



METHODOLOGICAL EXPLANATION

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SHORT TERM BUSINESS DEMOGRAPHY

This methodological explanation relates to the data releases:

- Business registrations and bankruptcy data, Slovenia, monthly (First Release/Electronic Release)



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1 PURPOSE

The purpose of publishing data on short term business demography is to present data on new registrations and bankruptcies of legal units.

Key statistics are:

- indices of registrations of legal units and
- indices of legal units in new bankruptcy procedures.

2 LEGAL FRAMEWORK

- [Annual Programme of Statistical Surveys \(LPSR\) \(only in Slovene\)](#)
- [National Statistics Act \(OJ RS, No. 45/95 and 9/01\)](#)
- Regulation (EU) 2019/2152 on European business statistics, repealing 10 legal acts in the field of business statistics (CELEX 320R2152)

3 UNIT DESCRIBED BY THE PUBLISHED DATA

The unit described by the published data is a legal unit registered for performing predominantly market activities on the territory of the Republic of Slovenia.

Business demography observes legal units registered in one of the following sections and divisions of the Standard Classification of Activities 2008 (SKD 2008): Mining and quarrying (B), Manufacturing (C), Electricity, gas, steam and air conditioning supply (D), Water supply, sewerage, waste management and remediation activities (E), Construction (F), Wholesale and retail trade, repair of motor vehicles and motorcycles (G), Transportation and storage (H), Accommodation and food service activities (I), Information and communication (J), Financial and insurance activities except holding companies (K), Real estate activities (L), Professional, scientific and technical activities (M), Administrative and support service activities (N), Education (P), Human health and social work activities (Q), Arts, entertainment and recreation (R), Repair of computers and personal and household goods (S95) and Other personal service activities (S96).

4 SELECTION OF OBSERVATION UNIT

The survey observes all market legal units that are newly registered or started to be in bankruptcy.

Business demography observes market legal units performing activities in sections from B – Mining and quarrying to S – Other activities (except public administration, defence, compulsory social security and activities of

membership organisations).

In the survey the statistical activity is observed that is determined as the main activity in the Statistical Business Register (SBR) for the statistical purpose and could in some cases differ from the registered activity in the administrative business register (Poslovni register Slovenije – PRS), which is kept by the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES). The statistical activity is determined for the important units for which it is evident from the statistical data that the classification according to those data differs from the classification anticipated due to the registered activity.

Operations of legal units that are by the Standard Classification of Institutional Sectors (SKIS) in the government sector (SKIS 13), in the non-profit institutions serving households sector (SKIS 15) and in the subsectors employees (SKIS 143) and recipients of property and transfer income (SKIS 144) are not taken into account.

The coverage is full. In the survey around 2.000 legal units are observed monthly.

5 SOURCES AND METHODS OF DATA COLLECTION

Data are collected monthly and quarterly.

The sources of data are the Administrative Business Register (PRS) kept by the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES) and the Statistical Business Register kept by the Statistical Office of Slovenia (SURs).

The SBR is kept and maintained by SURs and is the source for providing data to Eurostat that we are obliged to report on the basis of Regulation (EU) No 2019/2152 on European business statistics, repealing 10 legal acts in the field of business statistics. The basic source for the SBR is the PRS. In addition to data in the PRS, the sources for the SBR are also data from other administrative records and data collected in accordance with the national program of statistical surveys. In the SBR, some missing data are imputed according to the appropriate statistical methodology. The SBR is explained in more detail in the methodological explanations Enterprises.

Administrative source of data is the Administrative Business Register (PRS) kept by the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES).

The Business Register of Slovenia (PRS) is the central public database on all business entities (legal units) and their branches established on the territory of the Republic of Slovenia that perform profit or non-profit activities and on their branches. The PRS also contains data on the branches of foreign business entities operating on the territory of the Republic of Slovenia.

6 DEFINITIONS

Registrations in the reference period are legal units that are newly registered in the Administrative Business Register kept by the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES).

Bankruptcies in the reference period are legal units that have started the procedure of being declared bankrupt by issuing a court declaration.

Legal unit is a legal entity or a registered natural person (i.e. sole proprietor, doctor, lawyer) that performs registered activities or certain activities defined by the regulation or act of establishment.

7 EXPLANATIONS

7.1 CLASSIFICATIONS

In the survey, the national Standard Classification of Activities (SKD 2008) is used. [SKD 2008](#) is the national version of the European statistical classification of economic activities NACE Rev. 2 which includes all activities of the European classification and adds some national subclasses.

Monthly data are presented only for activity B – S except for section O and section S94 - TOTAL.

Activities and codes used by NACE. Rev. 2:

NACE. Rev. 2 activities	NACE. Rev. 2 codes
B–S except O and S94 – TOTAL Industry, construction and services (except public administration and defence; compulsory social security and activities of membership organisations)	B, C, D, E, F, G, H, I, J, K, L, M, N, P, Q, R, S95, S96
B–E Mining and quarrying, Manufacturing, Electricity, gas, steam and air conditioning supply, Water supply; sewerage, waste management and remediation activities	B, C, D, E
F Construction	F
G Wholesale and retail trade; repair of motor vehicles and motorcycles	G
H Transportation and storage	H
I Accommodation and food service activities	I

J Information and communication	J
K–N Financial and insurance activities, Real estate activities, Professional, scientific and technical activities, Administrative and support service activities,	K, L, M, N
P–S except S94 Education, Human health and social work activities, Arts, entertainment and recreation, Repair of computers and personal and household goods, Other personal service activities	P, Q, R, S95, S96

7.2 DATA PROCESSING

DATA EDITING

Data editing was not performed.

WEIGHTING

Weighting was not performed.

SEASONAL ADJUSTMENT

Besides unadjusted data series, seasonally adjusted data series are published as well. All seasonally adjusted data series with exception of activities B–S except O and S94 – TOTAL are directly seasonally adjusted.

For seasonal adjustment of time series, we use the TRAMO/SEATS method. A time series model is set up, and it is revised in detail and corrected about once a year. By using the model, the time series is decomposed into:

- the trend-cycle component (which consists of the trend and cyclical movements over a period longer than one year),
- the seasonal component (which consists of the seasonal effects and the calendar effects; the calendar effects are composed of the working day effect, the leap-year effect, the holiday effect and the Easter effect),
- the irregular component (which consists of random fluctuations and some outliers).

Seasonally adjusted data are original data from which the seasonal and calendar effects are eliminated.

For more, see the general methodological explanations [Seasonal adjustment of time series](#).

7.3 INDICES

Data are published in the form of monthly and quarterly indices:

- indices with the fixed base (quarter or month is compared with the average of the base year),
- indices with the moving base (quarter or month is compared with the previous quarter or month or with the same quarter or month of the previous year).

Monthly calculations of indices are identical to quarterly ones, with monthly values being taken into account instead of quarterly.

Unadjusted index based on average of the base year is calculated:

$$I_{BAZ_t} = \frac{\text{number of units in the current quarter}}{\text{average of units in the base year}} * 100$$

Base year is 2021.

Index based on the average of the base year, working day adjusted:

$$I_{BAZ_{t, ycal}} = C * ABS_{t, ycal}$$

Index based on the average of the base year, seasonally adjusted

$$I_{BAZ_{t, sa}} = C * ABS_{t, sa}$$

$$C = \frac{100}{\text{average of the base year (unadjusted)}}$$

Index quarter compared to the same quarter of the previous year which is working day adjusted, is calculated by the following formula:

$$I_{LET_{t, ycal}} = \frac{I_{BAZ_{t, ycal}}}{I_{BAZ_{t-4, ycal}}} * 100$$

Index quarter compared to the previous quarter, which is seasonally adjusted, is calculated by the following formula:

$$I_{Q_{t, sa}} = \frac{I_{BAZ_{t, sa}}}{I_{BAZ_{t-1, sa}}} * 100$$

Whereby:

t	Quarter
t-1	Previous quarter
t-4	Quarter of the previous year
I_LET _{t, ycal}	Index based on the same quarter of the previous year, working day adjusted
I_Q _{t, sa}	Index based on the previous quarter, seasonally adjusted
I_BAZ _{t, ycal}	Index based on the average of the base year, working day adjusted
I_BAZ _{t, sa}	Index based on the average of the base year, seasonally adjusted
I_BAZ	Unadjusted index based on average of the base year
ABS _{t, sa}	Number of units, seasonally adjusted
ABS _{t, ycal}	Number of units, working day adjusted

7.4 PRECISION

The precision is not calculated.

7.5 OTHER EXPLANATIONS

The first day of entry in the PRS is the basis for new registrations. The change of full name compared to the previous observation period is the basis for following the units in bankruptcy. When a court issues a legal declaration of bankruptcy, the addition of the full name of the legal unit in the PRS becomes "in bankruptcy".

Larger fluctuations in bankruptcy indices due to the small size of Slovenia may be influenced by a lower number of occurrences in the observed activities and observed periods.

8 PUBLISHING

- SiStat Database: [Enterprises](#) - Business demography and high-growth enterprises - Short term business demography data. Indices are published as original and adjusted data (data are seasonally and working day adjusted). Data are published according to the Standard Classification of Activities (SKD 2008).
- First Release (Enterprises, Business demography and high-growth enterprises): »Business registrations and bankruptcy data, monthly«.
- EUROSTAT (Statistical Office of the European Union)

9 REVISION OF THE DATA

9.1 PUBLISHING OF PRELIMINARY AND FINAL DATA

Provisional data are not disseminated. Only final data are published.

9.2 FACTORS INFLUENCING COMPARABILITY OVER TIME

From 2020 on, in observations of bankruptcies legal units that in the observation period started to be in bankruptcy and are in the same period deleted are also included but this inclusion does not mean the break in series.

10 OTHER METHODOLOGICAL MATERIALS

Methodological materials on SURS's website are available at <https://www.stat.si/statweb/en/Methods/QuestionnairesMethodologicalExplanationsQualityReports>.

- Questionnaire:
 - SURS does not collect data for this survey by using a questionnaire.
- Methodological explanations:
 - Short term business demography

Theme: Enterprises, Subtheme: Business demography and high-growth enterprises