Economic and Social Council	Distr. GENERAL ECE/CES/GE.42/2009/13 27 August 2009 ENGLISH ONLY

ECONOMIC COMMISSION FOR EUROPE   STATISTICAL COMMISSION

CONFERENCE OF EUROPEAN STATISTICIANS

Group of Experts on Business Registers

Eleventh session
Luxembourg, 6-7 October 2009
Item 3 of the provisional agenda

PROFILING PRACTICES AND RELATED ISSUES (PROFILING OF PUBLIC SECTOR
UNITS, SPECIAL PURPOSE ENTITIES, ETC.)

Public Sector entities on the Business Register at Statistics Canada

Note by the Statistics Canada

I.   ABSTRACT

1.   The business register is a structured list of businesses which produce goods and services in Canada. The list is used by statistical programs to determine the in-scope population, to select samples, support collection activities, monitor respondent burden and support/perform business demographics analysis. Also, the BR at Statistics Canada holds the structures relating to our public administration sector. These include Federal, Provincial and Municipal governments, agencies as well as their Government Base Enterprises (GBE).

2.   The purpose of this paper is to present the strategy used by our Business Register to profile and update these types of units and its role in creating estimates for the Public Sector. Even with its structure resembling the for profit businesses, the Public Sector requires a different approach in profiling and classification. The usage of a frame to create their estimates differs from the typical business survey with a frame, survey and estimate approach. The paper will tackle the challenges associated in this segment of the economy and how a Business Register can be used to help in managing such a program.

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II.   INTRODUCTION

3.   For the past 2 years, Statistics Canada (STC) has been using a new redesigned Business Register (BR). More than one hundred business surveys use it to support their programs relating to survey taking such as frame, sampling, collection as well as estimate production. The usage of the BR touches many areas within the department and requires much effort in keeping the frame as much up to date as possible.

4.   Since we have moved to the new BR, there have been great strides taken in its usability and flexibility to adapt to the ever changing needs of the business world. This has given us the opportunity to allow a more de-centralized approach in the updating of businesses on the BR, yet still allowing enough control to ensure an acceptable level of quality.

5.   In Canada, most entities providing service, sales of goods or having employees require a business number (BN) to operate. This BN is assigned by the Canada Revenue Agency. The Public Sector units are not exempt from this registration. In turn the BR uses the BN data from the agency as its main source of updating its records to create births and updates on its database.

6.   Since the units from the PS are already on the BR, and that most government as defined in Canada, which are Local, provincial and federal levels often own <<for profit>> businesses such as Government Base Enterprises (GBE), the next logical thing was to add the government structure to the BR, including its ownership links. This approach would make use of the informatics infrastructure already in place as well as not duplicate the updates of GBE units.

7.   During the course of this paper, I will explain how these structures are birthed, classified and maintained on the BR as well as the use of the frame to create estimates for the PS.

III.   BIRTH AND CLASSIFICATION OF PS UNITS ON THE BUSINESS REGISTER

8.   As briefly explained in the introduction, the Business Number is one of the main sources of information to birth new units on the BR. As public institutions require in most cases a BN, a good coverage of these units is already represented on the BR. We also receive variables from the Canada Revenue Agency indicating that the BN is a not for profit entity which receives a public sector rebate. However, these are only indicators and are not a proxy to include it in the PS universe.

9.   The new BR is very user friendly and allows staff from STC, other than the BRD staff to use the system (this was not possible in the past). The PS universe is updated in most part by subject matters specialized in this area. To delineate and classify an entity as part of the PS, it must go thru a rigorous process.

10.   The first step in identifying those BN that belong to the public sector is to determined if it is an institutional unit as per System of National Account 93[1]. Secondly, is it controlled by a government and thirdly, is it a non-market or market producer of goods and services.

11.   To determined which entity (i.e.: BN) would fall under this classification, the PS specialist performs research with publicly available documents such as legislations. Once this has been determined, the entity is classified using a legal type characteristic code (annex 1 subset of codes). This is done for each BN, (identified below with the Canadian Flag) (Annex 2). Once it has been classified, it is then added to the appropriate ownership structure. For the purpose of the Public Sector specialist, their mandate is to produce estimates for governments only down to the second level, plus all GBE. In annex 2, you will see part of the structure of the provincial government of Manitoba. The structure demonstrates the 2 levels.

Annex 1

	LegalTypeCharacteristicCodeId	LegalTypeCodeId	LegalTypeCharacteristicNameEngl	LegalTypeCharacteristicNameFrenc
3	300	3	Federal - Ministries	Ministères fédéraux
4	301	3	Federal - Departments	Départements fédéraux
5	302	3	Federal - Special Offices	Agences spéciales fédérales
6	303	3	Federal - Non-autonomous Funds	Fonds non autonomes fédéraux
7	304	3	Federal - Non-autonomous Organization	Organismes non autonomes fédéraux
8	305	3	Federal - Educ. Health & Social Inst.-Em	Inst. féd. intégrés en santé, éduc. et serv.
9	306	3	Federal - Autonomous Funds	Fonds autonomes fédéraux
10	307	3	Federal - Autonomous Organizations	Organismes autonomes fédéraux
11	308	3	Federal - Special Funds	Fonds spéciaux fédéraux
12	309	3	Federal - Non-autonomous Pension Plan	Régimes de retraite fédéraux non autono
13	319	3	Canada Pension Plan	Régime de pensions du Canada

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[1] An economic entity that is capable, in its own right, of owning assets, incurring liabilities and engaging in economic activities and transaction with other entities.

Annex 2


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────── □  ■■■□  [♦] C1 * S56265182 * GOVERNMENT OF THE PROVINCE OF MANITOBA * 912910
         ⊞───── □□□□     S70119524 * GOVERNMENT OF MANITOBA - STATUS OF WOMEN * 912910
         ──── □□□□     S61327514 * GOVERNMENT OF MANITOBA - OFFICE OF THE CHIEF ELECTORAL OFFICER * 912910
         ──── □□■■     S61327498 * GOVERNMENT OF MANITOBA - OFFICE OF THE CHILDREN'S ADVOCATE * 912910
         ──── □□■□     S00690089 * GOVERNMENT OF MANITOBA - CIVIL SERVICE COMMISSION * 912910
         ──── □□■□     S00690055 * GOVERNMENT OF MANITOBA - LEGISLATIVE ASSEMBLY * 912910
         ⊞───── □□□□     S70119525 * GOVERNMENT OF MANITOBA - EXECUTIVE COUNCIL * 912910
         ──── □□■■     S18266948 * GOVERNMENT OF MANITOBA - SENIOR'S DIRECTORATE * 912150
         ──── □□■□     S61327530 * GOVERNMENT OF MANITOBA - OFFICE OF THE OMBUDSMAN * 912910
         ──── □□■□     S61327555 * GOVERNMENT OF MANITOBA - OFFICE OF THE AUDITOR GENERAL * 912910
         ⊞───── □□■□  [♦] c1 * S69994142 * DEPARTMENT OF TRANSPORTATION AND GOVERNMENT SERVICES * 912910
         ⊞───── □□■□  [♦] c1 * S69994139 * DEPARTMENT OF JUSTICE * 912910
         ⊞───── □□■□  [♦] c1 * S69994066 * DEPARTMENT OF ABORIGINAL AND NORTHERN AFFAIRS * 912910
         ⊞───── □□■□  [♦] c1 * S69994119 * DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS * 912910
         ──── □□■□  [♦] c1 * S70017380 * DEPARTMENT OF SPORT * 912910
         ⊞───── □□■□  [♦] c1 * S70031659 * DEPARTMENT OF EDUCATION AND YOUTH * 912910
         ⊞───── □□■□  [♦] c1 * S69994120 * DEPARTMENT OF INDUSTRY, TRADE AND MINES * 912910
         ⊞───── □□■□  [♦] c1 * S69994143 * DEPARTMENT OF HEALTH * 912910
         ⊞───── □□■□  [♦] c1 * S69994115 * DEPARTMENT OF FAMILY SERVICES AND HOUSING * 912910
         ⊞───── □□■□  [♦] c1 * S69994140 * DEPARTMENT OF FINANCE * 912910
         ⊞───── □□■□  [♦] c1 * S70097842 * DEPARTMENT OF ADVANCED EDUCATION AND TRAINING * 912910
         ⊞───── □□■□  [♦] c1 * S69994144 * DEPARTMENT OF LABOUR AND IMMIGRATION * 912210
         ⊞───── □□■□  [♦] c1 * S70063135 * DEPARTMENT OF ENERGY, SCIENCE AND TECHNOLOGY * 912910
         ⊞───── □□■□  [♦] c1 * S69994138 * DEPARTMENT OF AGRICULTURE AND FOOD * 912910
         ⊞───── □□■□  [♦] c1 * S69994118 * DEPARTMENT OF CONSERVATION * 912910
         ⊞───── □□■□  [♦] c1 * S69994116 * DEPARTMENT OF CULTURE,HERITAGE AND TOURISM * 912910
         ⊞───── ■■■□  [♦] C2 * S27894847 * MANITOBA HYDRO-ELECTRIC BOARD * 221122
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IV.   PROFILING BEYOND THE NEED OF THE PUBLIC SECTOR REQUIREMENTS

12.   As the breakdown of the government at the second level is appropriate for the PS specialists, there are surveys that require a more refined detail. Since the Public Sector represents a fairly important portion of the economy, the BR must be able to delineate more than the 2nd level of a structure. This is true for our employment numbers by smaller geographic representation by industry. These surveys then add entities below the second level. For provincial governments this could be such breakdowns as the various parks. Again, those entities are created on the BR from research of public and administrative records from CRA. In Annex 3, the Western Canada Lottery was created by administrative records because a BN was created for the entity. We call those Legal Operating Entities (LOE). This entity is updated primarily by administrative records. As demonstrated in Annex 4, the data received from those sources include their financial and employment data that are primarily used as stratification variables. Also included are the phone number and address.

13.   However, the Operating Entities (OE) below it were only created by profiling this LOE. What do we mean by profiling? Many steps or approaches can be taken to profile. The web and the public accounts records available by each level of governments are the main sources. Also, contact with the unit in question allows us to delineate the structure.   Once a wide source of information has been collected, we are in a position to represent the structure statistically.
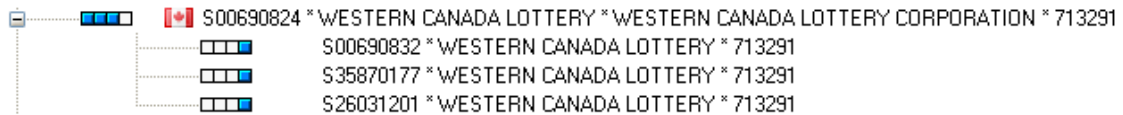
14.   The statistical representation on the BR at STC is delineated in 4 levels.

    (a)   1-Enterprise
    (b)   2-Company
    (c)   3-Establishment
    (d)   4-Location

15.   Most of estimates are done at the establishment level to measure the economic activity at the geographic location and industry. For an operating entity to be considered an establishment, it does require a certain availability of data. This is usually determined by their accounting process. The BR represents those by the blue boxes outlined in Annex 5. Starting from left to right, the following statistical flags are outlined, Enterprise, Company, Establishment, Location.

16.   Once the legal and operating structure has been created, the statistical representation is now complete.

Annex 3

Annex 4 – Data suppressed for confidentiality

Annex 5

V.   USAGE FOR FRAME

17.   The new BR provides users with a monthly representation of the whole database by providing a General Survey Universe File (G-SUF). The PS specialist is then able to extract their population as they see fit. This file represents a snapshot in time. The database does not allow for time travel and is one of the hurdles that the PS specialist is faced with. Since the public accounts records are often delayed, the classification or birth of a unit could be done up to 4 years after the reference period. For part of their estimate revision, the unit is required but is only available on the monthly files after it has been added and the historical files are not reflecting the newly added unit. A process to allow these units to be added and also reflected on the base for subsequent periods and used for historical revision has not been implemented yet. We are in the process of working with the PS specialists to determine the best approach in ensuring the least amount of work is done, but the updates are reflected where necessary.

VI.   CONCLUSION

18.   In conclusion, the BR at STC is the logical place to store and update the Public Sector universe. This allows STC to maximize the use of the tools already in place and also brings coherence in the maintenance approach. As demonstrated, the similarity between the PS and the business world is alive and present, but the tools used can be the same. By also distributing the work by levels within a structure, it allows the streamlining of work and reduces possible duplications.

VII.   ACKNOWLEDGEMENTS

19.   The author of this paper would like to thank the following people for their support and information: