



# **The 31<sup>st</sup> Voorburg Group Meeting on Service Statistics**

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**Mini-presentation**

**Motion picture, video and television programme  
production, sound recording and music publishing  
activities in Japan**



**Kazuhiko Yazaki**

**Economic Statistics Division, Statistics Bureau  
Ministry of Internal Affairs and Communications  
Japan**

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## 1. Definition of service being collected

The Japan Standard Industrial Classification (JSIC) (Rev.13, 2013) covers the industry groups (3-digit level) of “411 Video picture information production and distribution,” which defines establishments engaged in producing and distributing movies, video and television programs, and “412 Sound information production,” which defines establishments engaged in producing records and radio programs.

Table 1 JSIC definition of groups of “Video picture information production and distribution” and “Sound information production”

Groups	Details	Definition
411 Video picture information production and distribution	4111 Motion picture and video production, except television program and animation production	This refers to establishments primarily engaged in production or engaged in both production and distribution of motion pictures (except animation films), and those engaged in video production for documentaries, fiction, etc. (except animation films).
	4112 Television program production, except animation production	This refers to establishments primarily engaged in the production of television programs (except animation films).
	4113 Animation production	This refers to establishments primarily engaged in the production of animation films.
	4114 Motion picture, video and television program distribution	This refers to establishments primarily engaged in the distribution of primarily motion pictures, videos, or television programs. The establishments engaged in delivery, exchange and purchase of films are also included in this classification.
412 Sound information production	4121 Recording and disk production	This class comprises establishments principally engaged in record planning and production.

	4122 Radio program production	This class comprises establishments principally engaged in radio program production.
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JSIC411 mostly corresponds to ISIC “591 Motion picture, video and television programme activities,” and JSIC412 mostly corresponds to ISIC “592 Sound recording and music publishing activities.”

See also chapter 4 “Standard classification structure and product details/levels.”

## 2. Unit of measurement to be collected

JSIC “411 Video picture information production and distribution” and “412 Sound information production” are covered by four statistical surveys: the Monthly Survey on Service Industries (MSSI, monthly survey), the Survey of Selected Service Industries (annual survey), the Basic Survey on the Information and Communications Industry (annual survey), and the Economic Census (periodic census, every five years: consisting of the Economic Census for Business Frame [ECBF] and the Economic Census for Business Activity [ECBA]). Turnover of JSIC 411 and 412 is collected by these surveys.

- For the MSSI, the statistical unit of “Information and communications” is enterprise and establishment. However, turnover information of JSIC 411 and 412 is not available on the MSSI because the results are released by 2-digit industry level.
- For the Survey of Selected Service Industries, the statistical unit of JSIC 411 and 412 is enterprise.
- For the Basic Survey on the Information and Communications Industry, the statistical unit is enterprise. Turnover information of some industry groups is released by 4-digit industry level.
- For the Economic Census, the statistical unit is enterprise and establishment. In addition to turnover, the ECBA collects cost structure.

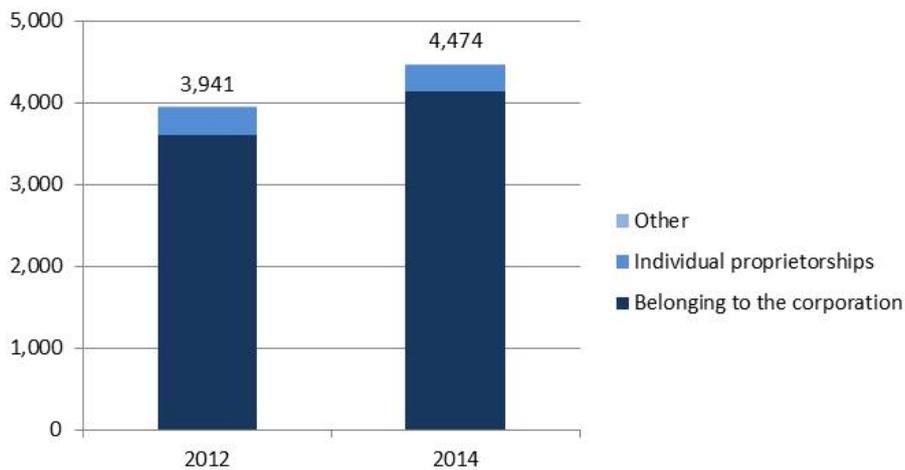
See also chapter 7 “Turnover data methods and criteria for choosing various output methods.”

### 3. Market conditions and constraints

#### 3.1 Number of enterprises and establishments

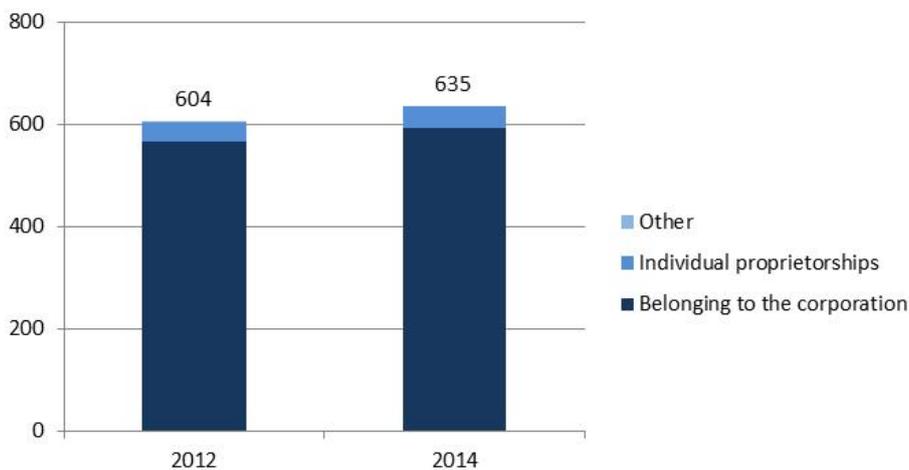
According to the results of the ECBF, which was conducted as of July 1, 2014, the number of enterprises engaged in JSIC 411 is 3,895 and the number of establishments is 4,474 (most of the establishments, 3,415, are Single Unit), while the number of enterprises engaged in JSIC 412 is 576 and the number of establishments is 635 (most of the establishments, 523, are Single Unit). Compared with the 2012 ECBA, the total number has increased because of an increase in establishments belonging to the corporation.

Figure 1 Number of establishments of JSIC 411



(Source: ECBA (2012) by Statistics Bureau of Japan (SBJ), Ministry of Economy, Trade and Industry (METI) and ECBF (2014) by SBJ)

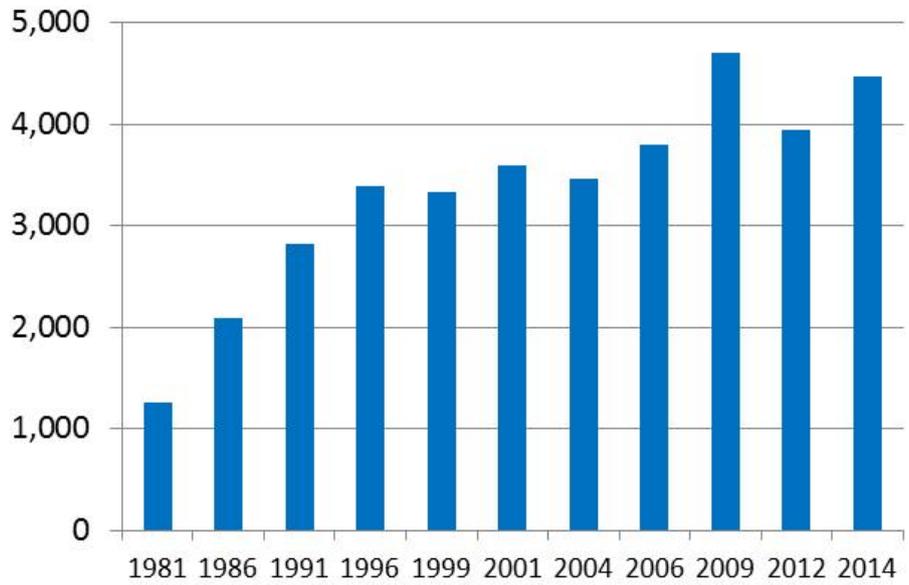
Figure 2 Number of establishments of JSIC 412



(Source: ECBA (2012) by SBJ, METI and ECBF (2014) by SBJ)

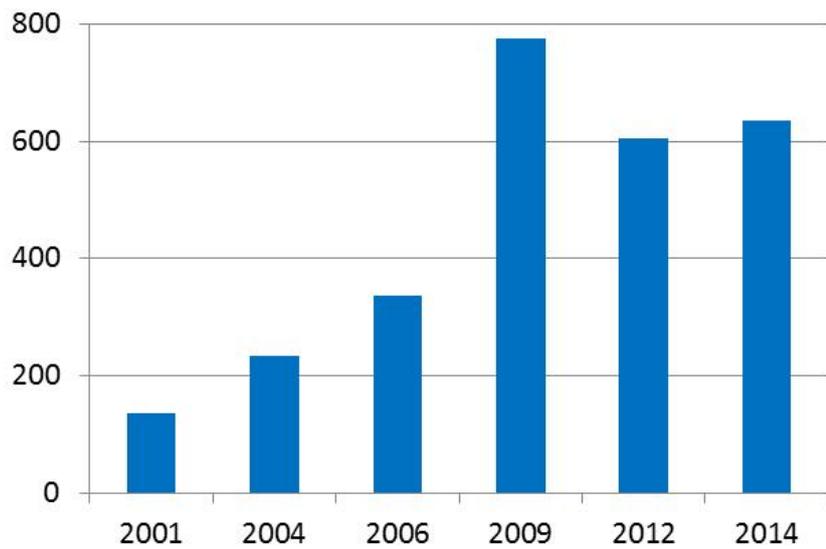
From a long-term perspective, although both JSIC 411 and 412 are tending to see an increase in the number of establishments, the increase has been slow in recent years.

Figure 3 Changes in number of establishments of JSIC 411



(Source: Establishment and Enterprise Census (1981-2006) by SBJ and Economic Census (2009-2014) by SBJ, METI)

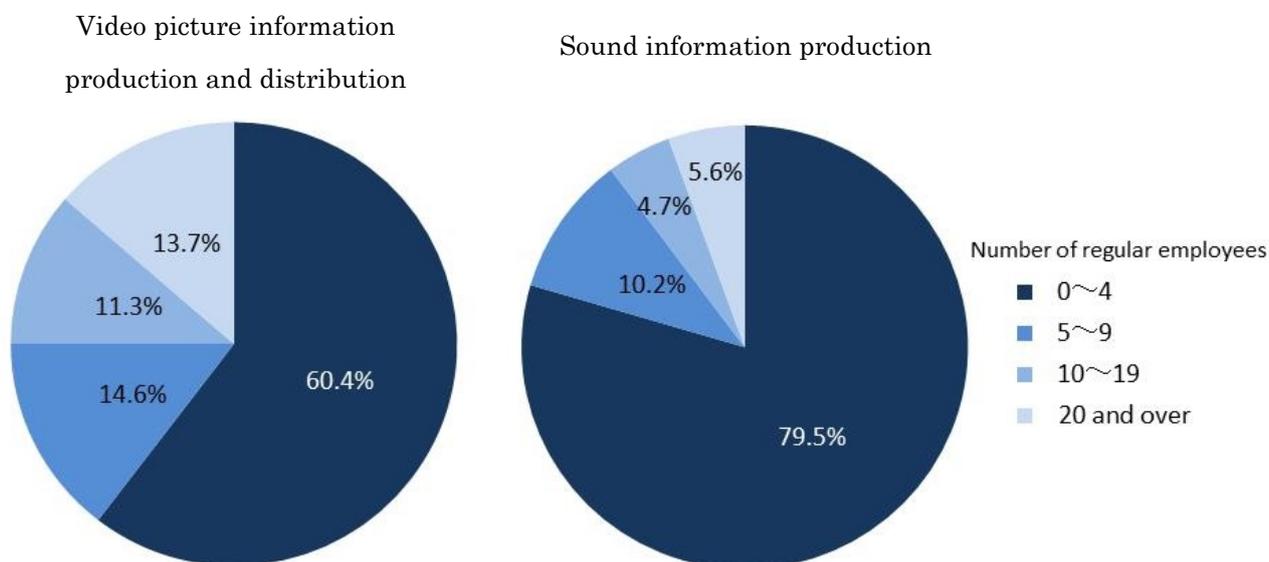
Figure 4 Changes in number of establishments of JSIC 412



(Source: Establishment and Enterprise Census (2001-2006) by SBJ and Economic Census (2009-2014) by SBJ, METI)

In addition, small companies with four or less regular employees account for a large percentage. In JSIC 411, these companies occupy 60%, and in JSIC 412, these companies occupy 80%.

Figure 5 Share of number of enterprises by number of regular employees in JSIC 411 and 412



(Source: ECBF (2014) by SBJ)

### 3.2 Turnover and number of persons working at the location of establishment

According to the results of the ECBF in 2014, for JSIC 411, turnover was 1,427 billion yen (approximately 14 billion USD) in 2013 and the number of persons working at the location of establishment was 61,361 as of July 1 that year. As for JSIC 412, the figures were 237 billion yen (approximately 2 billion USD) and 6,460, respectively.

Table 2 Turnover and number of persons working at the location of establishment

	Turnover (billion yen)		Number of persons working at the location of establishment	
	2011	2013	2012	2014
411 Video picture information production and distribution	1,236.8	1,427.4	54,487	61,361
412 Sound information production	209.6	237.3	5,776	6,460

(Source: ECBA (2012) by SBJ, METI and ECBF (2014) by SBJ)

#### 4. Standard classification structure and product details/levels

The JSIC (Rev.13, 2013) is composed of four stages, namely Divisions (1-digit level), Major groups (2-digit level), Groups (3-digit level), and Details (industries) (4-digit level). The Thirteenth Revision has been available since October 2013. JSIC “411 Video picture information production and distribution” and “412 Sound information production” are the subclasses of 2-digit level “41 Video picture information, sound information, character information production and distribution.”

Table 3 The structure of JSIC Rev.13 (JSIC 411 and 412)

Divisions	Major groups	Groups	Details	Name of class
G				INFORMATION AND COMMUNICATIONS
	41			Video picture information, sound information, character information production and distribution
		411		Video picture information production and distribution
			4111	Motion picture and video production, except television program and animation production
			4112	Television program production, except animation production
			4113	Animation production
			4114	Motion picture, video and television program distribution
		412		Sound information production
			4121	Recording and disk production
			4122	Radio program production

Table 4 The structure of ISIC Rev.4 (ISIC 591 and 592)

Section	Division	Group	Class	Name of class
J				Information and communication
	59			Motion picture, video and television programme production, sound recording and music publishing activities
		591		Motion picture, video and television programme activities
			5911	Motion picture, video and television programme production activities
			5912	Motion picture, video and television programme

				post-production activities
			5913	Motion picture, video and television programme distribution activities
			5914	Motion picture projection activities
		592	5920	Sound recording and music publishing activities

The following table shows a comparison between ISIC 591, 592 and JSIC.

Table 5 Comparison between ISIC and JSIC

ISIC (Rev.4)		JSIC (Rev.13)
591	5911 Motion picture, video and television programme production activities	4111 Motion picture and video production
	5912 Motion picture, video and television programme post-production activities	4112 Television program production
		4113 Animation production
	4169 Miscellaneous services incidental to video picture information, sound information, character information production and distribution	
5913 Motion picture, video and television programme distribution activities	4114 Motion picture, video and television program distribution	
5914 Motion picture projection activities	8011 Cinemas	
592	5920 Sound recording and music publishing activities	4121 Recording and disk production
		4122 Radio program production
		4169 Miscellaneous services incidental to video picture information, sound information, character information production and distribution

ISIC 591 includes a part of JSIC “4169 Miscellaneous services incidental to video picture information, sound information, character information production and distribution” (for example “developing motion picture film”) and JSIC “8011 Cinemas” in addition to JSIC 411

(from 4111 to 4114). ISIC 592 includes a part of JSIC 4169 (for example “sound recording in a studio”) in addition to JSIC 412 (4121 and 4122).

JSIC 4169 is the subclass of 3-digit level “416 Services incidental to video picture information, sound information, character information production and distribution” and the subclass of JSIC 41 as with JSIC 411 and 412.

JSIC 8011 is the subclass of 2-digit level “80 Services for amusement and recreation” in 1-digit level “N LIVING-RELATED AND PERSONAL SERVICES AND AMUSEMENT SERVICES.”

Table 6 The position of JSIC 4169 and 8011

Divisions	Major groups	Groups	Details	Name of class
G				INFORMATION AND COMMUNICATIONS
	41			Video picture information, sound information, character information production and distribution
		416		Services incidental to video picture information, sound information, character information production and distribution
			4161	News syndicates (News suppliers)
			4169	Miscellaneous services incidental to video picture information, sound information, character information production and distribution
N				LIVING-RELATED AND PERSONAL SERVICES AND AMUSEMENT SERVICES
	80			Services for amusement and recreation
		801	8011	Cinemas

## 5. Evaluation of standard vs. definition and market conditions

To reflect the change of industrial structure, the JSIC is revised at certain intervals. The share of number of establishments of JSIC 411 and 412 in JSIC 41 has hardly changed, so there is no apparent problem with the JSIC at this time.

## 6. National accounts concepts and measurement issues related to GDP measurement

In the National Accounts of Japan, the ECBA is used for estimation of video picture information, sound information, character information production and distribution on the benchmark GDP and Input-Output Tables.

The quarterly and annual national accounts are extrapolated from the benchmark National Accounts by various statistics. The MSSSI is used on the Quarterly Estimates of GDP and the Survey of Selected Service Industries is used on the Annual National Accounts.

## **7. Turnover data methods and criteria for choosing various output methods**

As mentioned in chapter 2 “Unit of measurement to be collected,” the turnover of JSIC 411 and 412 is covered with four statistical surveys, the Monthly Survey on Service Industries (monthly survey), the Survey of Selected Service Industries (annual survey), the Basic Survey on the Information and Communications Industry (annual survey), and the Economic Census (for Business Frame and for Business Activity) (periodic census, every five years).

### **7.1 Monthly Survey on Service Industries (MSSI, monthly survey and annual survey<sup>1</sup>)**

The survey objective of the MSSI is to identify monthly trends in sales (incomes) and persons working at the location for service industries.<sup>2</sup> Other than turnover information, the survey collects the number of persons working at the location of establishment,<sup>3</sup> the type of legal organization, amount of capital and so on.

The MSSI is a sample survey. Now, the survey frame consists of the results of the “2009 ECBF” (the census was conducted for the first time in 2009). The survey from 2017 will use the frame on the “2014 ECBF”.

Questionnaires are distributed and collected by mail in principal. However, for some situations enumerators collect questionnaires by visiting survey entities whose questionnaires have not

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<sup>1</sup> Turnover information of JSIC 411 and 412 is only collected in a monthly survey.

<sup>2</sup> Industries covered by the survey: “Information and communications,” “Transport and postal activities,” “Real estate and goods rental and leasing,” “Scientific research,” “Professional and technical services,” “Accommodations, eating and drinking services,” “Living-related and personal services and amusement services,” “Education, learning support,” “Medical, health care and welfare,” and “Services, n.e.c.”

<sup>3</sup> The term “persons working at the location of establishment” means all persons who are engaged in the business of the establishment or enterprise, etc. on the business day nearest to the end of the month (for annual survey, the end of June) (excluding dispatched or temporarily transferred employees to another enterprise, but including those who work as dispatched or temporarily transferred employees from another enterprise).

been sent back and if the number of persons working at the location of establishment is ten or less. The survey entity can submit the filled out questionnaires via the internet as well.

This survey started in July 2008 and was revised in January 2013.

According to JSIC 411 and 412, the survey on establishments and enterprises is conducted from January 2013. The survey on enterprises is conducted on enterprises with capital, investment, or funds of 100 million yen or more, which highly influence total turnover. The survey on enterprises collects turnover by business activities. The SBJ has collected up to four business activities of service industries which have the highest turnover.

For the results of the monthly survey, the preliminary results are released two months after the survey month and the final results are released five months after the survey month.

Within the MSSSI, the annual survey which collects more survey items from more survey entities has been conducted once a year since 2013. However the annual survey in the MSSSI doesn't collect the turnover information of JSIC "G INFORMATION AND COMMUNICATIONS" because the Basic Survey on the Information and Communications Industry collects the turnover data.

## **7.2 Survey of Selected Service Industries (annual survey)**

To clarify the actual conditions of the service industries and obtain basic data for policies concerning these industries, the Survey of Selected Service Industries is annually conducted on enterprises and establishments. The scope of the survey is the groups of the 28 service industries, JSIC 411, 412 and so on. The survey was a census till 2008, but has been a sample survey since 2009.

Questionnaires are distributed by mail and collected by mail or via the internet.

In addition to turnover, the survey collects operating expenses, the number of employees and so on.

## **7.3 Basic Survey on the Information and Communications Industry (annual survey)**

The Basic Survey on the Information and Communications Industry is an annual survey covering enterprises categorized as JSIC "G INFORMATION AND COMMUNICATIONS." Along with "41 Video picture information, sound information, character information production and distribution," which includes "411 Video picture information production and distribution" and "412 Sound information production," the survey covers "37 Communications," "38 Broadcasting," "39 Information services," "40 Services incidental to Internet" in a sample survey.

Questionnaires are distributed by mail and collected by mail or via the internet.

In addition to turnover, the survey collects the number of employees, condition of affiliated companies, condition of assets and liabilities, trading conditions, outsourcing status, research and development, status of possession and trading of technology.

#### **7.4 Economic Census (periodic census, every five years)**

The Economic Census in Japan is a census covering all establishments and enterprises of all industrial sectors (except those engaged in agriculture, forestry or fishery) at the same point in time. There are two censuses in Japan. One is the Economic Census for Business Frame (ECBF) and the other is the Economic Census for Business Activity (ECBA). The ECBF attaches high value to identifying establishments and enterprises, and to figuring out the structure of enterprises. The ECBA attaches high value to figuring out economic activities. Both of them are separately conducted every five years. However, the first ECBA was conducted in 2012 and the next one is conducted in 2016. After that, it is planned to be conducted every five years. Questionnaires are distributed and collected for single-unit enterprises by enumerators and for multi-unit enterprises by mail by the relevant authorities (entrusted private enterprise). The survey entity can submit the filled out questionnaires via the internet.

##### **7.4.1 Economic Census for Business Frame (ECBF, periodic census, every five years)**

The ECBF was first conducted in 2009, and turnover was grasped in July 2014 for the first time. Other than turnover information, the census collects the type of legal organization, number of employees, major industry of establishment and so on. Compared to the ECBA, the cost of the entire enterprise is not collected. Preliminary tabulations were released in June 2015. Turnover was released only by 1-digit industry level. Final results started to be released in November 2015, by 3-digit level including JSIC 411 and 412.

##### **7.4.2 Economic Census for Business Activity (ECBA, periodic census, every five years)**

The ECBA was conducted in February 2012 for the first time. In addition to the investigation item of the ECBF, the cost of the entire enterprise and so on is collected. Along with turnover, expenses, amount of capital investment, amount of value added and so forth were released. The latest census was conducted in June 2016 and the preliminary tabulations are to be released by May 2017.

## **8. Evaluation of comparability of turnover data with price index practices**

In Japan there are two price indices monitoring the service industry: the Consumer Price Index (CPI) by the SBJ and the Services Producer Price Index (SPPI) by the Bank of Japan. CPI and

SPPI are not available for video picture information production and distribution and sound information production services.

## **9. Summary**

The JSIC is used as a classification for Video picture information production and distribution and Sound information production services.

Turnover for these services is tabulated at 2-digit industry level as “Video picture information, sound information, character information production and distribution” every month by the MSSI.

The two surveys, the Survey of Selected Service Industries and the Basic Survey on the Information and Communications Industry, are annually conducted for the turnover of these services.

In 2014 the ECBF collected the turnover of all enterprises and establishments at 3-digit industry level as JSIC 411 and 412. In the ECBA, along with turnover, expenses, amount of capital investment, amount of value added and so forth were released, and that will enable a more detailed grasp of the current status of economic activity of enterprises conducting these services. The ECBA is conducted in 2016 and the preliminary tabulations are to be released by May 2017.

The SBJ will continue to work on further analyses and solve challenges by applying the characters of each statistical survey related to the turnover of Video picture information production and distribution and Sound information production services.