Survey Units for Economic Statistics
Establishments, Enterprises, or…?

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Considerations

• Characteristics of industrial or activity classification
• Definition of Establishment
• Collection realities
Classification Characteristics

• Homogeneity
  – Supply v. Demand
  – Steel mill vs. other not elsewhere classified
  – Treatment of vertical integration

• ISIC vs. NAICS on integration
  – Go to final product?
  – Base on production process?
Establishment Definition

- “…an enterprise or part of an enterprise that is situated in a single location and in which only a single (non-ancillary) productive activity is carried out or in which the principal productive activity accounts for most of the value added.”

- “the smallest operating entity for which records provide information on the cost of resources-materials, labor, and capital-employed to produce units of output.”
Collection Issues

• Census – Establishment (usually)
• Annual – Company or establishment
• Monthly – Company or ?

• Is there a consistent location for reporting the needed data?
  • Division, corporate segment, other?
  • What happens when one location serves two segments?
Neither Enterprise nor Establishment Guidance?

- Organization of multi-establishment enterprises often focus on product lines or markets
  - E.g., home products vs. industrial products
  - E.g., North American Division vs. European Division
New Guidance?

- Different uses might require different survey units
  - Sales vs. margins
  - Total output indices
  - Input/Output tables
- Define and prioritize what is needed and choose the most appropriate units?