New functionalities of SBR – a central backbone on the horizon

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Register-based statistics since 1970s

- Administrative registers set up by SURS

  – Register of Population (1971)

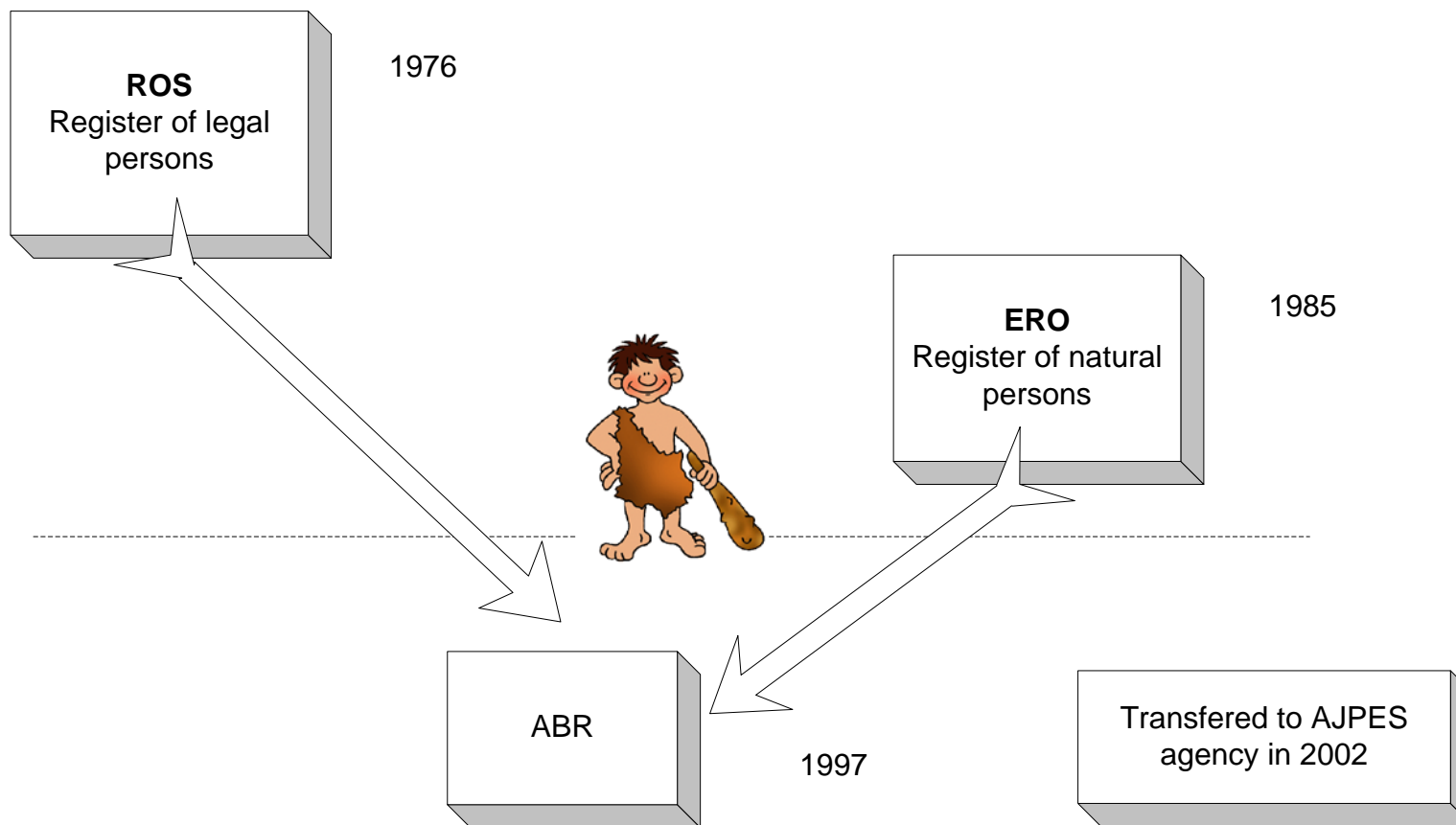 – Register of Territory (1971)

  – Business Register (1976)

→ SURS transfered all three administrative registers to other institutions after 1995

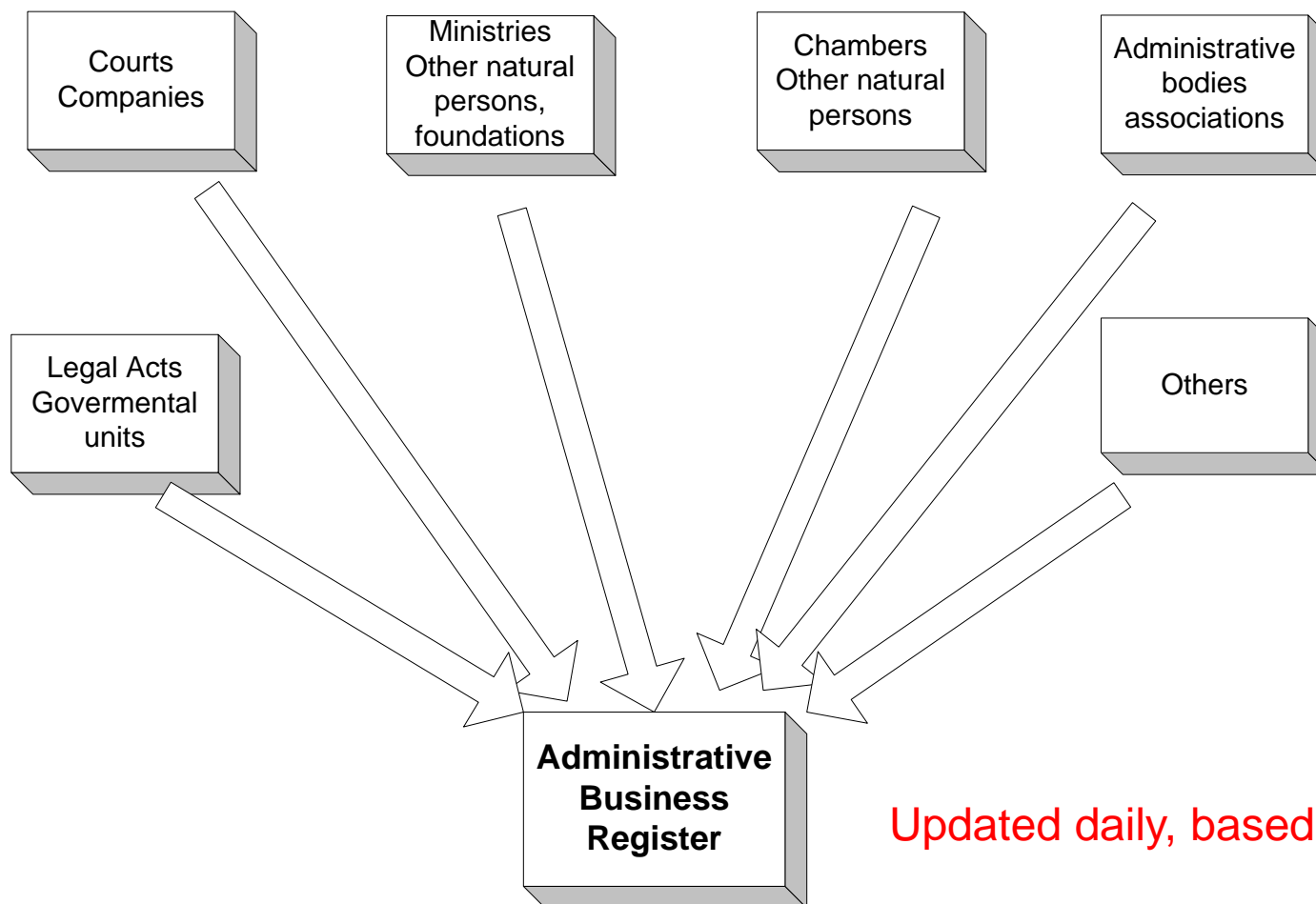# History of the Administrative Business Register (ABR)

ROS
Register of legal persons

1976

ERO
Register of natural persons

1985

ABR

1997

Transfered to AJPES agency in 2002

Common administrative ID for admin. units in the country already in use from 1976

Sources for the ABR

Courts
Companies

Ministries
Other natural persons, foundations

Chambers
Other natural persons

Administrative bodies associations

Legal Acts
Govermental units

Others

Administrative Business Register

Updated daily, based on law

ABR

- Units: legal units, administrative LKAUs, affiliates of foreign enterprises

- Updated daily

- All sections of NACE – no threshold of units

- Used for different purposes

- Data are publicly available http://www.ajpes.si/

- For many years used as statistical BR, too

REPUBLIC OF SLOVENIA
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SBR – 1st evolution in 2004

- Based on ABR + for missing variables:

  – Annual accounts, Tax data, Register of Employment, imputations …

- Updated annually

- Used in a few statistical domains (SBS, national EGR, etc.)

- Units: LEU, ENT (active LEU), LKAU

  → Separately in 2006 national EGR was set up, too

SBR – 2nd evolution 2011-2016

Reasons for setting up the new SBR

- **ABR** good for administrative use but limitations for statistical purpose
    - Main activity not always correct
    - Registration of local units in some cases deficient

- Old **SBR** updated only annually ☹

- Users need information on demographic and insolvency events and information on the continuity of units monthly

- To solve deficiency problems mentioned above, tailor-made not harmonized processes at SURS were set up in surveys ☹

⟶The wish and need to set up a new, CENTRAL, frequently updated system of information for business statistics was very large

New main processes of the SBR
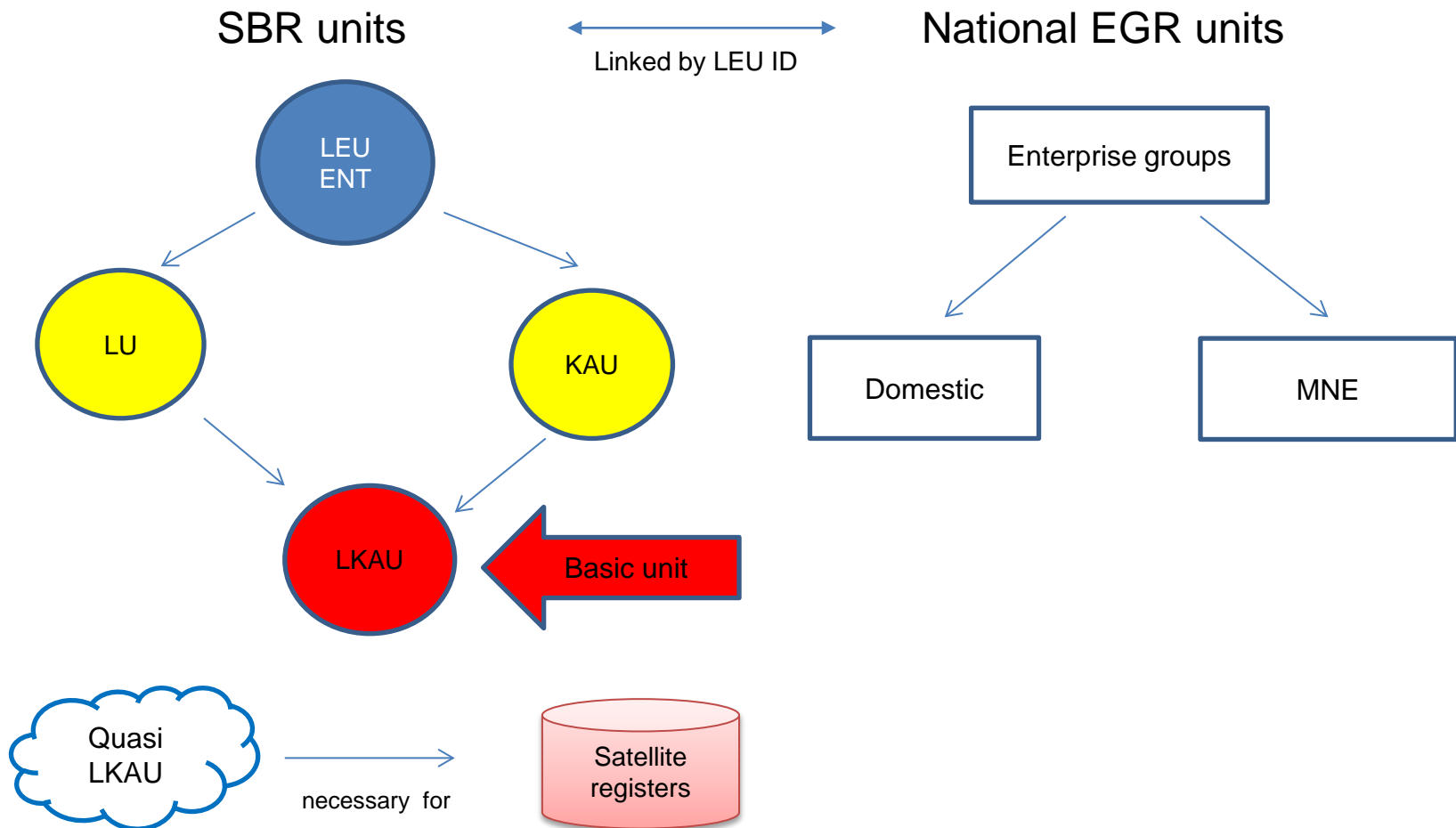
- SBR - DEM   (Units involved in demography and insolvency events)

- SBR - NACE   (Assignment of statistical activity codes)

- SBR - FIKT   (Management of missing LKAUs)

Additional technical functionalities
- IRA-SIR (Introduction of new statistical ID)
- IRA-REL (Links between various types of units)
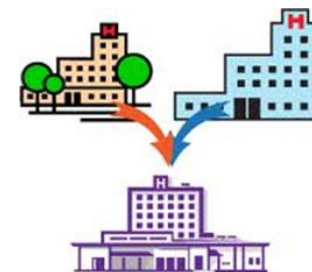
Units

1 SBR-DEM

– **Demographic events** (i.e. mergers, take-overs, brake-ups)

– **Insolvency** (bankruptcy, liquidation, closed all bank accounts)
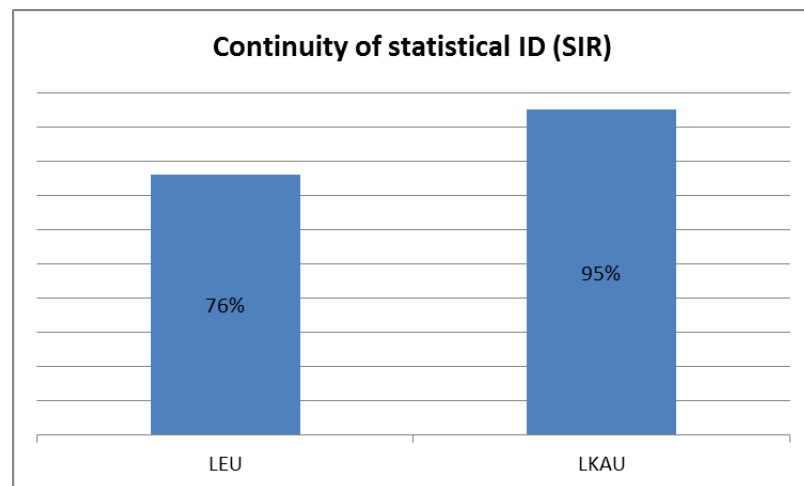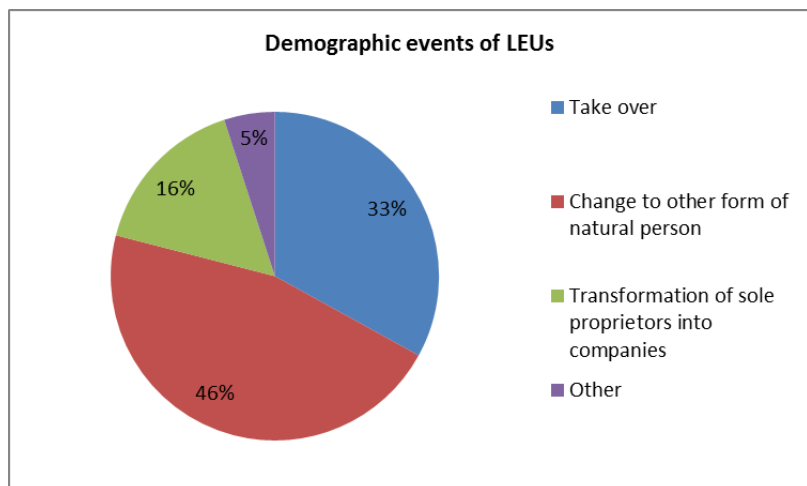
- Monthly updated

- Sources used:
  – Court decrees, Register of Transaction Accounts, ABR …

  – SAS algorithms based on BD experiences

About 3,700 demographic events per year (LEU+LKAU)

Changes of natural persons, take-overs and LKAU transfers to other ENT prevail

Majority of LEU involved in demographic events in accommodation and food services (I), professional activities (M), trade (G) and manufacturing (C)
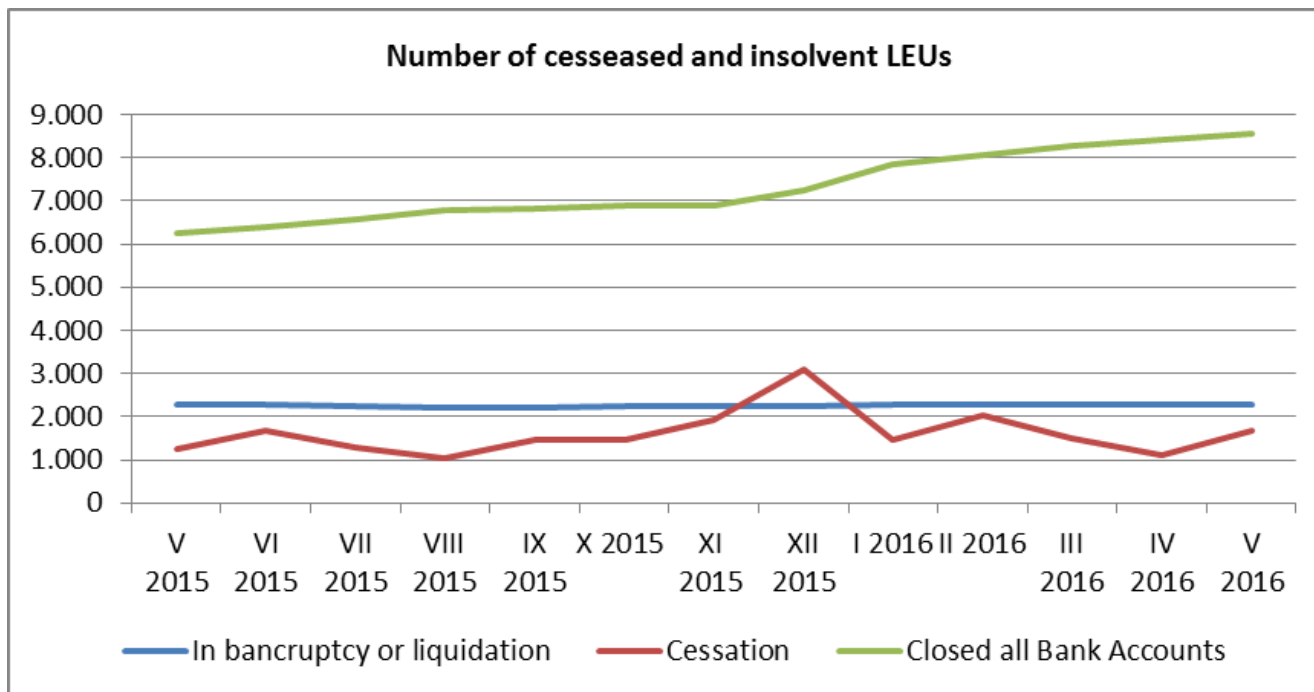

Demographic events of LEUs

- Take over — 33%
- Change to other form of natural person — 46%
- Transformation of sole proprietors into companies — 16%
- Other — 5%

Continuity of statistical ID (SIR)

LEU: 76%
LKAU: 95%

→ Introduction of new statistical ID (SIR)
→ Common approach for successors and continuity of SIR

About 2,000 LEU in bankruptcy or liquidation every month

Number of LEU with closed all bank accounts is increasing

Number of cesseased and insolvent LEUs

SBR-DEM   benefits for surveys

- BD (Business Demography)

  – Now more units can be automatically eliminated as unreal births and unreal deaths

- Insolvent units – i.e. data are not imputed, big turnover treated more carefully
- New addressed units in case of successor, etc.
- All users use the same monthly/annual state of the SBR data
- Etc. …..

2 SBR-NACE

- Administrative main activity code* not always correct

- Internal NACE Group (national accounts, sampling frame, business statistics, social statistics)

  - Use statistical and public available data, sometimes personal contact with an enterprise is needed

  Stability rule of 2 years is followed (exceptions)

  * About 300 LEU change activity in ABR per month (of those 2/3 are legal persons)
  (due to legal conditions, existence on the market, call for subsidies, etc.)

Scope of units considered by NACE Group

- Statistical activity code mainly for large important units:

  - Units proposed by survey methodologists

  - Units involved in demographic events
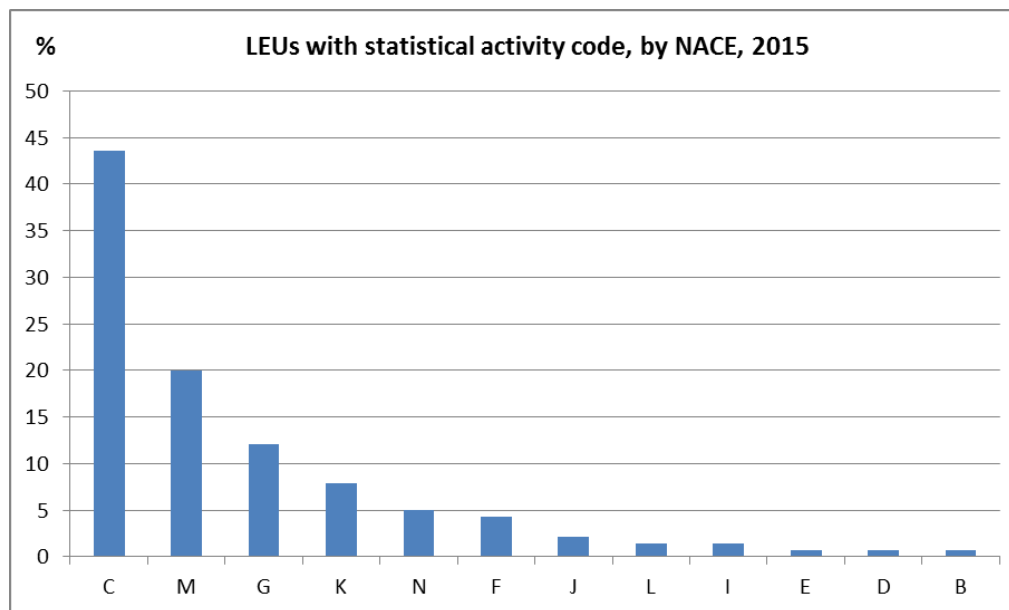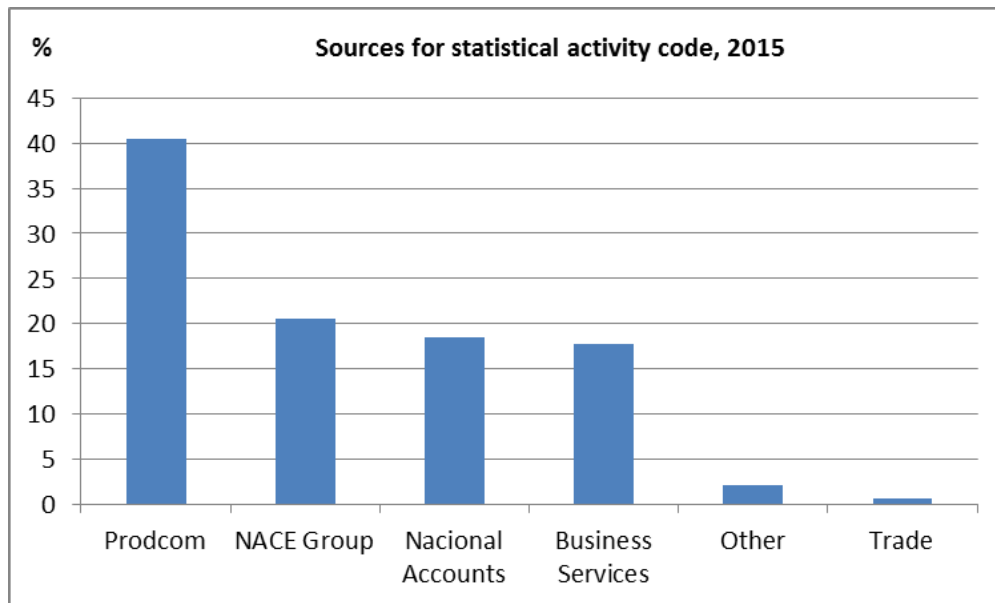
  - Units that change the activity code in the ABR

  * Statistical activity is not always easy to assign

  - Feedbacks from surveys don't always show the same main activity

    → Assigning statistical codes sometimes improves also statistical reporting

Sources for statistical activity code, 2015

LEUs with statistical activity code, by NACE, 2015

(3) SBR-FIKT (I)

- Fictitious units are LKAUs that don't exist in the ABR but are important for observation in statistical surveys
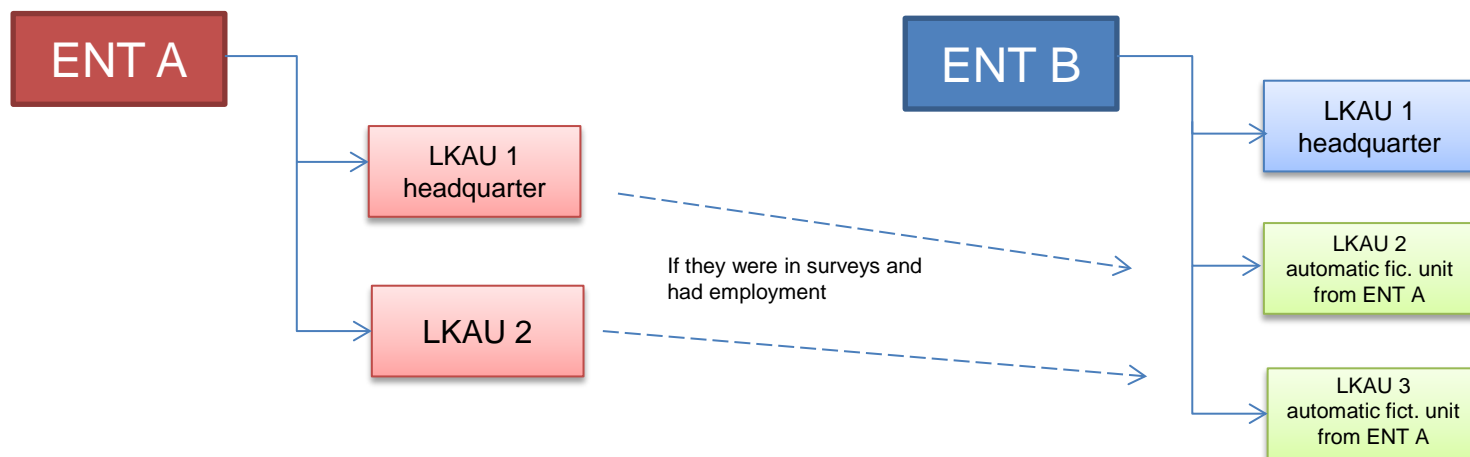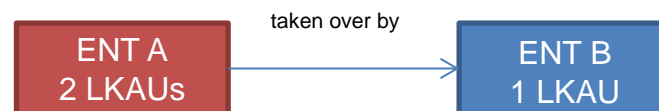
  – Real fictitious LKAUs

  – Quasi fictitious units (lower type of LKAU for satellite register i.e. tourism and education)

      Majority of fictitious units in education, trade, industry, accommodation and food services

SBR-FIKT (II)

- Sources for fictitious LKAUs

  - Feedbacks from surveys
  - Demographic events
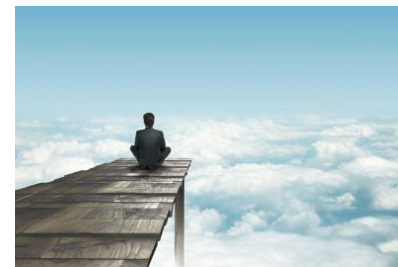   - i.e. take-over (automatic creation of LKAUs)

Using the new SBR

- Introduced in different statistical domains gradually

- A special group of experts was appointed
    - How, when, testing implementation on two surveys …
    - More impacts on surveys in the coming years …

Conclusion

- New SBR will:

    - Reduce statistical custom-made solutions

    - Strengthen the central role of the SBR

    - Increase the coherence of statistics

    - Start to became a backbone not only for business statistics but also for other statistical domains (i.e. national accounts, social statistics)

Points for discussion

- Construction ENT in bankruptcy could have huge turnover due to selling of their bankruptcy property (i.e. real estate) to repay their creditors. Should this kind of turnover be treated as turnover by SBS, STS definition?

- Main activity code - harmonization for the same reference year between STS and annual statistics do countries implement it in practice? Our practice i.e.:

Decissons of NACE Group in	2015	2016
Used for master frame in	2016	2017
used i.e. STS for ref.year	2016	2017
used i.e. SBS for ref.year	2015	2016

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for your attention