Efforts for Further Development and Enhancement of Statistical Business Register in Japan
- Improvement of Update Frequency -

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I. Introduction to JSBR
Introduction to JSBR

Data Sources of JSBR

Survey Results

- Economic Census for Business Frame (EC-BF)
- Economic Census for Business Activity (EC-BA)
- Annual Business Survey (ABS)

*Profiling Activity: At the National Statistics Center, dedicated personnel assigned to each major 5,000 companies regularly grasp corporate information and support the above surveys.

Establishment / Enterprise Inquiry (EEI)

Grasping New Establishments and Closing Establishments with Administrative data (Labor Insurance Data, Commercial and Corporation Registration)

Statistical Business Register in Japan (JSBR)

Items

- Name
- Location
- Number of Employees
- Industry Type
- Capital Amounts
- Sales, etc.

Governments

Conduct Surveys

Annual Frame

Produce Statistics
Images of Each Record in JSBR

Enterprise: Legal Unit

Establishments: Local Unit

Enterprise as the statistical unit

<table>
<thead>
<tr>
<th>ID</th>
<th>Name</th>
<th>Address</th>
<th>Industry</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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</table>

Establishment as the statistical unit

<table>
<thead>
<tr>
<th>ID</th>
<th>Name</th>
<th>Address</th>
<th>Industry</th>
<th>Sales</th>
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<tr>
<td>A</td>
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<td>B</td>
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<tr>
<td>D</td>
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</tbody>
</table>
Data Source: Economic Census

Economic Census

Business Frame (EC-BF)
- Gathering information for the basic structure of business units
- Focusing on the number of establishments, enterprises, employees, etc.

Business Activity (EC-BA)
- Identifying the details of economic activities of businesses.
- Focusing on the amounts of sales, costs, value added, etc.
Data Source: Economic Census (cont.)

Target: ALL Enterprises and Establishments (as of 1st July in every five years)

● Survey Methods:
  • Up-to-date-list of enterprises/establishments was extracted from SBR
    → Mailing, Online, enumerators
    - Existing enterprises/establishments: Mainly mailing/online
    - “New” enterprises/establishments (and small enterprises such as individual proprietorships): Enumerator

● Questionnaire Items:
  Number of persons engaged, Business activity, Financial items, etc

approx. 70,000
Data Source: Annual Business Survey (ABS)

- For the years in which the EC-BA is not conducted, we conduct Annual Business Survey (ABS).
- This survey covers all enterprises above a certain scale in all industries.

<table>
<thead>
<tr>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
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</thead>
<tbody>
<tr>
<td>ABS</td>
<td>EC-BF</td>
<td>ABS</td>
<td>EC-BF</td>
<td>ABS</td>
<td>EC-BF</td>
<td>ABS</td>
<td>EC-BF</td>
</tr>
</tbody>
</table>

a five-year cycle.
Data Source: Establishment / Enterprise Inquiry (EEI)

- We find the clue of newly started or closed business establishments with the administrative data, "Labor Insurance Data" and "Commercial and Corporate Registration."

- We conduct the EEI targeting the newly started business establishments to grasp the status of business activities and basic items.

- We conduct the EEI targeting the closed business establishments to grasp the status of business activities.
II. Brief Recap of Maturity Model
Brief Recap of Maturity Model

Maturity model is supposed to be a tool to:

- share knowledge and best practices
- determine the current state of your SBR
- determine possible next steps for development
- find help and guidelines to actually be able to take those steps
Structure of Maturity Model

Maturity model consists of a set of 7 dimensions and 4 stages of development for each dimension.

**Dimensions**
1. Legal and institutional framework
2. Data sources
3. Maintenance and update
4. Coverage
5. Use
6. IT environment
7. Interoperability
1. Legal and institutional framework
   Following provisions are in the statistical law *rough translation
   - Establishment and maintenance of SBR
   - User of the SBR: government, local government, etc
   - Limitation of use: only statistical purpose
   - For statistical purpose, the head of the ministry may make a request to the heads of other ministries for the provision of administrative records.

2. Data sources
   - Economic censuses, Statistical surveys,
   - Administrative data (business registration, labor insurance data, etc.) with SBR Maintenance surveys (Profiling data)

3. Maintenance and update
   Frequency (frequency of output of frozen frame): Once in every year
JSBR Details in Seven Dimensions

4. Coverage
- Coverage: All enterprises and establishments*¹ except for some specific industries*²
  *¹ Around 4 million enterprises, 6 million establishments
  *² such as unincorporated ones (individual proprietorships) that fall under Agriculture, Forestry and Fisheries.
- Variables: Location (Address), Number of persons engaged, Sales (Income), Total expenses, Startup date etc.

5. USE
- To provide frozen frame

6. IT
- Database structure

7 Interoperability
- ID within government: Corporate number
- ID within SBR uses: - ID per establishments - ID per enterprises
III. Efforts to Improve JSBR
Efforts to Improve JSBR

Start of JSBR

2013

1st Effort

Coverage Expansion of JSBR using Administrative Data

Dimension 2: Data Source

2019

2nd Effort

Improvement of Update Frequency of JSBR

Dimension 3: Maintenance and update

2023
The National Tax Agency in Japan publishes the “Corporate Number” on its website with the name and the location of the head office or principal office of corporations.

“Corporate Number” is a 13-digit number, which is freely available administrative data to anyone.

In 2019, we compared corporations in JSBR with the ones in the Corporate Number website.

We added 1.6 million corporations to JSBR.

We conducted 2019 EC-BF to capture the activity of the 1.6 million corporations.

We confirmed the status of 1.0 million corporations, which results in expanding the coverage of JSBR.
Characteristics of Enterprises added from Corporate Number

- Enterprises added from Corporate Number concentrate on Metropolitan areas such as Tokyo and Osaka.
- Many of them are located in private residence, apartment, or small buildings, which is difficult to find from outside.
- Enterprises in “Real estate and goods rental and leasing” are dominant in terms of numbers and sales.
2nd Effort:  
New Data Source - New Establishment / Enterprise Inquiry -

- We regularly update the basic items of the enterprises of the top 80% of sales in the JSBR with the combination of the ABS and the EEI in the interim years.
- From 2023, in addition to the EEI for new or closed establishments, we also started to conduct the new EEI targeting the existing enterprises having multiple establishments.
- This results in updating the basic items of the enterprises of the top 90% of sales in the JSBR with the combination of the ABS and the new EEI.
2nd Effort:
New Data Source: 2024 Economic Census for Business Frame

- Taking the cost effectiveness and alleviating the burden on local governments into account, we decided to exclude individual proprietorships without employees which accounts for only 0.4% of total sales in JSBR.
- We still grasp the basic items of the top 99.6% of sales in JSBR.
The Relationship between the Area of the Surveys and Updated Area of JSBR

Top 99.6% of sales

- Top 90% of sales
  - Top 80% of sales
    - Corporations [Top 80% of Sales]
    - Corporations other than the above with multiple establishments
      - Single Office Corporations other than the above
      - Individual proprietorships with employees
      - Individual proprietorships without employees

ABS (Interim Years: Every Year)

New EEI (Interim Years: Years other than EC-BF)

EC-BF (EC Year: Every Five Year)

EC-BA (EC Year: Every Five Year)
We are going to carry out the Census in an online precedence fashion to boost the online response rate.

* Government goal of online response rate in economic statistical surveys is 80%.

We only apply online and mailing survey, i.e., no enumerator.
V. Schedule
## Schedule

### The Cycle of Surveys Used to Update the JSBR

<table>
<thead>
<tr>
<th>Base Year</th>
<th>Interim Years</th>
<th>Base Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021 (Result)</td>
<td>2022 (Result)</td>
<td>2025 (Plan)</td>
</tr>
<tr>
<td>2023 (Result)</td>
<td>2024 (Plan)</td>
<td>2026 (Plan)</td>
</tr>
<tr>
<td>2026 (Plan)</td>
<td>2025 (Plan)</td>
<td>2024 (Plan)</td>
</tr>
<tr>
<td>2023 (Result)</td>
<td>2022 (Result)</td>
<td>2021 (Result)</td>
</tr>
</tbody>
</table>

- **EC-BA**
- **ABS**
- **EEI**
- **New EEI**
- **EC-BF**
- **New EEI**

<table>
<thead>
<tr>
<th>2023 (Result)</th>
<th>2024 (Plan)</th>
<th>2025 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(100%)*</td>
<td>(80%)</td>
<td>(90%)</td>
</tr>
<tr>
<td>(90%)</td>
<td>(99.6%)</td>
<td>(90%)</td>
</tr>
<tr>
<td>(100%)</td>
<td>(90%)</td>
<td>(99.6%)</td>
</tr>
</tbody>
</table>

* The coverage of JSBR
Summary

- The data source of JSBR is the hybrid of survey results, Economic Census and Annual Business Survey, and administrative data.

- 1\textsuperscript{st} effort: we expanded the coverage of JSBR using new data source: Corporate Number.

- 2\textsuperscript{nd} effort: we developed the EEI and the EC-BF to improve the update frequency of JSBR.
Future Challenge

- Grasping individual proprietorships with administrative data
- Catching closing business
Thank you for your attention!

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