

**Regional Course on Statistical Business Registers:
Making a Business Case for an Operational Statistical Business Register
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Singapore's Statistical Business Register

Country paper

Submitted by Singapore Department of Statistics

1 Introduction

Official statistics in Singapore are collected and compiled by the Singapore Department of Statistics (DOS) as well as Research and Statistics Units (RSUs) in government ministries and statutory boards. In some ministries and statutory boards, there are RSUs gazetted under the Statistics Act to conduct surveys and compile official statistics for the industries or subject matters under their purview. For example, the Building and Construction Authority (BCA)'s RSU is responsible for surveying firms within the construction industry, while Economic Development Board (EDB)'s RSU is responsible for surveying firms within the manufacturing industry. Firms in the services industry are surveyed by the DOS.

The statistical business register (SBR) plays an important role in the compilation of business and economic statistics to monitor the performance and structure of the economy. It forms the frame from which samples for DOS and RSUs' business surveys are drawn. Sample frame information provided to RSUs for their survey/statistical uses comprises only non-confidential information such as registered name & address and activity code is available in the public domain. The data residing in SBR is also used to compile data series such as number of formation and cessation of firms by industry and start-up statistics.

2 Design

2.1 Scope

The SBR contains records of commercial and non-commercial units for survey and statistical purposes. Commercial entities such as companies and businesses (including sole proprietorships and partnerships) are registered with the Accounting and Corporate Regulatory Authority (ACRA) of Singapore while the non-commercial entities such as charities and societies are registered with their respective registration authorities such as Ministry of Culture, Community and Youth (MCCY) and Registry of Societies (ROS).

2.2 Population Units

The units in the SBR consist of enterprises and establishments. An enterprise is defined as an incorporated/registered entity (such as company, business, association, society, etc). Establishments are the divisions (business activity segments) and branches under the enterprise. It is defined as a business or organization unit engaged in one activity and operating in a single location. Thus for a multi-activity firm or organization, units engaged in separate activities in the same location constitute distinct establishments. Similarly, each branch of a multi-branch organization at different location is conceptually a different establishment.

2.3 Data

The primary source of basic information on enterprises is from the registration records of the ACRA and the other registration authorities such as the ROS. Registration records from ACRA include the Unique Entity Number (UEN), which was implemented on 1 January 2009 to serve as standard identification number of an entity for their interaction with Singapore government agencies, e.g. to file tax returns or to apply for import and export permits. Besides UEN, other information such as the firms' registered enterprise name, registered address, registration date, activity code, entity type, status code, paid up capital amount, shareholders/ownership details are also obtained from ACRA.

As administrative records are at enterprise level, information on the establishments is primarily obtained through surveys conducted by DOS and other RSUs. Through the survey collection of detailed income/expense data items, the respective survey teams are able to provide feedback on the establishment's activity to update the SBR. Other information includes business operating addresses of the various establishments, and establishments' status (e.g. active, dormant).

Financial data is used as a size indicator in the population frame, for sampling stratification. The information (e.g. turnover, profit, total assets, share capital etc) is obtained from ACRA, business surveys conducted by DOS and the other RSUs and from the national tax office Inland Revenue Authority of Singapore (IRAS).

3 Principles of Maintenance

To ensure the accuracy of the information in the population frame, DOS has been leveraging extensively on various administrative data, in addition to the data collected through the business surveys. Administrative data are obtained on a regular basis to ensure information residing in the SBR is up to date. Registration records, accompanied with other administrative data such as employment data and Goods and Services Tax (GST), provide updates on formation/cessation and the economic active population. Business surveys conducted monthly, quarterly and annually also help in verifying the records in the SBR. In addition, corporate and business tax data are used to update the firms' financial information in the population frame. These updating are carried out in an automated manner so that the process is done efficiently.

In addition, the DOS conducts a SBR survey called the Survey of Establishments (SOE) to obtain supplementary information to update the sample frame. When firms first register with ACRA, they may not commence operation immediately. During this stage when there is no business activity, we do not want to select the firms for coverage in business surveys. SOE used to cover about 30,000 firms annually to verify when/whether they have commenced operations. However, with the administrative filings of firms which provided timely indication on whether firms have commenced operation and also an indication of their employee size, there is no longer a need to use SOE to check whether firms have commenced operation. Currently, the volume of SOE is reduced significantly to about 1,500 per year, covering firms which have newly commenced operation and have relatively larger employee count, to obtain an update of their business activity. This is because the actual business activity of the firms may differ from their intended activity which they had declared to ACRA during registration. Since these firms are relatively larger, it is important to get their business activity code right.

While administrative data help to indicate whether the firms have become economically active, a stop in administrative reporting is conversely used as an indicator that the firms have become dormant. Such information is then updated into the SBR.

DOS also account manages a group of large and complex firms (approximately 20) which are major players in their respective industries. This is to ensure that the SBR is updated promptly of any change

in their business structure and business activity.

4 Developments

In recent years, the SBR has automated the process to update firms' status (e.g. active, dormant) by incorporating administrative and survey inputs on regular intervals. The function processes all the input data via some pre-determined rules before updating the status. This helps to ensure status codes are constantly reviewed to ensure accuracy of information.

Another enhancement to the SBR was the SSIC feedback function. The function automatically routes suggestions for change of firm's activity to DOS survey teams that cover the firms. The function allows survey teams to provide their assessments in the system and the SBR team would do the final review. The agreed activity code is then communicated to the survey teams via the function. Through this, the activity code changes and reasons/assessments are logged for easier future reference.

The SBR team is also constantly working with administrative agencies to obtain new administrative sources to be used for updating SBR information. For instance, the financial accounts of societies that the SBR obtained from the ROS in recent years have helped to provide a more timely and accurate size indicator for sampling stratification purposes for these entities.

5 Challenges

The main role of the SBR is to ensure information (such as activity & status codes) residing in the system is up-to-date and accurate.

Some of the challenges faced by the SBR:

- Activity classification of multi-activity firms
- Updating the activity and status codes of small or non-employing enterprises
- Timeliness of the administrative data sources

Firms engaging in multiple activities are generally identified via DOS' and other RSUs' sample business surveys. Thus, we may not have updated establishment information of firms not covered in the sample surveys. This is similar to the case for small or non-employing enterprises which have little administrative data. To resolve this issue, DOS additionally conducts SOE to cover these firms.

With the need to reduce response burden and produce more timely and accurate data with less resources, DOS is increasing the use of administrative data to meet new demands from users and to keep business statistics relevant. Timeliness of some administrative sources may not meet the SBR's required timeline to prepare the population frame for sampling and survey launches.

6 Conclusion

It has been a long journey since the development of our system to serve as a statistical business register. As the economy progresses, our system has also undergone enhancements to serve the needs of the government and business community in their policy-making and business planning. DOS will continue to learn from the advanced National Statistics Offices (NSOs) about the latest best practices, challenges and issues in the area of business registers in order to improve the SBR.