

ANNEX A

Sources of data on timely indicators of entrepreneurship

This Annex presents the sources used to develop the *OECD Timely Indicators of Entrepreneurship* database, which contains sub-annual data on enterprise creations and bankruptcies. The database is available on <http://stats.oecd.org/Index.aspx?QueryId=72208>.

Data on **enterprise creations** are sourced from a variety of administrative and statistical sources (Table A.1), whose definitions and coverage vary significantly by country, and may differ from the concepts and coverage of the benchmark definitions of births provided by the *Eurostat-OECD Manual on Business Demography Statistics*. For instance, enterprise creations may include new enterprises created via mergers, break-ups, split-offs as well as re-activations of dormant enterprises, in addition to pure births.

The underlying administrative and statistical data can vary significantly by country, with differences in the population of enterprises covered, such as types of legal form (e.g. corporates only), sectors of activity (e.g. coverage of agriculture or education) or enterprises below a certain turnover or employment threshold. For example, the underlying administrative data for Spain exclude natural persons and sole proprietors, and data for the United Kingdom exclude non-incorporated companies.

The underlying data can also be volatile as the scope enterprises covered may change over time. For example, for the United Kingdom, data from 2009 on also include Northern Ireland; and for Sweden, methodological changes were introduced in 2010. Changes in policies towards particular forms of enterprises (in particular legal status) can also have a considerable impact on the raw data, particularly if the policy favours a change in legal form towards enterprises covered in the raw administrative data away from legal forms not covered (or indeed vice-versa). For example in France, a new individual enterprise status (*régime de l'auto-entrepreneur*) was implemented in January 2009.

Data on **bankruptcies** (Table A.2) are sourced from raw administrative sources. Whenever possible the raw data are adapted to ensure that the sectoral coverage reflects the standard used in this publication, i.e. only the business economy is considered. Bankruptcy is based on the legal and institutional frameworks in place. A key difference with the enterprise death measure discussed in this publication is that a 'bankrupt' firm may continue to operate.

Data on bankruptcies are affected by differences in national legislation. In some countries a declaration of bankruptcy means that the enterprise must stop trading immediately, and so is more closely aligned with the concept of enterprise death used in this publication. In other countries however enterprises are able to continue trading with receivers in operational control even after a formal declaration of bankruptcy.

Indeed, some of those firms declaring themselves bankrupt may eventually recover. The proportion of bankruptcy procedures that end up in actual liquidations (deaths) of the companies, and not in reorganisations, varies across countries depending on the bankruptcy code. Of additional note in relation to comparisons with enterprise deaths is that not all firms file for bankruptcy in advance of closure (death).

Because of these comparability challenges, international comparisons of new creations and bankruptcies data focus on changes in levels rather than levels per se. Trends are computed for both new creations and bankruptcies; specifically, the *trend-cycle* reflects the combined long-term (trend) and medium-to-long-term (cycle) movements in the original series (see <http://stats.oecd.org/glossary/detail.asp?ID=6693>).

Table A.1. National sources and definitions of enterprise creations

Sources and definitions of enterprise creation	
Australia	<p><i>Source:</i> Australian Business Register.</p> <p>Quarterly data.</p> <p>Data cover all enterprises based on initial registration date. Data also include individuals / sole traders who are mainly tradesmen and professionals operating their own businesses (unincorporated); partnerships and trusts are common unincorporated business structures (not registered with ASIC) in addition to incorporated companies (registered with ASIC), government entities (federal, state and local levels) and superannuation funds are also included as they require ABN.</p>
Belgium	<p><i>Source:</i> Statistics Belgium.</p> <p>Monthly Data.</p> <p>These statistics are derived by Statistics Belgium from the Banque-Carrefour des Entreprises. Data refer to the population of persons (natural and legal) liable for Value Added Tax.</p> <p>http://statbel.fgov.be/en/</p>
Canada	<p><i>Source:</i> Statistics Canada.</p> <p>Quarterly data.</p> <p>Data come from experimental quarterly estimates of Industry-Level Firm Dynamics Using PD7 (payroll account deductions) data. The annual firm entry and exit statistics are produced from the statements of remuneration paid (T4 slips). T4 data include information on both employers and employees, making it possible to track individuals as they move between businesses and limiting false births.</p> <p>http://www.statcan.gc.ca/</p>
Denmark	<p><i>Source:</i> Danish Business Authority.</p> <p>Monthly data</p> <p>Data refer to all legal forms (including sole proprietors) and to the total economy, including agriculture. The new registrations also include changes in the activity sector or address changes, but exclude mergers and spin-offs unless they are accompanied by a change in sector or address.</p> <p>www.cvr.dk</p>
Finland	<p><i>Source:</i> Statistics Finland.</p> <p>Quarterly data.</p> <p>Statistics are derived from data in Statistics Finland's Business Register. They cover those enterprises engaged in business activity that are liable to pay value-added tax or act as employers. Excluded are foundations, housing companies, voluntary associations, public authorities and religious communities. The statistics cover state enterprises but not enterprises owned by municipalities. Data are provided for the number of enterprise "openings".</p> <p>http://www.stat.fi/til/aly/2014/aly_2014_2015-10-29_tie_001_en.html</p>
France	<p><i>Source:</i> INSEE, Sirene.</p> <p>Monthly data.</p> <p>Number of births. A birth is the creation of a combination of production factors with the restriction that no other enterprises are involved in the event. 2009 data presents a break in series due to the implementation of a new individual enterprise status ("auto-entrepreneur"). Since December 2014 onwards, a new denomination is used for the self-managed enterprises, now called micro-entrepreneurs instead of "auto-entrepreneurs".</p> <p>Excluding data on agriculture.</p> <p>www.insee.fr/en/</p>
Germany	<p><i>Source:</i> Statistisches Bundesamt – Destatis.</p> <p>Monthly data.</p> <p>Number of new creations (main offices and secondary establishments). Small units and auxiliary activities are not included. Transformation, take-over and change in ownership are excluded. New enterprises coming from abroad are also removed from the data on birth.</p> <p>All activities are taken into account.</p> <p>www.destatis.de</p>
Hungary	<p><i>Source:</i> Hungarian Central Statistical Office</p> <p>Monthly data by legal form. Registered enterprises refer to units which according to administrative registrations legally exist at the date of survey and have a tax number, including those under bankruptcy, liquidation and dissolution proceedings at the reference date.</p> <p>https://www.ksh.hu/stadat_infra_3_2</p>

Table A.1. **National sources and definitions of enterprise creations (cont.)**

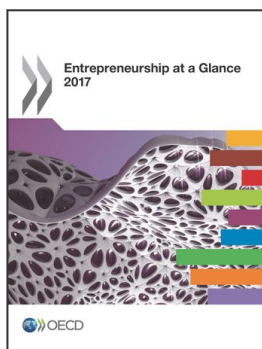
Sources and definitions of enterprise creation	
Iceland	<p><i>Source:</i> Statistics Iceland. Monthly data. Data are based on newly registered enterprises as reported by Internal Revenue Directorate. www.statice.is</p>
Italy	<p><i>Source:</i> InfoCamere, Movimprese – Business register of Italian Chambers of Commerce. Quarterly data. Number of entries (iscritte). All legal forms and all activities are taken into account. www.infocamere.it</p>
Netherlands	<p><i>Source:</i> Statistics Netherlands. Monthly data. Data refer to the total economy excluding agriculture, and to all legal forms. A creation is defined as the emergence of a new company. http://www.cbs.nl/</p>
New Zealand	<p><i>Source:</i> New Zealand Companies Office. Quarterly data Data include incorporated companies only.</p>
Norway	<p><i>Source:</i> Statistics Norway. Monthly data. Data refer to the total economy excluding agriculture. Sole proprietorships are also included. https://www.ssb.no</p>
Portugal	<p><i>Source:</i> Statistics Portugal. Monthly data. New registrations of Legal Persons and Equivalent Entities registered by the Ministry of Justice – Directorate General for Justice Policy. www.ine.pt</p>
Russian Federation	<p><i>Source:</i> Federal State Statistics Service. Monthly data. New registrations. http://www.gks.ru/bgd/regl/b17_01/Main.htm</p>
Spain	<p><i>Source:</i> Instituto Nacional de Estadística de España (INE) and Central Business Register (CBR). Monthly data. Number of entries. The “Mercantile Companies” register includes information on incorporated and trading enterprises (natural persons or sole proprietors are excluded). “Created mercantile companies” may not be active and “dissolved mercantile companies” might be removed from the register without having ever been active. www.ine.es/en/</p>
Sweden	<p><i>Source:</i> Swedish Agency for Growth Policy Analysis. Quarterly data. Number of newly established companies. Data refer to the total economy including agriculture. www.tillvaxtanalys.se/</p>
Turkey	<p><i>Source:</i> The Union of Chambers and Commodity Exchanges of Turkey Monthly data of new creations by three main legal forms. http://tobb.org.tr/BilgiErisimMudurlugu/Sayfalar/Eng/KurulanKapananSirketistatistikleri.php</p>
United Kingdom	<p><i>Source:</i> Companies House. Monthly data. New registrations (number of entries). All limited companies in England, Wales, Northern Ireland and Scotland are registered at Companies House. Entries reflect the appearance of a new enterprise within the economy, whatever the demographic event, be it a merger, renaming, split-off or birth. www.gov.uk/government/statistics</p>
United States	<p><i>Source:</i> Bureau of Labor Statistics (BLS) – Business Employment Dynamics (BED). Quarterly data. Data refer to births of establishments of all sizes operating in goods producing and service providing sectors. These are units with positive third month employment for the first time in the current quarter with no links to the prior quarter, or units with positive third month employment in the current quarter and zero employment in the third month of the previous four quarters. Births are a subset of openings not including re-openings of seasonal businesses. www.bls.gov/data/</p>

Table A.2. National sources and definitions of bankruptcies

Country	Sources and definitions of bankruptcies
Australia	<p><i>Source:</i> Australian Securities and Investments Commission (ASIC). Monthly data. Insolvency statistics – Companies entering external administration. The statistics on “companies entering external administration” show the number of companies entering into a form of external administration for the first time. ASIC advises that a company will be included only once in these statistics, regardless of whether it subsequently enters into another form of external administration. The only exception occurs where a company is taken out of external administration, for example as the result of a court order, and at a later date re-enters external administration. Members voluntary winding up are excluded. www.asic.gov.au</p>
Belgium	<p><i>Source:</i> Statistics Belgium. Monthly data. Bankruptcy statistics. The figures are derived by Statistics Belgium based on the declarations of commercial courts and supplemented if necessary by information from the enterprise register of Statistics Belgium. Data refer to corporate bankruptcies. All economic activities are taken into account. http://statbel.fgov.be/en/</p>
Brazil	<p><i>Source:</i> Serasa Experian. Monthly data. Data refer to total lifting required bankruptcies and enacted as well as the total required judicial recoveries, deferred and granted. http://www.serasaexperian.com.br/release/indicadores/falencias_concordatas.htm</p>
Canada	<p><i>Source:</i> Office of the Superintendent of Bankruptcy Canada. Monthly data. A business bankruptcy is defined as the state of a business that has made an assignment in bankruptcy or against whom a bankruptcy order has been made. A business is defined as any commercial entity or organisation other than an individual, or an individual who has incurred 50 percent or more of total liabilities as a result of operating a business. www.ic.gc.ca/eic/site/icgc.nsf/eng/home</p>
Finland	<p><i>Source:</i> Statistics Finland. Monthly data. Bankruptcies. The data cover bankruptcy cases referring to business enterprises and corporations instigated and decided by district courts. All activities are taken into account. http://pxnet2.stat.fi/PXWeb/pxweb/en/StatFin/</p>
France	<p><i>Source:</i> Institut national de la statistique et des études économiques (INSEE) and Banque de France. Monthly data. Business failures. A business failure is defined as the opening of insolvency proceedings. The statistics on business failures cover both the opening of insolvency proceedings and direct liquidations. They do not reflect the outcome of the proceedings: continuation, take-over or liquidation. www.insee.fr/en/</p>
Germany	<p><i>Source:</i> Statistisches Bundesamt – Destatis Monthly data. Insolvencies. Data cover businesses and formerly self-employed persons. All activities are taken into account. www.destatis.de/EN/Homepage.html</p>
Iceland	<p><i>Source:</i> Statistics Iceland. Monthly data. Data on insolvencies of Icelandic enterprises, from the Internal Revenue Directorate, Enterprise Register. www.statice.is/</p>
Italy	<p><i>Source:</i> Cerved. Quarterly data. Bankruptcies. https://know.cerved.com</p>
Japan	<p><i>Source:</i> Teikoku Databank (TDB). Monthly data. Number of Bankruptcies. Statistics are from the Ministry of Economy, Trade and Industry Small and Medium Enterprise Agency Business Environment Department Planning Division Research Office. Bankruptcy is determined when more than 10 million US dollars of the total liabilities of the concerned company are involved. Included under the definition of bankruptcy are: defaults on due payments, legal and corporate reorganisations, special liquidation companies. www.tdb.co.jp/english/index.html</p>
Netherlands	<p><i>Source:</i> Statistics Netherlands. Monthly data. Number of bankruptcies pronounced by Dutch courts. Data refer to the total economy including agriculture and include bankruptcies of corporations or institutions (exclusion of sole proprietorship). http://statline.cbs.nl</p>

Table A.2. **National sources and definitions of bankruptcies** (cont.)

Country	Sources and definitions of bankruptcies
New Zealand	<p><i>Source:</i> New Zealand Companies Office.</p> <p>Quarterly data.</p> <p>Data refer to liquidations and include incorporated companies only.</p>
Norway	<p><i>Source:</i> Statistics Norway.</p> <p>Monthly data.</p> <p>Bankruptcy statistics.</p> <p>Data refer to the total economy excluding agriculture. Sole proprietorships are also included. http://statbank.ssb.no</p>
South Africa	<p><i>Source:</i> Statistics South Africa.</p> <p>Monthly data.</p> <p>Liquidation statistics.</p> <p>www.statssa.gov.za/</p>
Spain	<p><i>Source:</i> Instituto Nacional de Estadística de España (INE)</p> <p>The Mercantile Companies (MC) for monthly data.</p> <p>Companies Central Directory (CCD) for annual data.</p> <p>Number of exits.</p> <p>The “Mercantile Companies” register includes information on incorporated enterprises (natural persons or sole proprietors are excluded). “Created mercantile companies” may not be active and “dissolved mercantile companies” might be removed from the register without having ever been active.</p> <p>www.ine.es</p>
Sweden	<p><i>Source:</i> Swedish Agency for Growth Policy Analysis.</p> <p>Monthly data.</p> <p>Bankruptcy statistics.</p> <p>Data cover corporate bankruptcies, including sole traders, ruled by district courts.</p> <p>All activities are taken into account.</p> <p>www.tillvaxtanalys.se</p>
United Kingdom	<p><i>Source:</i> Companies House.</p> <p>Monthly data.</p> <p>Incorporated companies only.</p> <p>Data refer to liquidations, including compulsory liquidations, creditors’ voluntary liquidations, and administrative orders converted to Cred. Excluding Members’ voluntary liquidations.</p> <p>www.companieshouse.gov.uk/</p>
United States	<p><i>Source:</i> United States Courts.</p> <p>Quarterly data.</p> <p>Statistics on bankruptcy petition filings – total business filings (Chapters 7, 11 and 13). Non-business filings as well as Chapter 12 filings (family farmer and family fisherman bankruptcies) are excluded.</p> <p>http://www.uscourts.gov/</p>



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