

Explanation of Terms

1. Establishments

Refer to a unit of the place where economic activities are performed and fulfill the following conditions in principle:

- (i) An establishment is a unit of place which occupies a certain space (1 plot) and in which economic activities are performed under a single management agency.
- (ii) An establishment has persons engaged as well as equipment, and manufactures and sells goods and provides services on a continual basis.

(1) Establishments of national and local governments

Refer to establishments set up as separate organs under the appropriate law or regulation in each place.

(2) Privately owned establishments

Refer to establishments excluding those of national and local governments.

(3) Establishments with loaned or dispatched employees only

Refer to establishments that have no employees belonging to them, and that conduct economic activities only with people loaned or dispatched from a separately managed establishment such as another company.

(4) Establishments not reported their industry, etc.

Refer to establishments that are in existence as establishments, but their business activity is unknown due to erroneous answers, etc.

2. Establishments by status of an establishment

(1) Continued establishments

In Questionnaire A, they refer to establishments that were surveyed in the 2016 Economic Census for Business Activity (hereafter called "2016 Census") and, among the establishments grasped in the administrative records information after the 2016 Census, establishments that were surveyed in the 2019 Economic Census for Business Frame (hereafter called "2019 Census") and continue to conduct economic activities.

In Questionnaire B, they refer to establishments that were surveyed in the 2014 Economic Census for Business Frame (hereafter called "2014 Census") and were also surveyed in the 2019 Census, and continue to conduct economic activities.

(2) Newly grasped establishments

Refer to establishments that were newly grasped in the 2019 Census and continue to conduct economic activities. In Questionnaire A, they also include establishments that have been transferred from another place to the present place, and those that have been registered to the National Tax

Agency Corporate Number Publication Site but have not been grasped by the former surveys.

(3) Temporarily closed establishments

They refer to establishments that were surveyed in the 2019 Census and are now temporarily closed.

(4) Closed establishments

In Questionnaire A, among the establishments surveyed in the 2016 Census and those grasped in the administrative records information after the 2016 Census, they refer to establishments that did not exist at the time of the 2019 Census including those transferred to another place.

In Questionnaire B, among the establishments surveyed in the 2014 Census, they refer to establishments that did not exist at the time of the 2019 Census.

3. Persons engaged

Refer to all working people who belong to the establishment as of the survey date. Therefore, they also include those loaned or dispatched to a separately managed establishment such as another company. By contrast, those who do not receive wages or salaries (including salaries in kind) from the establishment for reasons such as being loaned or dispatched from a separately managed establishment such as another company are not included in persons engaged, even if they work at the establishment. Family workers of individual proprietorships are regarded as persons engaged, even if they do not receive wages or salaries.

(1) Sole proprietors

They refer to those who actually manage individual proprietorships. An individual proprietorship has only one sole proprietor.

(2) Unpaid family workers

Refer to those who are families of individual proprietors and help with the establishments' work with no wages or salaries.

Family members actually receiving wages or salaries comparable to that for employees are included in "regular employees" or "temporary employees."

(3) Paid directors

Refer to those who receive salary as an executive at a corporation or an organization (regardless of whether full-time or part time). Executives or commissioners are included in "regular employees," provided they engage in a certain assignment, while playing a role as a worker at the office or site, and their salary is paid in accordance with the same salary regulations that are applied to other general employees.

(4) Regular employees

Refer to those who are employed on a regular basis by the establishment.

Refer to those who are employed for an unspecified period or those who are employed for over

one month of a specified period.

(5) Full-time employees

Refer to those who are generally treated as "full-time employees" among regular employees.

(6) Other than full-time employees

Refer to those regular employees who are other than those generally called "full-time employees", or the like, and who are called "contract employees", "part-timers", or similar.

(7) Temporary employees

Refer to those employees other than regular employees who are employed for certain periods less than one month, or who are employed on a daily basis.

(8) Employees loaned or dispatched to the outside

Among employees, they refer to those who work at separately managed establishments while belonging to the assignor companies, such as dispatched workers and enrolled workers on loan, as defined in the Law Concerning Securing the Proper Operation of Worker Dispatching Undertakings and Improved Working Conditions for Dispatched Workers (Law No. 88 of 1985. Hereafter called "Worker Dispatch Law").

4. Loaned or dispatched employees from the outside

Refer to those who work at the establishment concerned while belonging to separately managed assignor companies, such as dispatched workers and enrolled workers on loan, as defined in Worker Dispatch Law.

5. Persons engaged from privately owned establishments

Refer to those dispatched from privately owned establishments to establishments of national or local governments.

In cases where comprehensive management or operation (designated manager) of establishments, or individual operations such as cleaning and guard services are outsourced, private persons engaged in the outsourced operations are not included.

6. Number of persons working at the location

Refers to the number of persons actually working at the location, which is calculated by excluding "employees loaned or dispatched to the outside" from persons engaged, while including "loaned or dispatched employees from the outside".

7. Industrial classification of establishments

Industries of establishments are classified in accordance with the Japan Standard Industrial Classification (revised in October 2013) by the natures of main businesses of establishments. For some

industry groups, those divided are also regarded as industry groups.

8. Startup date of establishments

Refers not to the time a company or enterprise was founded but to the time the establishment concerned started its business at the present location, and the following is regarded as the startup date.

- (i) When the person who actually managed an individual proprietorship is changed by transferring the management right.

However, the case in which the management right is transferred through inheritance is not applicable.

- (ii) When the management organization is changed, for example, when an individual proprietorship is converted to a stock corporation.
- (iii) When corporations are merged through consolidation-type (equal) merger.
- (iv) When a corporation is founded by splitting an existing corporation.
- (v) When the establishment is owned by a corporation other than the former owner through business transfer or absorption-type merger.

9. Legal organization

(1) National and local governments

Refer to establishments of the national government, prefectures, municipalities (*), business cooperatives, etc.

(* City also refers to special ward.

(2) Privately owned

Refer to establishments excluding those of national and local governments.

(a) Individual proprietors

This term refers to businesses run by individuals.

Partnerships are also included in this category, unless they are a company or corporation.

(b) Corporations

This term refers to cases where those granted with corporate status based on legal provisions manage businesses. The following companies and corporations other than companies fall under this category.

(c) Companies

This term refers to stock companies, limited companies, mutual companies, unlimited partnership companies, limited partnership companies, limited liability companies and foreign companies. Foreign companies refer to companies that have been registered in Japan under provisions of the Companies Act (Law No. 86 of 2005), and include branch houses and sales offices established in foreign countries. Companies that are managed by

foreigners, or so-called foreign-capital companies for which foreign capitals participate in their management, are not regarded as foreign companies.

(d) Corporations other than companies

Refer to those organizations with corporate status that are other than companies mentioned above. Examples include incorporated administrative agencies, general incorporated associations, general incorporated foundations, public interest incorporated associations, public-interest incorporated foundations, social welfare corporations, school corporations, medical corporations, religious corporations, specified non-profit corporation (incorporated NPO), agricultural (fisheries) cooperatives, business cooperatives, labor unions (those with corporate status), mutual aid associations, national health insurance society, credit unions, and legal professional corporations.

(e) Organizations other than corporations

Refer to organizations without corporate status. For example, this category includes establishments of supporting groups, alumni associations, crime prevention associations, academic societies, labor organizations (those without corporate status), etc.

10. Distinction between single unit, head office or branch office

Classified as follows according to the establishments constituting the enterprise.

(1) Single unit establishments

Refer to establishments with no head offices (headquarters, main offices) or branch offices (branch shops, branch houses) at different locations run by the same management agency.

(2) Head offices (headquarters, main offices)

Refer to establishments which have branch offices (branch shops, branch houses) at different locations run by the same management agency and which control all of them. When each department belonging to a head office is located in a number of separate locations, an establishment where a representative like a president works is regarded as the head office and other establishments are regarded as branch offices.

(3) Branch offices (branch shops, branch houses)

Refer to establishments controlled by a head office (a headquarter, a main office) at another location. Intermediary establishments, which control subordinate establishments while being controlled by establishments in upper positions, are also considered branch offices.

Branch offices also include sales offices, local offices, factories, warehouses with persons engaged and dormitories with supervisors, etc. A company whose management organization is a foreign company is considered a branch office.

11. Location of head office

Establishments of branch offices (branch shops, branch houses) are classified by the locations of head offices (headquarters, main offices) as follows:

(1) Same prefecture

Refer to a branch office in the same prefecture where the head office is located.

(2) Other prefectures

Refer to a branch office in areas other than the prefecture where the head office is located.

12. Enterprises, etc.

This term refers to corporations engaging in businesses/activities (excluding foreign companies) and establishments of individual proprietorships. When the same management agency runs multiple establishments of individual proprietorships, all those establishments are regarded as a single enterprise.

Specifically, this term refers to the whole consisting of a head office and branch offices of corporations and individual proprietorships of which management organization is other than stock company, limited company, mutual company, unlimited partnership company, limited partnership company, limited liability company. A single unit establishment is regarded as an enterprise.

Newly grasped enterprises, etc. refer to enterprises, etc. that were newly grasped in the 2019 Census and continue to conduct economic activities. This term includes the case in which the head office of an enterprise has transferred from another place to the current location (when an enterprise is a single unit establishment, the location of the establishment).

13. Companies

This term refers to the whole of a management organization that is a stock company, a limited company, mutual company, unlimited partnership company, limited partnership company, limited liability company, consisting of a head office and branch office. A single unit establishment is regarded as a company.

14. Industrial classification of enterprises

Industries of establishments are classified in accordance with the Japan Standard Industrial Classification (revised in October 2013) by the natures of main businesses of the whole organizations. For some industries of industry groups, those divided are also regarded as industry groups.

15. Capital amount

Refers to the amount of capital in case of a stock company and a limited company, the amount of investment in the case of an unlimited partnership company, a limited partnership company and a

limited liability company, and the amount of funds in the case of a mutual company.

16. Sales (Income)

Refers to the amount of sale of product, etc. or a sales amount, operating revenue, amount of completed work, etc. that are achieved through provision of services. Incomes that are gained through the sale of property, such as securities and tangible fixed assets represented by land, building and machinery/appliances, are not included. In the case of a financial or insurance company, a corporation other than companies or an organization other than corporations, it is regarded as current revenue.