# VI Business Register (Establishment Frame Database)

# Business Register to be launched in 2013

The Business Register is being developed by the Statistics Bureau of Japan (SBJ) based on the Statistics Act. The SBJ is preparing to launch the operation of the Business Register in January 2013.

# [Business Register]

The Business Register is a database which consists of the frame of statistical surveys for establishments and enterprises using the results of statistical surveys and administrative data. The Business Register is available to government, prefectures and ordinance-designated cities

In Japan, the development of the Business Register was stipulated in the Statistics Act for the first time in 2007 revision.

# 1. Approaches implemented so far

The SBJ has almost constructed the basis of the system of Business Register by March 2012.

For developing the Business Register, the SBJ conducted the Economic Census for Business Frame in July 2009, in order to grasp information of establishments and enterprises. It also conducted the Economic Census for Business Activity in February 2012 in order to clarify the actual situation of the economic activity of establishments and enterprises.

The results of the censuses are used as the foundation of the Business Register.

In addition, the SBJ collated the results of statistical surveys and administrative data provided by the Cabinet Office and each ministry with information in the Business Register, and examined how to record and use the data.

Furthermore, the SBJ tentatively contacted newly established and abolished establishments to confirm the information for updating the Business Register, using labour insurance information provided by the Ministry of Health, Labour and Welfare every month.

# 2. Approaches planned from now on

# (1) Operational test for Business Register

In order to assure smooth operation of the Business Register from January 2013, the SBJ will conduct operational tests from July 2012. Through these tests, the SBJ will construct and coordinate the system in detail and prepare fundamental data for the Business Register.

#### (2) Formulation of operational control regulations

For starting the operation of the Business Register, the SBJ will formulate operational control regulations reflecting the results of the operational tests of the Business Register which are to be executed in fiscal 2012.

(3) Confirming the information for updating the Business Register using labour insurance information

The SBJ will officially introduce the task of contacting newly established and abolished establishments to confirm the information for updating the Business Register using labour insurance information in fiscal 2012.

# (4) Examination of Business Register statistics

In reference to the examples of foreign countries, the SBJ will examine what kind of tabulation and release are needed to be carried out about Business Register statistics, which connect various statistical surveys.

# 3. Main Points in Business Register

# (1) Simplification of checking duplication

The SBJ will properly manage the status of implementations of coordination work in order to prevent specific establishments and enterprises from being surveyed many times, simplify the coordination work and reduce the workload by having the Cabinet Office and ministries register the operational plans of statistical surveys with the Business Register.

# (2) Provision of annual frame database

The SBJ will provide an annual frame database, which is developed using the results of the Economic Census, statistical surveys, and administrative data from the Cabinet Office and ministries. The SBJ will start providing the annual frame database in the first quarter of 2013.

# (3) Maintenance of the common establishment codes

Since the common establishment codes fulfill important roles for the operation of the Business Register, conducting the statistical surveys and using the results of surveys, the SBJ will promote the maintenance of the common establishment codes by specifying that Cabinet Office and ministries should maintain the common establishment codes in operational control regulations.

Appendix 1

# **Business Register (Establishment Frame Database)**

- Assigns common establishment codes to statistical surveys and administrative record information, and makes a database based on them
- Major countries around the world have been developing or operating it as a foundation for industrial statistics
- → In Japan, it is positioned as a database developed by the Minister for Internal Affairs and Communications in Article 27 of the new Statistics Act

Results of Statistical Surveys, Record of Administrative Record Information

# **Business Register**

Make DB with common establish codes as keys

# Statistical Surveys

(Base Information)
Economic Census
for Business Frame
for Business Activity

(Additional Record Information) Statistical surveys with priority to be recorded, mentioned in the development policy

#### Administrative Records, etc.

Labour insurance, commercial/corporate person registration, EDINET information, etc.



- Provide register information and supplementary information for statistical surveys
- When providing register information, level the burden on the survey subjects (implement overlap correction efficiently)
- Support statistical surveys, etc.

#### (Effects)

- Improved accuracy of statistical surveys and SNA (System of National Accounts)
- New statistics that combine the results of statistical surveys and administrative record information, etc. using common establishments codes

#### Outline of the Schedule

• FY 2010 Determination of the "Development Policy"

• FY 2011 onward Preparation, such as system development, data recording, etc.

• FY 2012 Operational tests of the system, etc.

• Jan. 2013 Operation begins (scheduled); Provision of annual frames begins in July (scheduled)

Appendix 2

# **Development Policy for Establishment Frame Database**

March 25, 2011
Decision made by the Minister for
Internal Affairs and Communications

# 1. Objective

Considering the fact that the Minister for Internal Affairs and Communication must develop the establishment frame database based on Article 27 (1) of the Statistics Act (Act No. 53 of 2007), the Master Plan Concerning the Development of Official Statistics (Cabinet decision of March 13, 2009) and the "Optimization Plan of Operations and Systems for Statistical Work" (decision made at a liaison meeting among chief information officers (CIO) of the Cabinet Office and each Ministry on March 31, 2006), this development policy provides its basic content.

# 2. Development Cycle of the Establishment Frame Database

Currently, regarding the implementation of industry-related statistical surveys, the provision of population information and overlap correction, etc. is conducted using the database with core information from statistical surveys on establishments and corporations. The said process shall be made more advanced and efficient, and the development of the establishment frame database will be implemented in the following cycle:

# (1) Input of the implementation plan of the statistical surveys

To support smooth implementation of statistical surveys at the Cabinet Office and each ministry, the MIC makes inquiries regarding the implementation plan of the statistical surveys with the Cabinet Office and each ministry, and inputs the results in the establishment frame database.

# (2) Overlap corrections and input of survey subject registry

The Cabinet Office and each ministry shall utilize the common establishment/corporation codes, which are assigned by inquiring about the population information of the establishment frame database or register information in administrative record information and private sector information (hereinafter referred to as "administrative record information, etc."), to correct overlaps before a statistical survey is implemented. Based on the input register information of the survey subjects, supplementary data or data for verification will be provided from the database to the Cabinet Office and each ministry.

#### (3) Provision of statistical survey results

After the implementation of a statistical survey, the Cabinet Office and each ministry provides the results to the MIC to support the smooth development of the establishment frame database.

(4) Maintenance and utilization of common establishment/corporation codes in the data of statistical surveys

The Cabinet Office and each ministry maintains the common establishment/corporation codes in the above implementation cycle of the statistical surveys and utilizes them for the organization of registry, etc. during the next survey.

Regarding new establishments/corporations recognized in a statistical survey, after the results of a statistical survey are provided to the establishment frame database, the MIC assigns a new common establishment/corporation code for each and provides the codes to the Cabinet Office and all other ministries.

# 3. Development of Support Functions for Statistics-Related Operations

To ensure that the related ministries efficiently implement the above operations, the establishment framework database is equipped with support functions for statistics-related operations, such as setting up a display screen for the Cabinet Office and each ministry, and each statistical survey.

#### 4. Statistical Surveys Recorded in the Establishment Frame Database

# (1) Procedure to record the results of statistical surveys

To establish a base for development of the establishment frame database for the time being, results are recorded mainly from fundamental statistics surveys and statistical surveys in order of frequency of use and contribution to development in the Cabinet office and ministries of the said database, from the results of statistical surveys provided based on 2 (3).

- Statistical surveys that are complete (or almost complete) in specific industries
- Statistical surveys on a wide range of industries, which have a certain amount of complete sections
- Statistical surveys on a wide range of industries, which have many survey subjects
- Additionally, statistical surveys expected to produce new statistics by connecting with administrative record information, etc., and other general statistical surveys that are considered especially useful to develop this establishment frame database

Based on the above, statistical surveys with priority to be recorded in the establishment frame database are as listed on an attached document for the time being. Other statistical surveys that need to be recorded will be added in operations management regulations.

#### (2) Contents to be recorded

Regarding the contents recorded in the establishment frame database, information from the Economic Census for Business Frame and Business Activity (hereinafter referred to as the "Economic Census") is recorded as base information, and from surveys other than the Economic Census, items that are in common with those of the Economic Census are recorded in particular. To contribute to the implementation of other various statistical surveys, items to be recorded will be added when needed.

#### 5. Utilization of Administrative Record Information, etc.

# (1) Utilization of administrative record information

Regarding administrative record information, such as commercial/corporate person registration information, labour insurance information and EDINET information, the recording method shall be examined and the results of statistical surveys such as the Economic Census, etc. shall be utilized as supplementary information.

# (2) Utilization of private-sector information

The utilization of profiling (confirmation of and inquiries on the information in the establishment frame database) and a variety of business information collected in the private sector as supplemental information for the results of statistical surveys and administrative record information shall be examined. Furthermore, the inclusion of geospatial information will also be examined from the viewpoint of better use of the information in the said database by the Cabinet Office and ministries.

# 6. Development Schedule

The establishment frame database will be developed as a part of the Inter-Ministry Information System for Official Statistics, and the operation is planned to begin from January 2013. The main schedule for fiscal year 2011 and 2012 toward the official launch is as follows:

# FY 2011

- Check that the results of statistical surveys with recording priority, etc. match the information from the Economic Census
- Begin recording information on labour insurance, EDINET information, etc. and that of various administrative records
- Prepare the operations management regulation pertaining to specific administrative affairs of the establishment frame database, etc.

# FY 2012

- Implement the test operation of the establishment frame database using the results of statistical surveys with recording priority
- Begin recording private sector information and geospatial information, etc.