

### 3. STRUCTURAL INDICATORS ON THE ENTERPRISE POPULATION

#### Enterprises by size class

The distribution of the business population by size provides basic information on the structure of the business sector. It is related to the distribution of businesses by activity sector and age and to the size of the internal market. It is of particular use, together with other business statistics by size class, to policy makers wishing to focus on the role in the economy of enterprises of different sizes.

##### Definition

An enterprise is a legal entity possessing the right to conduct business on its own, for example to enter into contracts, own property, incur liabilities for debts and establish bank accounts. It may consist of one or more local units or establishments corresponding to different production units situated in a geographically separate place and in which one or more persons work for the enterprise to which they belong.

The basis for size classification is the total number of persons employed, i.e. persons who worked in or for the concerned unit during the reference year.

Figures 3.1 and 3.2 show the number of enterprises in each size class, as a percentage of the total number of enterprises.

##### Comparability

All countries present information using the enterprise as the statistical unit except Japan, Korea and Mexico, which use establishments. As most enterprises in these countries consist of only one establishment, comparability issues are not expected to be significant.

Data for Japan and Korea do not include establishments with fewer than four and five persons employed, respectively. For the United States, employment in enterprises refers to the number of employees and not the number of persons employed.

The size-class breakdown 1-9, 10-19, 20-49, 50-249, 250+ provides for the best comparability given the varying data collection practices across countries. Some countries use different conventions: the size class “20-49” actually refers to “20-99” for the United States; the size class “50-249”

refers to “50-199” for Australia, “100-499” for the United States; and the size class “250+” refers to “200+” for Australia, and “500+” for the United States.

Data cover market economy, excluding financial intermediation; for Japan they cover manufacturing sectors only. This may result in a lower proportion of micro-enterprises for these countries, since the average size of enterprises is typically lower in the services sector.

The reference year of the data is 2008; it is 2007 for France, Greece and Japan; 2006 for Australia and Korea; 2005 for Iceland; and 2003 for Mexico.

In Figure 3.1, the high share of enterprises with 1 to 9 persons employed does not allow to visually compare the shares of the various size classes above 10 persons employed. For this reason, a second figure is proposed, focusing on enterprises with more than 10 persons employed.

##### Highlights

The business population is composed, in any country, of a predominant number of micro-enterprises, i.e. firms with less than ten employees. In half of the OECD countries, micro-enterprises account for more than 90% of the total enterprises.

##### Source/Online database

OECD Structural and Demographic Business Statistics (SDBS) Database, <http://dx.doi.org/10.1787/sdbs-data-en>.

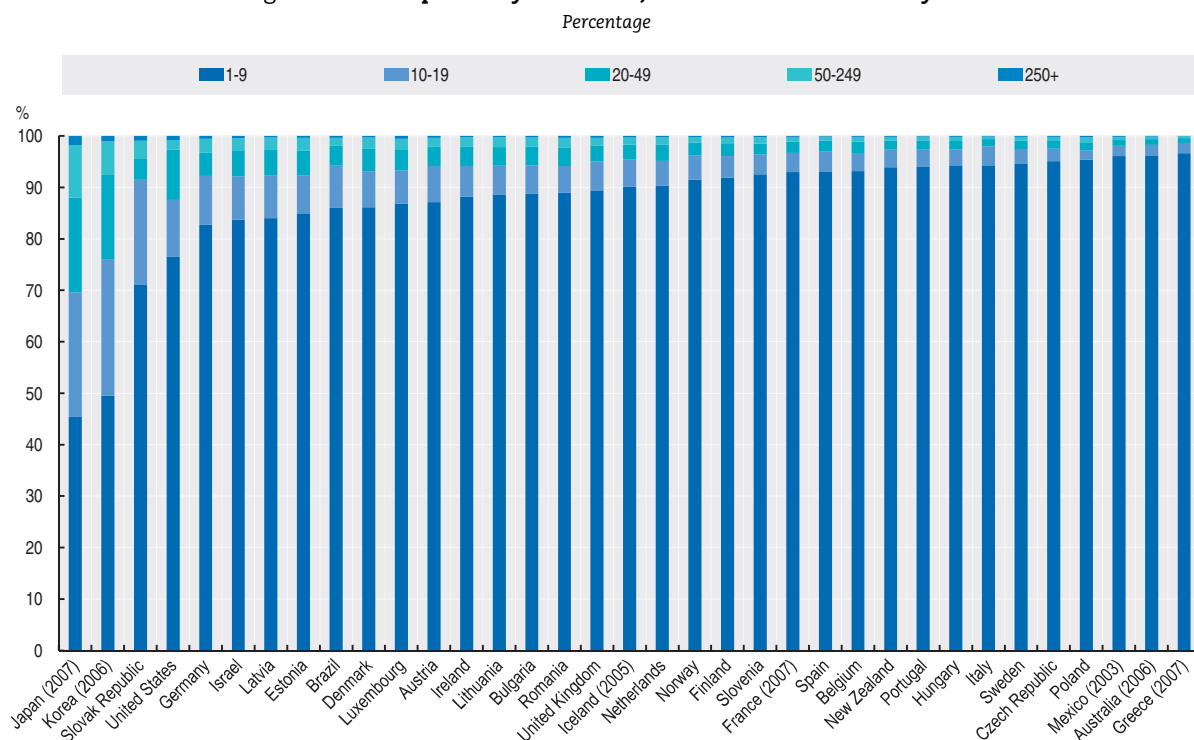
##### For further reading

OECD (2010), *Structural and Demographic Business Statistics*, OECD Publishing, <http://dx.doi.org/10.1787/9789264072886-en>.

Ahmad N. (2007), *The OECD's Business Statistics Database and Publication*, Paper presented at the Structural Business Statistics Expert Meeting, Paris, 10-11 May 2007, [www.oecd.org/dataoecd/59/34/38516035.pdf](http://www.oecd.org/dataoecd/59/34/38516035.pdf).

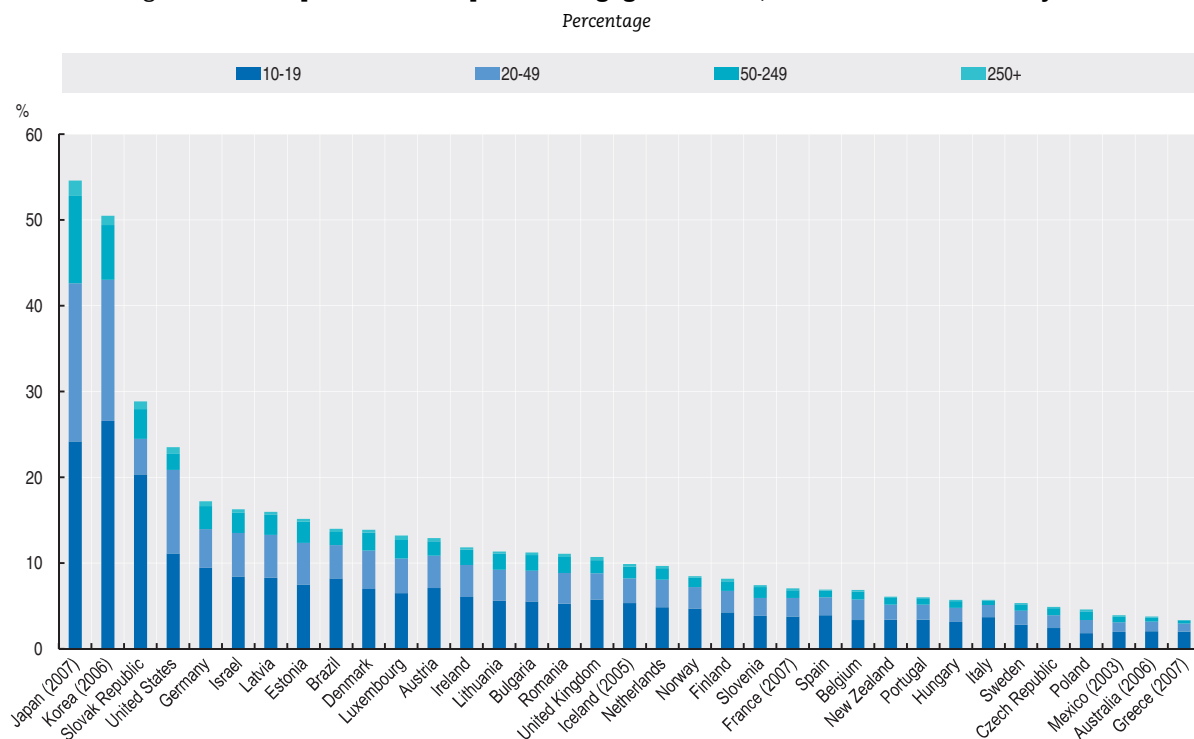
Information on data for Israel: <http://dx.doi.org/10.1787/888932315602>.

Figure 3.1 Enterprises by size class, 2008 or latest available year



StatLink <http://dx.doi.org/10.1787/888932596992>

Figure 3.2 Enterprises with 10 persons engaged or more, 2008 or latest available year



StatLink <http://dx.doi.org/10.1787/888932597011>



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