

# **Documentation of statistics for General Enterprise Statistics 2016**



#### 1 Introduction

The purpose of the statistics is to give a coherent and consistent description of the Danish business structure at the enterprise level.

The General enterprise statistics, which were compiled for the first time for the year 1999, have replaced the Enterprise statistics produced for the years 1992-1999.

# 2 Statistical presentation

The General enterprise statistics covers real active enterprises in Denmark. It contains economic and employment information concerning all sectors and industries.

# 2.1 Data description

The General enterprise statistics covers real active enterprises in all the Danish registered activities including information about number of enterprises and their employees. In addition to that the General enterprise statistics contains accounting information and information about turnover and exports for most of the activities.

# 2.2 Classification system

The statistics is published on activity classifications. In addition the statistics is published on Danish regions and legal forms.

# 2.3 Sector coverage

The statistics covers all sectors.



# 2.4 Statistical concepts and definitions

Enterprise level: The enterprise level is the smallest combination of legal units that is an organizational unit, which are financially autonomous. One enterprise is linked to one legal unit or in a few cases several legal units. The enterprise contains statistical information on turnover and employment. There are a small number of enterprises in the agricultural sector to which legal units are not linked.

Active companies: In the Central Business Register, which provides the basis for the Statistical Business Register, all enterprises, which are obliged to register according to tax legislation, are registered regardless of their level of activity. This implies that even the smallest activity results in a registration of an enterprise.

The intention of the General enterprise statistics is to analyse real commercial activity. Starting from the recommendation of Eurostat, the General enterprise statistics only include active enterprises - throughout the year or a part of the year.

Eurostat recommends to include only enterprises, where a workload corresponding to at least 0.5 man-year is carried out. The recommendation has been formalized so that the General enterprise statistics include only enterprises, which have paid in wage and salary for employees corresponding to at least 0.5 man-year and/or have had calculated earnings of a certain volume. The earnings are calculated from turnover. The turnover, which corresponds to given earnings, varies widely from activity to activity, and it is therefore impossible to specify one definite limit for earnings. In sectors within the wholesale trade, the limit of earnings will typically amount to over DKK 500,000 , while for sectors within the manufacturing industry, it will typically range between DKK 150,000 and DKK 200,000. In the public sector, where turnover is not a relevant estimate for the activity, only the wage and salary for employees are used, while enterprises within financing and insurance are reviewed manually, to see if they were really active throughout the year.

For those enterprises, which started their activity during the course of the year, the limit for earnings has been set to half the level used for enterprises, which were active during the whole year. This is based on the assumption that newly started enterprises do not usually have a great turnover to begin with, compared to the workload that is carried out.

#### 2.5 Statistical unit

The General enterprise statistics is published at the enterprise level (economic units).

# 2.6 Statistical population

The population includes all active enterprises i Denmark

#### 2.7 Reference area

Denmark

# 2.8 Time coverage

The current publication covers real active enterprises in 2016.



# 2.9 Base period

Not relevant for this statistics.

# 2.10 Unit of measure

Number of enterprises.

# 2.11 Reference period

01-01-2016 - 31-12-2016

# 2.12 Frequency of dissemination

The General enterprise statistics is compiled annually.

# 2.13 Legal acts and other agreements

No information is collected directly from respondents, as the statistics entirely is based on registers and other statistics.

# 2.14 Cost and burden

There is no respond-burden as the statistics is based on information from other statistical registers.

#### 2.15 Comment

Further information can be found on **Emneside** or by contacting Statistics Denmark.

# 3 Statistical processing

The different input data are integrated and adapted such that the statistics end up covering all active enterprises in Denmark.



#### 3.1 Source data

The statistics integrates information from two other business statistics, which are compiled for different unit types. The two statistics comprise the Accounts statistics, which are compiled at the enterprise level, and the VAT statistics, which are compiled at the administrative level used by the Danish Central Customs and Tax Administration. The General enterprise statistics process the information to the same unit level, the enterprise. This implies that the statistics are suitable for conducting, e.g. business-economic analyses.

In total, the following statistics, register and sources are used as input to the General enterprise statistic:

- Accounts statistics
- VAT statistics
- The employment statistics
- The Statistical Business Register.

# 3.2 Frequency of data collection

The statistics is updated and published annually.

#### 3.3 Data collection

The statistics draws on information entirely from other statistics and registers.

### 3.4 Data validation

The statistics is build on validated data. In the production of the statistics figures of turnover and employment are compared to earlier published figures.

# 3.5 Data compilation

No data treatment is done, since the statistic is based on already validated data sources.

# 3.6 Adjustment

No correction are made other than already mentioned under the two sections; data validation

#### 4 Relevance

The statistics is relevant for analysis of the Danish business development and structure.

Users of the statistic are: Government agencies, corporate agencies, Eurostat, regions, counties as well as private enterprises and private persons.



#### 4.1 User Needs

Central users are: Government departments and agencies, business centre, Eurostat, Regions, municipalities, private enterprises and private persons.

The statistics provides the background for a number of different tailor made service tasks where the primary data are also combined with other statistical registers, among others IDA (Integrated Database for research of the Labour-market), RAS (Register based-labour force statistics) and the Register of Education and Training Statistics. The statistics is used for longitudinal analyses, analyses of single sectors and activities, and also form an important basis for the production of statistics on the information society.

#### 4.2 User Satisfaction

Customer satisfaction are not compiled.

#### 4.3 Data completeness rate

The General enterprise statistics only includes real active enterprises. This is in compliance with guidelines made by Eurostat.

# 5 Accuracy and reliability

Generally the statistics is considered to be of high quality. The possible uncertainties of the statistics are associated with the quality of the sources of the statistic. Especially Accounts Statistics for Non-Agricultural Private Sector.

# 5.1 Overall accuracy

The reliability of the statistics is considered to be high.

# 5.2 Sampling error

Not relevant for this statistics.

#### 5.3 Non-sampling error

The uncertainty, which is associated with the The general enterprise statistics, is connected to the uncertainty of the source statistics. In particular the Accounts Statistics for Non-Agricultural Private Sector.

# 5.4 Quality management

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.



# 5.5 Quality assurance

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.

# 5.6 Quality assessment

The quality of the statistic is associated with the quality of the sources of the statistic.

In few cases there can be errors in the sector classification of the unit. These have limited impact on an aggregated level.

# 5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the <u>Revision Policy for Statistics</u> <u>Denmark</u>. The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

#### 5.8 Data revision practice

Only final figures are published.

# 6 Timeliness and punctuality

The statistics is published 18 months after the end of the reference year. The statistics is published without delays regarding scheduled release times. From the reference year 2016 the statistics is published with preliminary data 10 months after the end of the reference year.

#### 6.1 Timeliness and time lag - final results

From the end of the reference year to publication a maximum time of about 18 months is aimed at. The comparatively long publication time is due to primarily the fact that the primary statistics which are included in the General enterprise statistics have to be published before the production of the statistics can be started. The real period, from all the basic registers are available, to the publication is about 3 months.

From the reference year 2016 the statistics is published with preliminary data 10 months after the end of the reference year.

#### 6.2 Punctuality

The statistics are published without delay in relation to the pre-announced release date in the release calendar.



# 7 Comparability

The General enterprise statistics covering only private enterprises excluding agriculture can be compared to the national published Account statistics for enterprises. The statistics is also published annually by Eurostat under the name "Business Statistics".

# 7.1 Comparability - geographical

Covering private enterprises excluding agriculture, the General enterprise statistics can be compared to the Business Statistics published by Eurostat.



### 7.2 Comparability over time

The General enterprise statistics, which were compiled for the first time for the year 1999, have replaced the Enterprise statistics produced for the years 1992-1999. Both statistics gather information at the enterprise level. However, while the Enterprise statistics only included enterprises covered by activities in which the enterprises are liable to pay value added tax and which are engaged in the private sector, the General enterprise statistics covers all activities and sectors. Furthermore, the General enterprise statistics only includes enterprises which are real active, while the previous statistics covered all enterprises.

The statistics was transferred from sector nomenclature DB03 to DB07 in December 2009. The background and significance of this transfer is described in a paper. From the reference year 2009 the General enterprise statistics started using eIndkomst as the primary data source for the calculation of full-time employees. This resulted in a discontinuity in the number of full-time employees from 2008 to 2009. From the reference year 2016 the discontinuity is pushed to the years 2007 and 2008.

Starting with reference year 2009 also the input source Purchases and Sales by Firms where changed. <u>More information about the Purchases and Sales by Firms</u>. Small changes due to quality improvements was made and implemented from the reference year 2009.

From the reference year 2013 changes in sector classification due to ESA2010 revisions affects this statistic. This means that units is reclassified between the public and private sector. Private schools and boarding schools is moved from public to private sector.

From the reference year 2015 the statistics use full-time employees with 2 decimal places, which have previously been rounded to whole numbers. From the reference year 2016 the reference year 2014 has full-time employees with 2 decimal places. The accounting statistics, which are one of the primary sources of the statistics, have always used full-time employees with 2 decimal places hence the change is only of importance to those industries not covered by the accounting statistics. The difference between the two methods is in the reference year 2015 approx. 3,500 full-time employees. Previously, the economic variables in the public sector industries have been set to missing; however from the reference year 2015 only the public enterprises defined by sector code have been set to missing which means that the private enterprises in the public sector industries are now no longer missing. From the reference year 2016 this practice has been adopted for the reference year 2014.

From the reference year 2016 the years 2012-2015 has been revised. This is due to a revision of the Accounts Statistics for Non-Agricultural Private Sector for the corresponding time period Accounts Statistics for Non-Agricultural Private Sector. Alterations mainly occur for the variable turnover within specific industries covered by the Accounts Statistics for Non-Agricultural Private Sector. For the reference year 2015 the General enterprise statistics sees a change in the overall turnover by a proximately 0,5 per cent. The reference year 2014 has in the same instance been revised using the practice that have been in place from the reference year 2015. For the reference years 2012 and 2013 the firms included in the industries covered by Accounts Statistics for Non-Agricultural Private Sector has been revised, so that the General enterprise statistics and the Accounts Statistics for Non-Agricultural Private Sector are alike for these industries. This is consistent with the practice used from the reference year 2015. Furthermore, from the reference year 2016 the reference year 2008 has been revised using eIndkomst as the primary data source for the calculation of full-time employees. Thus, the discontinuity in full-time employees that existed between 2008 and 2009 has been pushed back a year and is now placed between the years 2007 and 2008.



#### 7.3 Coherence - cross domain

For activity performed in the private sector excluding agriculture, it is possible to compare the statistics with the Danish Accountant statistics for enterprises.

#### 7.4 Coherence - internal

The statistics are based on multiple sources with different types of units. Therefore, the statistics are processed so that type of unit will be the same across sources.

# 8 Accessibility and clarity

Current publication: News from Statistics Denmark (only Danish), The Danish Stat Bank, Statistical Yearbook and The statistical decade (only Danish)

#### 8.1 Release calendar

The publication date appears in the release calendar. The date is confirmed in the weeks before.

#### 8.2 Release calendar access

The Release Calender can be accessed on our English website: Release Calender.

### 8.3 User access

Statistics are always published at 8:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published.

#### 8.4 News release

Theme site for the statistic.

#### 8.5 Publications

To read more about the General enterprise statistics:

- The Statistical Yearbook 2015 Business Sectors in general
- General enterprise statistics



#### 8.6 On-line database

The statistics are published in the StatBank under the subjects in the following tables:

- GF2: General enterprise statistics by industry (DB07 127-grouping), unit and time
- GF5: General enterprise statistics by industry (DB07 10-grouping), form of organisations, unit and time
- GF1: General enterprise statistics by industry (DB07 10- and 19-grouping), unit and time
- GF6: General enterprise statistics by region, industry (DB07 10-grouping), unit and time
- GF7: General enterprise statistics by industry (DB07 customised-grouping), unit and time
- GF3: General enterprise statistics by industry (DB07 19-grouping), unit, enterprise size (full time equivalents) and time
- GF8: General enterprise statistics by region, unit, enterprise size (full time equivalents) and time
- <u>FGF1</u>: Preliminary general enterprise statistics by industry (DB07 19-grouping), unit and time
- <u>FGF3</u>: Preliminary general enterprise statistics by industry (DB07 10-grouping), unit, enterprise size (full time equivalents) and time
- <u>FGF6</u>: Preliminary general enterprise statistics by region, industry (DB07 10-grouping), unit and time

#### 8.7 Micro-data access

Researchers and other analysts from authorized research institutions can access the statistics' anonymized micro-data through Statistics Denmark <u>Forskerordning</u>.

#### 8.8 Other

It is possible to order tailor made statistics from the General enterprise statistics.

Orders can be placed by writing to this e-mail: firma stat@dst.dk

## 8.9 Confidentiality - policy

Data confidentiality policy at Statistics Denmark.

The section regarding Business Statistics.

#### 8.10 Confidentiality - data treatment

In connection to publication and delivery of customized statistics, a so-called confidentiality test of data is made. The confidentiality test is made on the basis of two criteria:

- 1. The number criteria: If one data cell contains less than 3 observations (enterprises) employment and financial information can not be published
- 2. The dominance criteria: If one or two observations (enterprises) contained in one data cell, alone or together constitute a certain percentage of the total turnover of the cell, the turnover and other financial information as well as full-time employees for this group can not be published.



# 8.11 Documentation on methodology

No other documents available.

# 8.12 Quality documentation

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

### 9 Contact

The administrative placement of the statistics is in the division of Business Dynamics, Business Statistics. The person responsible is Head of section Kalle Emil Holst Hansen, tel. +45 39 17 35 65, e-mail: khs@dst.dk

# 9.1 Contact organisation

**Statistics Denmark** 

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