

EU Structural Business Statistics Development Plans and Turnover by Products

Session on Turnover by products -
Plans for future surveys



Introduction

- SBS special features
- SBS legal basis
- SBS development work
- Regulation amendment proposals
- Business Services (BS) project



Structural Business Statistics

- SBS describe economy through activities of enterprises
- *Main SBS variables are:*
 - Demographic variables (e.g. number of enterprises)
 - “Input related” variables
 - labour input (e.g. employment, personnel costs)
 - capital input (e.g. investment, R&D)
 - “Output related” variables (e.g. turnover, value added).



Structural Business Statistics

- Reference period - year
- Harmonised methodology – comparisons over time and space
- Complications:
 - Current prices and different ways of implementation in NSIs
 - No PPPs
- Activity vs. product based
- Enterprise vs KAU



Legal basis of SBS

- Basic regulation for Structural Business Statistics
Council Regulation N° 58/97
- *Annex 1*, a common annex for annual structural statistics (all activities in Sections C to K and M to O, currently only pilot studies are foreseen for M-O).
- *Annex 2*, a detailed annex for structural statistics in industry.
- *Annex 3*, a detailed annex for structural statistics in distributive trades.
- *Annex 4*, a detailed annex for structural statistics in construction.



Legal basis of SBS

- *Annexes include information about:*
 - activities, for which the statistics are to be compiled
 - type of statistical units used: enterprise, local unit, kind of activity unit
 - list of characteristics for which statistics are to be compiled (e.g. number of enterprises, number of employees, and so on)
 - frequency for the compilation, in this case, yearly or multi-yearly
 - timetable, with the first reference years for the statistics to be compiled
 - standards of representativeness and quality evaluation



Legal basis of SBS

- **Council Regulation N° 410/98**
 - *Annex 5* detailed module on insurance services:
NACE Rev. 1.1 division 66 – except 66.02
- **Regulation N° 2056/2002 of the European Parliament and of the Council**
 - *Annex 6*, a detailed module on credit institutions:
NACE Rev. 1.1 classes 65.12 and 65.22
 - *Annex 7*, a detailed module on pension funds:
NACE Rev.1.1 class 66.02



Voluntary data collections

- *Business Demography*
- *Other financial intermediation services and financial auxiliaries*
- *Foreign Affiliates Statistics*
- *Business Services*
- *Inter-enterprise relations and demand for services*



SBS framework

- Implementation of the SBS Regulation in 1995
- 1995-1998 was a transitional period
- SBS data is more complete starting from reference year 1999
- Currently, the EU Structural Business Statistics is a well-functioning framework



Development of Structural Business Statistics

- **Establishment of priorities**
 - Limited resources, priority setting in co-operation between NSIs and Estat, plan for action but flexible -> 3-year rolling programme
- **A step-wise approach**
 - Inventory of existing situation (collection of data and methodology), methodological development, harmonised data collection and preparation of legal framework
- **Financial framework**
 - Financing of specific development actions with the help of Commission political departments - close co-operation with DG Enterprise
 - NSI activities can be partly covered by subventions



SBS amendment proposals

- Extension of the common, horizontal annex1 – more variables at class level of NACE
- Annex 8 on Business Services
- Annex 9 on Business Demography
- Flexible module on Ad Hoc Surveys



Development project on Business Services

- **Scope**

- 72 Computer and related services
- 74.11 Legal services
- 74.12 Accounting and auditing services
- 74.13 Market research and public opinion polling services
- 74.14 Business and management consultancy services
- 74.20 Architectural, engineering and related technical consultancy
- 74.30 Technical testing and analysis services
- 74.40 Advertising services
- 74.50 Labour recruitment and provision of personnel services



Development project on Business Services

- Two main elements:
 - Turnover broken by product
 - Turnover broken by client
- **Link to NACE Rev.2**
 - BS are based on NACE Rev.1.1
 - Computer services as an aggregate
 - Other business services no major problems
 - New perhaps not so interesting sectors
 - New interesting sectors outside the scope of BS



Development project on Business Services

- **Product breakdown**
 - More and better information on production of main activity and supplementary activities
 - Specific and related products
 - Mixed results:
 - main products do not reflect the economic reality
 - not appropriate related products
 - Gain more experience with new surveys



Development project on Business Services

- **Link to CPA revision**
 - BS are based on CPA with adaptations
 - Annex 8 final product lists determined only at a later stage - preferably CPA
 - Problems with timing:
 - Planned first reference year 2006 for BS while 2008 for revised NACE and CPA
 - Old product lists 2006-7
 - Old and new product lists 2008
 - Co-ordinate the two exercises as far as possible



Conclusions

- SBS Regulation implemented in 1995
- 1995-1998 was a transitional period
- more complete from 1999 onwards
- EU SBS a well-functioning framework
- rolling 3-year work programme for development
- BS an integral part of the rolling programme



Conclusions

- Turnover broken down by detailed products and residence of client
- BS data collection part of the regular SBS data collection
- No plans to further extend the product level data collection

