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 annex 1 – 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