Comparison of two corporation surveys conducted by Japanese government

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Two Statistical Surveys of Corporations in Japan

The most important survey is "The Economic Census" by Statistics Bureau of the Ministry of Internal Affairs and Communications (MIC), which is conducted twice in five years periodically. This is a survey on actual conditions of economic activities of all establishments and enterprises in Japan. This survey covers all incorporated companies as well as smaller-scale unincorporated enterprises. It is also used as a framework for a number of sample surveys on establishments and enterprises; thus its accuracy is critical to economic statistics in Japan.

For the incorporated companies, the Ministry of Finance (MOF) collects information every year through a survey entitled "Financial Statement Statistics of Corporations by Industry." This survey utilizes the list of all corporations that report the activities to National Tax Administration Agency. MOF also runs smaller size quarterly surveys covering large companies. The annual and quarterly surveys serve as important statistical sources for policy making.

Comparison of MIC and MOF Surveys on Corporations

As for incorporated companies, we can compare these two surveys. Figures for employees are similar as expected, but the numbers of corporations classified by capital size, areas, and industries show non-negligible difference. Following table is an example of comparison of 2001 surveys, when MIC survey took place.

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Capital size (million yen)	~5	5~	10~	50~	100~	1000~	Total
MOF (2001)							
All	1,085,321	314,602	1,124,886	50,254	27,301	5,559	2,607,923
Manufacturing	165,543	51,478	214,198	11,714	6,973	2,239	452,145
Non-manufacturing (*)	919,778	263,124	$910,\!688$	38,540	20,328	3,320	2,155,778
MIC (2001)							
All	603,167	205,683	741,686	36,971	23,950	6,143	1,617,600
Manufacturing	97,868	36,023	146,613	9,234	$5,\!896$	1,980	297,614
Non-manufacturing (**)	505,299	169,660	595,073	27,737	18,054	4,163	1,319,986

Table. Comparison of Numbers of Corporations

The differences are bigger for smaller companies and for non-manufacturing industries. Plausible explanation for these differences are: (1) reported time differ several months for MIC and MOF surveys, (2) smaller companies change rather quickly, (3) smaller companies, such as SOHO, are not covered by MIC survey since it is mostly conducted through interviewers. However, the difference has become larger in last decades, so that we need reasonable explanation for the difference.

We compared the lists of large-scale corporations that were provided by MIC and MOF. Up to today, no research has been publicized to explain the difference and compare relative accuracy of the surveys; this is the first analysis of the effects of the differences by matching files of MIC and MOF surveys.

We can draw some tentative conclusions. Most importantly, the effect of difference in number of companies is relatively small, because most unmatched companies are small in size. Thus, aggregated statistics of corporations provided by MIC and MOF are not seriously biased. On the other hand, there is room to further improve both statistics by constructing a more thoroughly systematic and comprehensive data base of establishments.

Some more results will be reported at the meeting.

Acknowledgement The micro data sets were provided by MIC and MOF through Statistics Act.