

Structural business statistics

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This report covers the implementation of Council Regulation No 58/97 ('the SBS Regulation') as amended by Council Regulation No 410/1998 and Regulation 2056/2002. The report aims to provide information on the actions undertaken by the Commission to ensure that high quality European structural business statistics are made available to users, and also on the manner and extent to which each of the Member States has implemented the SBS Regulation. It provides information on the burden on business and actions taken to reduce that burden.

Availability of SBS to users: in very broad terms, the Commission concludes that data sets delivered to Eurostat are reasonably complete from most Member States. There are gaps for some countries, however, which affect the availability of data to users. The Commission also states that the availability of data to users is considerably reduced by the existence of confidential data. Many data are confidential, especially in the smaller countries. The confidentiality rules at national level are not yet fully harmonised. In all countries, data relating to one or a small number of enterprises are protected. Rules for determining the EU aggregates that need to be suppressed have been laid down in a Confidentiality Charter agreed with the Member States. Of all EU aggregates for which data were available for the reference year 2004 in the annual enterprise statistics, 32% could not be published for reasons of confidentiality. The Commission is currently investigating ways of making more EU aggregates available in order to satisfy the users' need for information. Ways of calculating estimates for the confidential EU aggregates that afford sufficient protection to the data of individual respondents, while at the same time guaranteeing a certain level of accuracy of the aggregates, will be explored. The recast of the SBS Regulation contains a possibility for Member States to flag data as "contribution to European totals only", which is also expected to increase the number of available European aggregates.

With regard to **accuracy**, the aggregate EU coefficients of variation for most NACE groups are below 1.5 %. In general, coefficients of variation are lower for the NACE groups in industry. For construction, trade and especially services, coefficients of variation are higher. This means that in general the data presented for the industrial activities are more precise. The non-response rates vary between Member States; in a few cases they are above 20 percent.

The **coherence** between structural business statistics and short-term statistics reveals certain differences in methodology. Further investigation is therefore needed. A similar comparison has been made between SBS data on employment and other sources of labour data. Again, differences in methodology and also in definitions were observed. Further harmonisation work needs to be undertaken.

Compliance with the SBS Regulation is evaluated on the basis of the timeliness of transmission of the data by the Member States, as well as of the completeness of the datasets sent. Overall, the compliance level has risen when compared to the evaluation made for the previous report. Other compliance issues, such as the quality of the data transmitted, cannot yet be fully evaluated. The timeliness of the data transmission has generally improved over the years. However, some countries still send the data with significant delays, which influences the timely dissemination of EU aggregates. National action plans have been drafted by the Member States concerned in order to ensure that the Regulation deadlines are respected in future. As far as the completeness of the datasets transmitted by the countries is concerned, when all datasets for the definitive series of Annexes 1 to 4 provided by the EU27 countries and Norway are taken together, this represents 85% of the required data overall. This is a marked improvement on the situation described in the previous report to the European Parliament and the Council, but it is still insufficient. Several countries are taking action to improve data availability.

The burden on business: the report describes the SBS recast (COM(2006)0066) which aims to keep the burden on enterprises as light as possible, by taking away a number of mandatory variables, moving other variables from annual to multi-annual collection, and deleting the optional variables. It describes burden measurement, and states that from the number of hours spent on SBS, it is possible to make a very rough estimate of the cost to enterprises: if this average time spent is applied across the EU as a whole, the burden on the economy due to SBS Annexes I – IV would add up to about €75 million for the whole Community. On average, enterprises with less than 50 employees account for 70% of the time spent by all enterprises. Although large enterprises are normally included in the surveys, small enterprises contribute quite considerably.

Lastly, the report describes **actions taken by Member States to reduce burden.** In many Member States there is a growing preference for using administrative data instead of surveys. However, there are obstacles to the increased use of administrative data, which normally differ from statistical data in terms of formats, codes, transmission protocols, etc., so making these data usable for statistics requires investment. Political support is needed in order for agreements to be reached between the NSIs and the relevant governmental organisations. Changing the use of administrative data also requires additional internal resources, as NSIs have to adjust their internal workings to make good use of this investment.