

Core variables time lag reference year and time of publication:

Between 12 and 18 months.

Specific variables time lag reference year and time of publication:

For some less than a year, for others between 12 and 18 months.

Strategy for SME stats compared to other business statistics:

A survey especially designed for small enterprises is conducted multi-annually on commission.

Overall strategy for demand on SME stats: