



Productivity Perspectives 2004

Developing a Business Longitudinal Database

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Business Demographics and Frames

Developing a Business Longitudinal Database

- What I will cover:
 - A brief history of the Business Longitudinal Survey (BLS)
 - The new BLD project
 - User requirements of a BLD
 - BLD design - where we are at
 - Key issues for consideration
 - Business Entries and Exits series

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■ A Brief History

- Existing BLS produced from the Growth and Performance Survey (1994-95 to 1997-98)
- Confidentialised Unit Record File (CURF) produced in 1999
- Primary objective was to support and promote research relating to govt industry policy - increasing opportunities for economic growth of firms

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- A Brief History (cont.)

- BLS dataset being used to support both theoretical and policy-related research into the small and medium size business sectors
- Design compromised to meet specific requirements
- Data now sufficiently aged that there is concern about the currency of the BLS dataset

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- Developing a new BLD
 - Project commenced in July 2003
 - Due to complete development by June 2006
 - Team of 5 people
 - Links with a number of other development projects in ABS

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- Key Enablers:

- Development of Australian Business Register (ABR)/Australian Business Number (ABN)
- Development of ABS Input Data Warehouse (IDW)
- Increased availability of/use of administrative by-product data (mainly taxation data)

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- Key User Requirements of a BLD
 - Minimum panel age of 5 years (10 years optimal) - link to the business cycle
 - Flexibility to include new topics at short notice
 - Content which enables theoretical analysis of productivity and growth - business characteristics key data requirement
 - Data content shouldn't change too much during the life of a panel

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- Key User Requirements of a BLD (Cont)
 - Comprehensiveness in terms of the breadth of topics covered within the one panel
 - Business entries and exits
 - Some spatial dimensions important - urban vs rural, relationship with businesses operating in same area, distance from major ports, etc
 - Cross-sectional vs Longitudinal requirements

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- Key User Requirements of a BLD (Cont)
 - Large businesses should be available for analysis
 - Requirement for non-employing businesses to be included
 - Capability to focus on specific industries and/or sectors
 - Management of missing data - imputation undesirable, distinguishing between zeroes and missing values

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- BLD Design - main features
 - Overlapping panels, each of 5 years duration
 - New panel commences every year
 - Financial data from administrative data, existing ABS surveys
 - Business characteristics data from a new survey

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- BLD Design - main features (cont.)
 - Won't provide for cross-sectional estimates
 - Majority of industries covered
 - New panel each year to allow for new topics to be included
 - Business characteristics survey component of integrated business characteristics survey

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- Key issues for consideration:
 - Scope issues
 - Inclusion of large businesses
 - Inclusion of non-employers
 - Data access - future arrangements for access to microdata
 - Unit level data retention

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- Key issues for consideration (cont.)
 - Management of provider load
 - User requirements
 - priorities
 - data linkages
 - Editing strategies
 - Tracking entries and exits
 - Privacy issues

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- User Consultation
 - Seminars in all States in 2003
 - Internal Ref Group (IRG)
 - External Advisory Group (EAG)
 - Finance Technical Ref Group (FTRG)
 - Food Industry Survey (FIS) Steering Committee (to be formed)
 - Further seminars in 2005
 - Web-based discussion forum

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- Major milestones:
 - Plan to produce prototype by mid 2005
 - Production version in first half of 2006 based on existing admin/ABS data
 - Conduct first business characteristics survey (either stand-alone or integrated with other characteristics surveys) - early 2006
 - Deliver first BLD incorporating characteristics data - either 2010 (3 years) or 2012 (5 years)

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Business Entries and Exits Series

- Based on a conceptual framework which has been developed over the past 12 months - based initially on Eurostat Conceptual Framework
- Being produced as an experimental series
- Based on ABR registrations

Business Entries and Exits Series (cont.)

- Initial publication in April 2005 (covering 3 years to 2003-04)
- Will comprise counts of entries, exits, survivals
- Subject to user funding, will develop additional surveys/use existing surveys to enable study of reasons for businesses entering/exiting the economy
- Potentially will have some longitudinal data available for analysis

Questions??

