

25 November 2015

Business Demographics Indicators
Year 2013

In 2013, a total of 3,417,758 enterprises operated in Spain, 1.4% less than in the previous year

293,466 were created during the year, while 318,807 cease to exist

The stock of enterprises that operated in Spain in 2013 was 3,417,758, 1.4% less than in 2012. Stock is understood to be the set of enterprises that are active during all or part of the year.

55.3% of this stock of enterprises corresponded to units of the sector *Rest of services*, 24.7% to *Trade* and 13.6% to *Construction* while the remaining 6.3% corresponded to *Industry*.

In 2013, the number of enterprises that disappeared was greater than the number of births with 25,341 units.

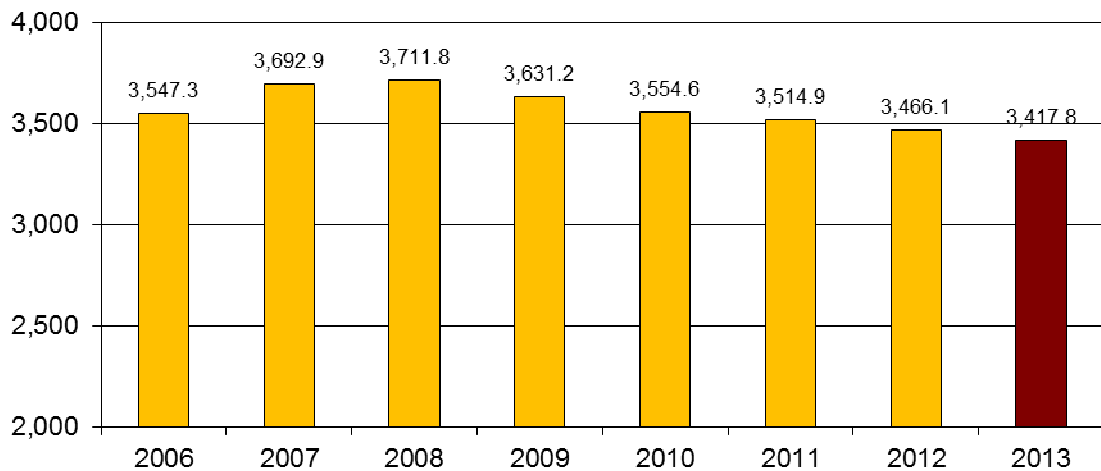
The rate of births of enterprises (quotient between the births and the stock) stood at 8.6%, while the rate of deaths was 9.3%, yielding a net rate of -0.7%.

Stock, births and deaths of enterprises, by economic sector. Year 2013

	Total	Industry	Construction	Trade	Rest of services
Stock	3,417,758	216,605	466,118	843,340	1,891,695
Births	293,466	11,396	34,306	75,986	171,778
Deaths	318,807	16,035	47,565	78,526	176,681
Net variation	-25,341	-4,639	-13,259	-2,540	-4,903
Birth rate (%)	8.6	5.3	7.4	9.0	9.1
Death rate (%)	9.3	7.4	10.2	9.3	9.3
Net rate (%)	-0.7	-2.1	-2.8	-0.3	-0.3

By examining the performance of the stock of enterprises in the last eight years, it can be observed that the maximum was reached in 2008 with 3,711,835 units.

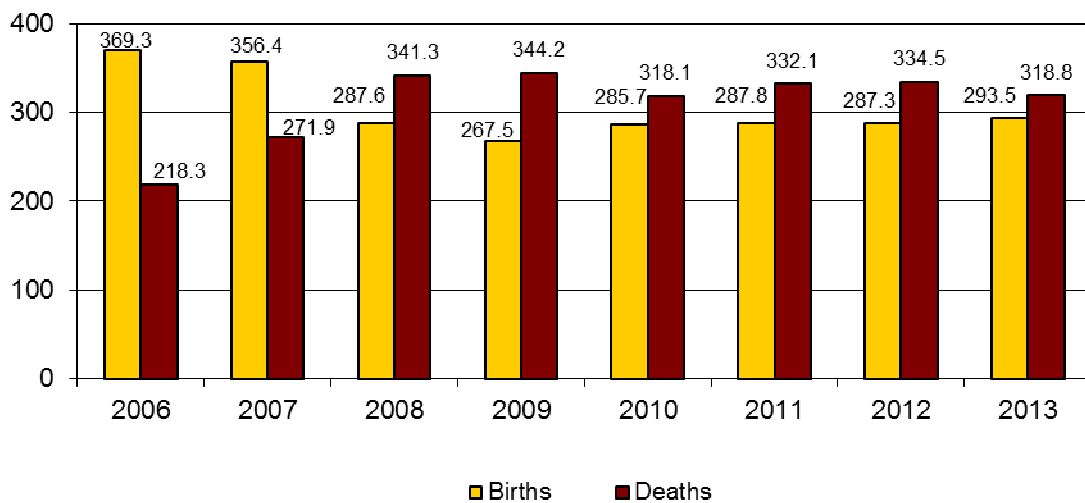
Performance of the stock of enterprises (in thousands)



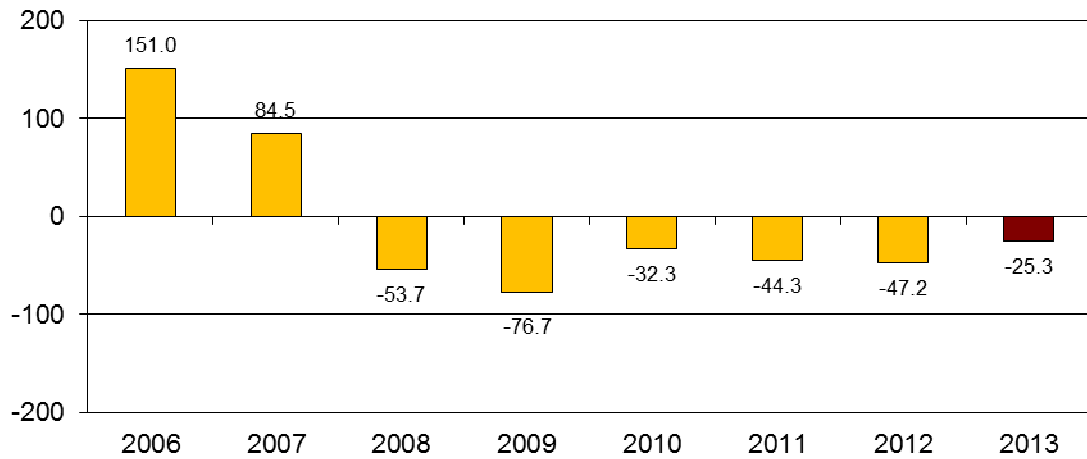
If we look at the performance of the birth and death events in terms of figures, it is worth noting that since 2008, the number of deaths has always been higher than that of births.

In particular, in 2013, 318,807 enterprises ceased to exist and 293,466 were created.

Performance of the number of births and deaths of enterprises (in thousands)



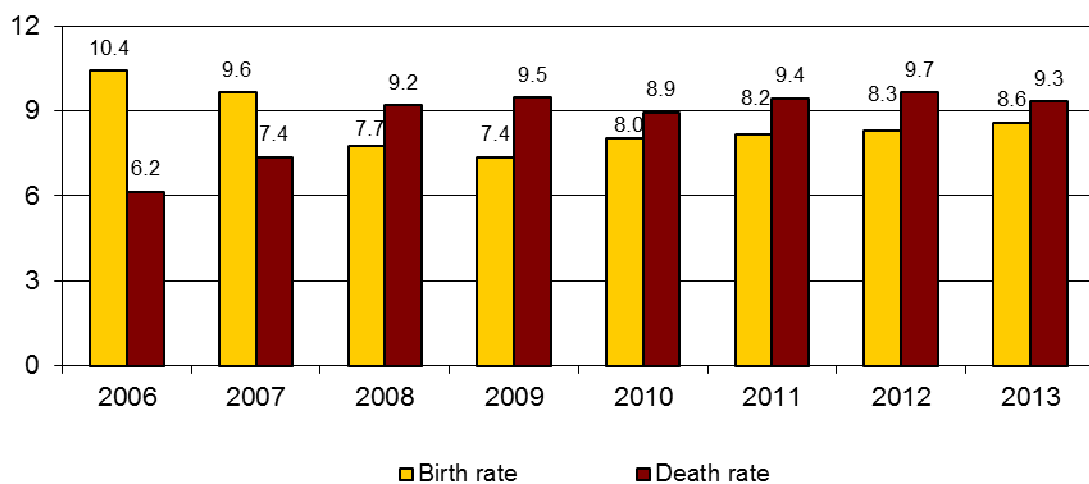
Net variation of births and deaths of enterprises (in thousands)



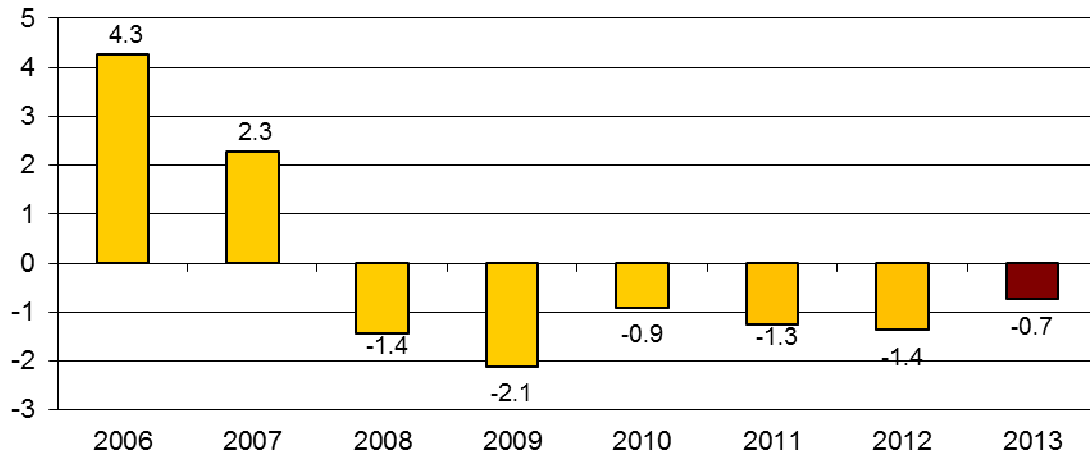
The following graphs offer a similar perspective, in this case considering rates for each birth and death case of enterprises and including the net rate.

In 2013, the net rate stood at -0.7% , while in 2012 was of -1.4% .

Performance of birth and death rates of enterprises (%)



Performance of the birth and death rate of enterprises (%)



Results by economic activity

The economic activities with the best business demographics balance in 2013 (identified by their greater positive net rate or difference between births and deaths) were *Administrative office activities and other business support activities* (6.4%), *Libraries, archives, museums and other cultural activities* (5.6%) and *Advertising and market research* (4.8%).

Activities with the highest net rate. Year 2013

CNAE-2009 divisions	Births	Deaths	Net rate (%)
Administrative office activities and other business support activities	15,426	9,212	6.4
Libraries, archives, museums and other cultural activities	443	275	5.6
Advertising and market research	5,436	3,501	4.8
Repair of computers and personal and household goods	4,085	2,728	4.4
Telecommunications	847	598	4.3
Education	11,328	7,591	4.3
Sports activities and amusement and recreation activities	3,890	2,742	3.7
Activities of head offices; management consultancy activities	1,652	1,047	3.3
Real estate activities	10,700	6,256	3.1

In turn, the activities with the worst business demographics balance (identified by their lower net rate) were *Architectural activities; technical testing and analysis* (–6.0%), *Legal and accounting activities* (–5.9%), *Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials* (–5.0%), and *Manufacture of furniture* (–5.0%).

Activities with the lowest net rate. Year 2013

CNAE-2009 divisions	Births	Deaths	Net rate (%)
Manufacture of motor vehicles, trailers and semi-trailers	72	133	-3.2
Manufacture of electrical equipment	95	170	-3.2
Construction of buildings	17,361	25,624	-3.2
Land transport and transport via pipelines	8,627	15,221	-3.5
Manufacture of basic iron and steel and of ferro-alloys	45	105	-4.3
Manufacture of other non-metallic mineral products	337	782	-4.4
Manufacture of furniture	794	1,536	-5.0
Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of st	476	1,087	-5.0
Legal and accounting activities	7,199	17,242	-5.9
Architectural activities; technical testing and analysis	8,775	16,285	-6.0

Results by number of wage earners

Nearly 97% of the enterprises that were born or died in 2013 had four or less wage earners.

In turn, 77.6% of the enterprises born and 68.5% of the enterprises that died had no wage earners.

The greatest difference between births and deaths of enterprises took place among companies with *one to four wage earners*, where there were more deaths than births of enterprises (with 32,145 units) and the net rate stood at -2.6%.

It is worth noting, that there were more births than deaths of enterprises with no wage earners, reaching a net rate of 0.5%.

Stock, births and deaths of enterprises, by wage earner bracket. Year 2013

	Total	Without wage earners	1 to 4 wage earners	5 to 9 wage earners	10 or more wage earners
Stock	3,417,758	1,895,560	1,221,824	175,183	125,191
Births of enterprises	293,466	227,682	57,208	6,724	1,852
Deaths of enterprises	318,807	218,466	89,353	8,280	2,708
Net variation	-25,341	9,216	-32,145	-1,556	-856
Birth rate (%)	8.6	12.0	4.7	3.8	1.5
Death rate (%)	9.3	11.5	7.3	4.7	2.2
Net rate (%)	-0.7	0.5	-2.6	-0.9	-0.7

Survival of births of enterprises

As may be observed, the first year of life is where the greatest decreases in units take place, with survival rates of 79.9% or lower.

Another noteworthy aspect is that the figures of the initial population in 2008 were reduced to less than half after four years of observation, something that was also experienced by the cohort of enterprises born in 2009.

The following table has been obtained using the time monitoring of the populations of enterprises born in a given year. The survival indicators have been calculated for a maximum period of five years.

Survivals of enterprises born since 2008 (%)

Year of birth	Year observed					
	2008	2009	2010	2011	2012	2013
2008	100.0	79.2	66.0	55.3	47.1	41.4
2009		100.0	79.9	65.3	53.8	46.3
2010			100.0	76.5	62.4	52.0
2011				100.0	75.8	61.8
2012					100.0	76.0

Enterprises ceasing to exist in their first years of life

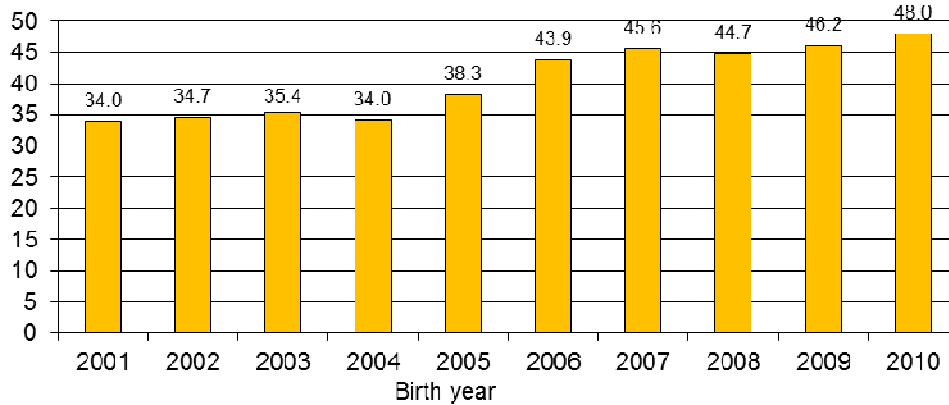
Analysing the loss of figures in greater detail, the following table quantifies the enterprises ceasing to exist in the first three years of their life, taking as a reference the cohorts of enterprises born in 12 consecutive years.

Enterprises ceasing to exist in their first year of life (%)

Cohorts	1st year of life	2nd year of life	3rd year of life	Accumulated
2012	24.0			
2011	24.2	14.0		
2010	23.5	14.1	10.4	48.0
2009	20.1	14.7	11.5	46.2
2008	20.8	13.2	10.8	44.7
2007	20.9	14.6	10.1	45.6
2006	17.4	15.3	11.3	43.9
2005	14.5	12.0	11.8	38.3
2004	15.5	9.3	9.3	34.0
2003	17.2	10.9	7.4	35.4
2002	14.2	10.2	10.3	34.7
2001	16.7	9.5	7.7	34.0
Average	19.1	12.5	10.0	40.5

Concerning the accumulated ceasing of enterprises in their first three years of life, it is observed that the mortality increases among enterprises born since 2005, while there is a slight decrease in mortality among the enterprises that were created in 2008.

Accumulated enterprises ceasing to exist in the first three years of life, by birth year (%)



Results by Autonomous Community

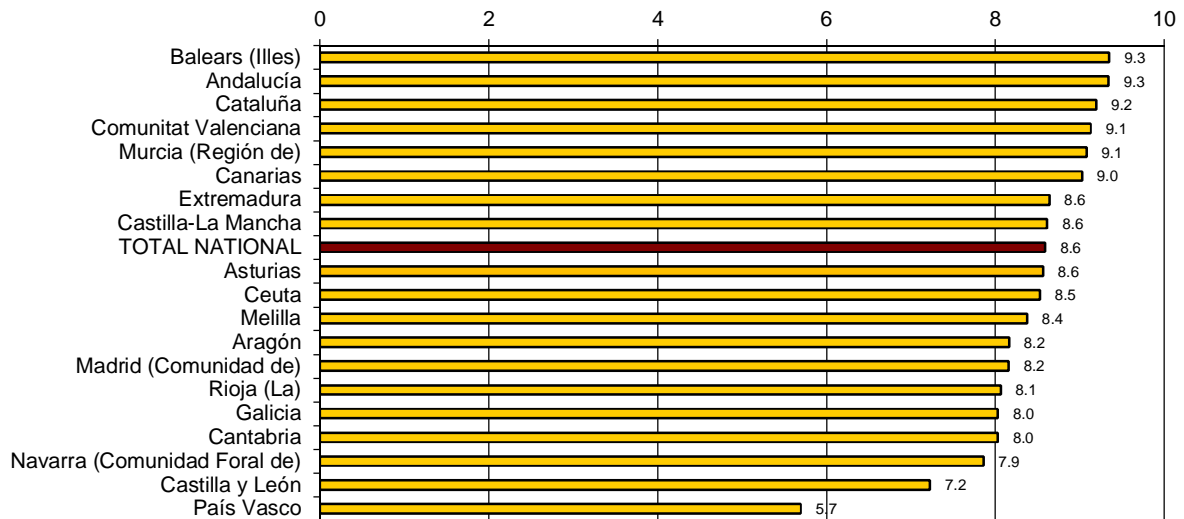
Considering the territory in which the enterprise headquarters were located, Illes Balears and Andalucía (both 9.3%) presented the highest birth rates in 2013.

In turn, País Vasco (5.7%) and Castilla y León (7.2%) registered the lowest rates of births of enterprises.

Stock, births and deaths of enterprises, by Autonomous Community. Year 2013

	Stock	Birth	Deaths	Net variation	Birth rate (%)	Death rate (%)	Net rate (%)
NACIONAL TOTAL	3,417,758	293,466	318,807	-25,341	8.6	9.3	-0.7
Andalucía	519,681	48,531	51,470	-2,939	9.3	9.9	-0.6
Aragón	94,355	7,698	7,748	-50	8.2	8.2	-0.1
Asturias	72,591	6,213	6,649	-436	8.6	9.2	-0.6
Balears (Illes)	93,722	8,759	9,450	-691	9.3	10.1	-0.7
Canarias	142,972	12,898	14,441	-1,543	9.0	10.1	-1.1
Cantabria	40,185	3,225	3,698	-473	8.0	9.2	-1.2
Castilla y León	171,171	12,363	14,700	-2,337	7.2	8.6	-1.4
Castilla-La Mancha	135,452	11,663	12,795	-1,132	8.6	9.4	-0.8
Cataluña	633,609	58,230	61,645	-3,415	9.2	9.7	-0.5
Comunitat Valenciana	369,375	33,706	38,426	-4,720	9.1	10.4	-1.3
Extremadura	69,216	5,979	6,609	-630	8.6	9.5	-0.9
Galicia	208,051	16,698	17,614	-916	8.0	8.5	-0.4
Madrid, Comunidad de	534,331	43,572	44,605	-1,033	8.2	8.3	-0.2
Murcia, Región de	95,522	8,669	8,972	-303	9.1	9.4	-0.3
Navarra, C. Foral de	44,073	3,463	3,126	337	7.9	7.1	0.8
País Vasco	161,490	9,192	14,084	-4,892	5.7	8.7	-3.0
Rioja, La	23,958	1,931	2,009	-78	8.1	8.4	-0.3
Ceuta	3,895	332	360	-28	8.5	9.2	-0.7
Melilla	4,109	344	406	-62	8.4	9.9	-1.5

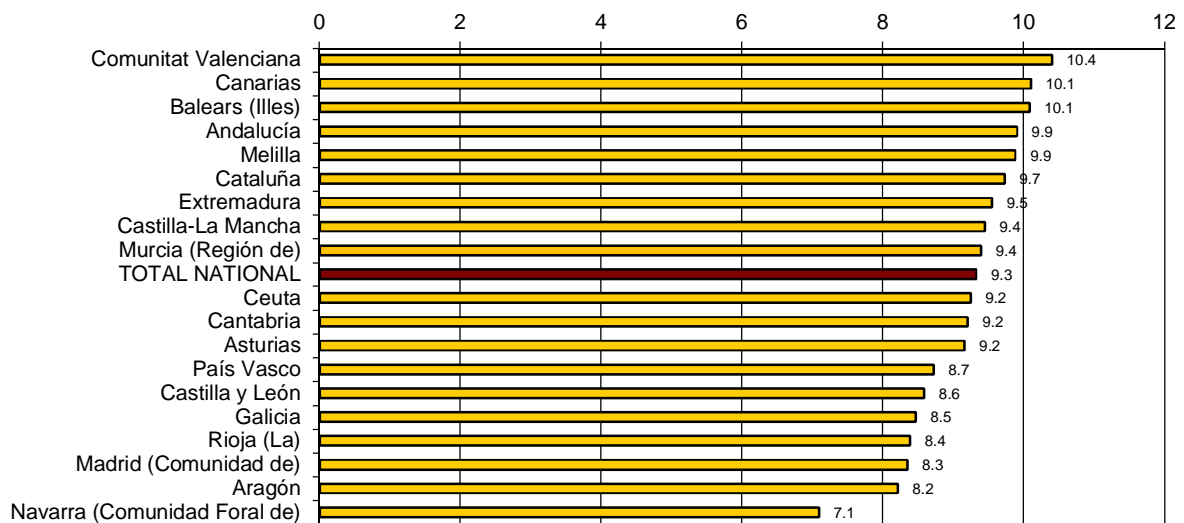
Classification of birth rate of enterprises by Autonomous Community (%)



The highest rates of deaths of enterprises were registered in Comunitat Valenciana (10.4%), Canarias and Illes Balears (both 10.1%).

The lowest rates were recorded in Comunidad Foral de Navarra (7.1%), Aragón (8.2%) and Comunidad de Madrid (8.3%).

Classification of death rate of enterprises by Autonomous Community (%)



Methodological note

The Business Demographics Indicators provide aggregated information relating to the population of enterprises implanted within the national territory, taking into consideration the aspects linked to business dynamism and applying a methodology agreed upon within the scope of the European Union. This information is integrated into the Harmonised Business Demographics statistical operation included in the 2015 Annual Statistics programmed.

In addition, the data obtained on a national level is meant to meet the legal requirements of Regulation (EC) No. 295/2008 regarding the structural statistics of enterprises.

The methodology provides the guidelines that enable identification of populations and generating indicators relating to the stock, births, deaths and survival of enterprises, through a harmonised statistical use of the Business Directories managed in Statistics Offices.

The delimitation of target populations of interest is obtained through an ordered set of procedures, of a diverse nature, designed in accordance with the principles of the harmonised methodology. Basically, the work is geared towards identifying the following aggregates:

- *Stock of enterprises.* –Set of units that have remained active during all or part of the year. The enterprises that are entered are those that remain active at the end of the period, as are those enterprises that have completely ceased their activities during said period.
- *Births of enterprises.* –Set of units that, over the course of the year, have created a combination of new production factors. There is no connection with other, previously existing enterprises.
- *Deaths of enterprises.* –Set of units that, over the course of the year, have dissolved all their production factors. There is no connection with other enterprises that may begin operating.
- *Survival of enterprises.* –Restricted to each birth cohort, this corresponds to the set of units that continue to be active in each of the following five years.

The harmonised demographic analysis is not limited to a simple quantification of the flows obtained in the updating processes of the Directories (see *Statistical Use of the Central Business Register*). The delimitation and tabulation of the set of legal units that enter, remain and leave each year is normally obtained using the movements detected in the administrative sources that provide the information, these providing a first preview of the renovation processes of units. Nonetheless, this starting point does not enable obtaining the harmonised demographics indicators directly.

The indicators proposed in the methodology quantify the relative importance of the phenomena of birth or death of enterprises within the Spanish business fabric. The survival phenomenon is similar, but taking as a reference the population of enterprises born, detected in the initial observation period.

The following shows the calculation procedure of those indicators.

Birth rate

$$TR_i^t = \frac{R_i^t}{N_i^t} \times 100$$

$R_i^t =$ Births of activity i in year t

$N_i^t =$ Stock of activity i in year t

Survival rate

$$TS_i^{t+k} = \frac{S_i^{t+k}}{R_i^t} \times 100$$

$S_i^{t+k} =$ Survival of activity i at the end of $t+k$, $k = 1, 2, \dots$

$R_i^t =$ Births of activity i in year t

Death rate

$$TD_i^t = \frac{D_i^t}{N_i^t} \times 100$$

$D_i^t =$ Deaths of activity i in year t

$N_i^t =$ Stock of activity i in year t

It must also be borne in mind that the data on enterprise deaths referring to 2013 is provisional, as the enterprises reactivated in 2015 cannot yet be identified, and these must be eliminated, according to the harmonised methodology.

Lastly, the National Statistics Institute would like to express its appreciation for the collaboration given by the different Public Bodies (Ministry of Labour and Social Security, State Tax Administration Agency, Department of Economy of Comunidad Foral de Navarra and Basque Statistics Institute), which supplied the basic data from which the Register has been generated, allowing for obtaining the indicators of this statistical operation.