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**PROFILING PRACTICES AND RELATED ISSUES (PROFILING OF PUBLIC
SECTOR UNITS, SPECIAL PURPOSE ENTITIES, ETC.)**

Use of profiling in the public sector in Switzerland

Note from the Swiss Federal Statistical Office

I. PRACTICAL PROFILING ESTABLISHED TO DATE IN SWITZERLAND

1. In 2001, during the business survey, the Swiss Federal Statistical Office (FSO) introduced profiling for some large enterprises and public administrations. The work in this field was done initially in response to the reactions of certain large enterprises which no longer wished to fill in large quantities of paper questionnaires when basic information could be found in their centralized personnel files.

2. The profiling that has so far been developed ensures the updating of structures and addresses in the Business and Enterprise Register (the Swiss BR); in the current situation, it provides quality assurance for the survey that serves as a basis for business statistics.

3. Furthermore, profiling makes it possible to communicate statistical data on employment for the business survey (BS) and the quarterly employment statistics (STATEM). It thus provides higher quality employment data.

II. PROFILING IMPROVES THE STATISTICAL SYSTEM'S HANDLING OF THE PUBLIC SECTOR

4. While the public sector represents a large part of the economy, because of some of its particularities it is difficult to collect and produce high quality statistics for it.

5. In Switzerland the use of profiling with a practical methodology adapted to these particularities has greatly improved the situation.

6. This method is based on the following:

A. Profiling ensures high-quality updating of the information in the Register on public services

7. For the Business and Enterprise Register, the usual administrative sources do not sufficiently update the information on public sector units. Profiling provides an overall solution to this problem by dealing with these units in direct cooperation with the public services concerned. This makes it possible to keep track of:

(a) The specific organizational structure of the public body in question;

(b) The location of establishments;

(c) The status of the various statistical units;

(d) Employment (information emanating from the two surveys mentioned above);

(e) Economic activity (NOGA, the General Classification of Economic Activities) at the establishment level.

8. Profiling thus ensures the **continuity** of such units in the Register. Precise rules are included in the Business and Enterprise Register to ensure that only the profiler who deals with a given public service can change the information in the Register on the corresponding units.

B. Profiling ensures information is handled uniformly in a federal State

9. Switzerland is a federal State. There are therefore several types of administrations - federal, cantonal, communal - as well as regional institutions.

10. All such public administrations are autonomously run, so they have to be handled individually.

C. Profiling takes organizational units into account

11. Profiling makes it possible to take into consideration and handle the various organizations specific to each public service.

12. Each organizational structure is analysed and dealt with in the Business and Enterprise Register according to the way in which the units in question are organized. The close cooperation involved in profiling makes it possible to keep constant track of the different ways such organizational units develop.

D. Profiling makes it possible to handle statistical units

13. The Business and Enterprise Register is based on a model (group unit, business unit, legal unit and local unit) corresponding to structures in the private sector.

14. This model cannot easily be applied as such to the public sector. For example, what place does the concept of a business have in a cantonal administration divided into different departments, themselves structured in “independent” units (services or directorates)? Bringing the Business and Enterprise Register to correspond with the actual situation in the public sector raises some serious problems. Furthermore, statistical needs now have to be met by handling units corresponding to economic activities, and no longer just units at the local level.

15. With the profiling method, the definitions of business, legal and local units are adapted to meet statistical needs as best possible.

16. To do so, the client’s cost centres (reflecting its organizational structure) must be brought to correspond with the units of the Register, and this can be done only as part of profiling.

E. Profiling ensures the necessary distinctions are made for economic analysis

17. As the national accounts apply the approach to sectors set out in ESA 1995 for their economic analysis it is important to assign economic institutions to the correct institutional sector.

18. In Switzerland, this is done based on a combination of the main activity and the legal form of the institution. For this reason, statistical system’s handling of the public sector must make it possible to distinguish between commercial and non-commercial public bodies. A distinction is thus made between governmental bodies and public enterprises.

19. It is, however, not so easy to apply theoretical definitions to the reality of the public sector. Profiling, thanks to the close cooperation it ensures with government and with the national accounts, ensures that such units are dealt with coherently.

F. Profiling can support individual statistics

20. Certain statistics produced by FSO on specific themes are based on data concerning specific government sectors. Education and health are excellent examples.

21. In such fields, definitions may sometimes vary slightly from those established by the Business and Enterprise Register. Profiling also makes it possible through pragmatic approaches to link such fields with existing structures in the Business and Enterprise Register. As a result, the entire system is more coherent and there is better coordination of data collection from such governments.

III. CURRENT PROFILING OF THE PUBLIC SECTOR: A FEW FIGURES

22. Since 2001 the following main units have been included in profiling:

Level	Number	Establishments*	Jobs*	Type of structure
Federal government	1	500	38 300	Very complex
Cantonal government	18 (of 26)	5 900	201 000	Complex
Communal government	10 (of 2 700)	1 500	36 000	Simple
Other public institutions	13	400	32 000	Simple

* Rounded figures.

23. There are over 307,000 jobs in these public bodies (representing about 55 per cent of overall public sector employment in Switzerland).

24. The aim is to profile the rest of the cantonal administrations by the end of this year. Communal governments in Switzerland are usually small and have simple structures. The 10 units already profiled are the largest cities (Zurich, Geneva, etc.), and are handled in the same way as the cantonal governments, as they too are complex and their structures are similar.

IV. DEVELOPMENT IN 2010 OF "LIGHT" PROFILING

25. For the remainder of the cantonal governments, FSO is planning to develop an Internet-based computer platform allowing it to perform "light" profiling. This platform should provide a communications channel between FSO and the communes, while at the same time offering simple and centralized procedures for collecting all statistics from such governments.
