

INITIAL CIRCUMSTANCES OF SERVICE STATISTICS IN THE PERIOD OF
TRANSITION TO THE MARKET ECONOMY- informative material

To transform service statistics, mission of which was to fulfill the planned goals of communal enterprises and cooperatives and to provide services, into the statistics reflecting the needs of market environment is not a simple question.

It concerns not only the sphere of statistical surveys. It seems more and more clear that the process of Czech statistics transformation will take more time than was expected in 1990. The reasons are in the whole complex of internally linked causes (problems).

Among those which could be indicated as external is in the first place to be named the splitting of organizational structures in the state companies and cooperatives into countless number of small private firms of various legal forms. In the Czech Republic there is more than one million of entrepreneurs, of which more than half in the business and services (services in our reading do not include transport).

With unprecedented dynamic increase in number of potential respondents (since 1990) there are except others also the serious problems connected with the Business Register. This instrument does not actually reflect (because of the frequent changes in the activity start and end and so on) and in many cases not correct from the problem aspect (changes in the activity specialization) the state of respondents units set. The biggest problem is with the ignorance of the "whole" either in the process of sampling respondents for the sample surveys or when generalizing and making estimates for the complete set.

Other problems are with frequent legislation changes especially in the sphere of taxes and book-keeping, which make troubles with respect to the stability of indicators and their comparability. Special question is the fact that about 10 percent of enterprises is registered in so called Business Register (by the court) and the others are registered only by the Trade Licensing Offices. The statistics has started, in the period of fast "splitting" of organizations, to concentrate on the bigger enterprises registered usually in the Business Register and therefore information about dynamically developing organizations outside of that register are practically lacking.

Also the problems with using secondary data sources (Financial Offices, Social Security Administration and so on) are connected with the certain instability of state administration in the present period of changes.

Finally there exists not a small problem when compared with the previous period - decrease of the respondents' discipline. Response rate within the small private firms is often about 25%.

It is necessary to admit that many obstacles occur on the road to the new conception of service statistics also because of our

own problems and drawbacks.

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Continuously, especially in the course of statistical surveys for the new calendar year we encounter the fact that it is difficult to put through the new ideas "in our own ranks", what difficulties we have with changing concept stereotypes.

Breakdown of respondent base in our country "overnight" created the need to replace traditional exhausting surveys by the sample surveys. Therefore we must search for the corresponding methods of sampling, endeavor to the private entrepreneurs, including getting back the lost confidence in relation to the individual data protection, and least but not last also the methods of data evaluation.

Changes are under way simultaneously in all statistics, some problems with result processing are caused e.g. by the fact that our price statistics do not survey price index of services.

Finally it is necessary to say that there are only limited financial or personal reserves available for large, system changes.

So much about the basic problems in the service statistics and partly on the statistic in general under the present circumstances.

Now for your information several sentences on the actual organization of statistical surveys in the CSO, this year in the field of service statistics.

Organizations which are being sent report forms are divided by the number of workers into 3 groups (entrepreneur subjects registered in the Business Register).

1/ Organizations with up to 5 employees

- from the aspect of the data collecting it is practically 20% sample survey, where the net sales, cash sales, number of employees and wages are surveyed

2/ Organizations with 6 to 24 employees

- method of sample surveying was chosen here, too (40%)
Besides the above mentioned indicators total receipts, broken down by the main activities in the range of NACE classification will be surveyed

3/ Organizations with 25 employees and more

- a report for exhausting survey was completed, which has more detail breakdown of indicators especially for the SNA use.
E.g. total turnover as of the sphere of selected market services is further in detail broken down by individual NACE branches with 4-digit codes. Besides own service report sheet a common part for all branches was proposed consisting the following parts: workers and wages, financial indicators, assets and liabilities, basic data on investments.

Data for all 3 size categories of organizations are being surveyed quarterly.

With respect to the SNA requirements there were also 3 yearly reports proposed, which have the common part of indicators for all branches. One report is for the organizations with up to 24 employees, the second for the enterprises with 25 and more

employees and the third one is for establishments (with 25 employees and more).

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But the given reporting system cannot secure information on private entrepreneurs not registered in the Business Register. In 1993 it is not at all supposed to carry out a sample survey in these subjects because the whole action is not financially covered. The best acceptable solution for the next year appears to be to send reports also to the randomly selected private entrepreneurs not registered in the Business Register (about 2 % of natural persons).

At the same time our statistics stepped over to the next development stage. In May this year we started with realizing transition project for the internal trade and services statistics (in collaboration with INSEE), which is supposed to utilize standard statistical methods and to obtain corresponding results in this field already in the years 1995-1996.