

The Defects of the Present Statistical Principles of Legal Person Units and the Ways to Improve Them

-- Based on Economic Census

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Abstract

With the cross-industry and cross-region operation of the market subject becoming more and more common, the current statistical principle of "legal person on the ground" has become more and more unsuitable to the needs of the market economy, this paper analyzes on the defects of the statistical principle of the legal person unit, and in the light of these defects and shortages, advances some pertinent and constructive suggestions.

Keywords

Legal Entity; Statistical Principle; Defect; Improvement Path.

1. Introduction

With the improvement of international economic integration and globalization, the Party and government organs at all levels and all circles of society put forward higher requirements for statistical work, and the voice of statistical method system reform is higher and higher. At present, the cross-industry and cross-region operation of the main body of the market is becoming more and more common, and the current "legal person on the ground" statistical principle is not suitable for the demand of the market economy, and is also contrary to SNA accounting principle.

2. Current Statistical Principles of Legal Person Units

The current statistical principle of legal person units, that is, the statistical principle of "legal person on the ground", specifically means that each legal person unit shall submit statistical data to the local government statistical agency in accordance with the actual place of production and operation, industrial activity units shall be counted by the legal person units to which they belong, that is, the data of the industrial activity units to which a legal person unit belongs shall be included in the statistical report, the various indicators of a legal person unit include the data of the legal person at the corresponding level and the industrial activity units to which it belongs. China has not established the basic unit statistics for a long time. The establishment of the annual survey system of statistical survey units since 1993 is the beginning of this work. Over the past 30 years, after continuous exploration and improvement, the principle of using legal person units as the basic statistical units in statistical surveys has not changed significantly, and it is stipulated that statistical units should be counted according to the principle of locality, easy to operate and "not heavy leak.". Articles 8 to 16 of the measures for the division and specific treatment of statistical units contain detailed provisions on the basic principles of current statistics conducted by statistical units in accordance with the existing principles.

3. An Analysis of the Advantages and Disadvantages of the Current Statistical Principles of Legal Person Units

3.1. Merit Analysis

First, a legal person unit is established according to law, has its own name, organization and place, has clear civil liability, is easy to find, locate and communicate, and is easy to report; second, based on the operational needs of a legal person unit, the financial system is relatively sound, equipped with full-time or part-time financial personnel, the accounts are relatively standardized, and obtaining source data is truly standardized; third, legal persons uniformly fill in the data of their subordinate industrial units, reduce the turnover links, and improve the efficiency of data acquisition, ensure data integrity and timeliness.

3.2. Analysis on the Defects of the Current Statistical Principles of Legal Person Units

3.2.1. Causing Serious Duplication of Statistics, Contrary to the Original Intention of the Economic Census, not Conducive to the Accuracy of the Data

One is the subordinate industrial unit income repeated statistics or missing statistics, on the quality of data. If there are 116 industrial activity units under a legal person unit, of which 69 are in other cities and cities in the province, 46 are in other counties and cities in the city, and one is in this county, at the stage of data registration, when the legal person unit counts the income data of the industrial units under it, three other counties and urban areas in the city duplicate statistics, involving revenue of 750,000 yuan, other provinces and cities 2 industry unit revenue, involving 560,000 yuan. At the same time, it is difficult to verify the income indicator data in the work of cross-regional legal registration. In the multi-industry legal entity of consolidated statements, there are repeated statistics among subordinate industrial units, industrial chain units and cross-regional business units, resulting in inaccurate income acquisition of industrial activity units. Second, the repeated work phenomenon is prominent, the work load increases, is disadvantageous enhances the work efficiency. Legal Person, property table two-way registration, resulting in the duplication of the workload. Four by the whole city registered 846 legal entities, need to increase the registration of this department, the increased workload accounted for 1.4% , the national category of 2.2% . Third, the law-related Units cross-regional Query, audit, error correction work duplication. In the economic census, the most difficult audit of Legal Property Association is carried out after the entry of legal persons and subordinate industrial units. The time for registration varies from place to place, and communication and coordination is more difficult, causes the related audit work to be repeated.

3.2.2. From the Accounting Point of View, is not Conducive to Sub-industry Sub-regional Accurate Accounting

The current statistical principle of the legal person unit is that the data of the legal person includes the data of the industrial activity units which operate in different places, while the industrial activity units in the actual places of operation can not be counted in their places of operation. According to the fourth economic census, the operating income of the local industrial units of Binzhou Incorporated overseas was \$1.08 billion, while the operating income of units incorporated overseas was \$18.25 billion. The impact on GDP was 6.5% . It is very difficult to obtain accurate data of industrial units in different industries. It is very difficult to obtain accurate data of industrial units in different industries. Quite a number of units that operate across different industries have their industrial activity units engaged in business activities that are different from those of legal persons. According to the current principles of statistics on legal persons, the business activities of industrial units can not be reflected, often according to the main business is divided into the industry attributable to the legal person. For example, in

the Economic Census Register, an industrial legal person enterprise contains several units of industrial activity, the main activities of which are industrial, and its subordinate industrial activity units include four non-industrial activity units, such as service industry units and trade industry units. According to the current statistical principles, the output value of these industrial activity units is classified as industry, it can not be reflected in the service industry and trade, and the industrial structure can not be counted accurately.

3.2.3. Emerging Economies can not be Fully Embodied

In the statistical practice of grass-roots units, the current principles of corporate unit statistics have not kept pace with the new changes in statistical units in the 2008 SNA. Since statistical units are not grass-roots units, they can not provide the smallest units of required data, in order to ensure the homogeneity of economic activities and their geographical distribution, the complex legal property units can only reflect the main activities of legal persons and the industries to which they belong, while the diversity of the business activities of the industrial activities units under them can not be reflected. On the basis of traditional economic subjects, emerging economy has the characteristics of cross-industry and cross-industry, and it is also related with some economic subjects. It is difficult to reflect the actual product structure and operating condition of a unit by using the Industry Code belonging to the legal person to define the type of operation. Therefore, it is impossible to separate the economic activities with the characteristics of the emerging economy from the traditional economic activities and to reflect the development of the emerging economy accurately and comprehensively. It can be seen that according to the present statistical principle of the legal person units in our country, the operating results of different industrial activity units within the legal person units are simply added together, and the statistics are made according to the main business operations, resulting in the "new economy" industries being covered up by the traditional economy, it is difficult to accurately reflect the current situation of the new economic development.

4. An Analysis of the Advantages and Disadvantages of Using Industrial Activity Units as Basic Statistical Units

4.1. Merit Analysis

One is to avoid the "great unification" of data of different industries and regions, to better clarify the industry ownership of units, to truly and accurately reflect the actual structure and size of industries, and to better reflect the "three new" economy; Second, the principle of "local statistics" has really been realized, especially the regional data of the construction industry can really be reflected in the place of business operations, which is also consistent with the territorial principle of taxation by the tax authorities. Third, it is in line with the International 2008 SNA, can Better meet the accounting requirements, to ensure the accuracy and reliability of basic information; Fourth, can further address cross-regional cross-sectoral lead to the negative impact of duplicate statistics.

4.2. Defect Analysis of Taking Industrial Activity Unit as Basic Statistical Unit

4.2.1. Increased the Statistical Workload, Resulting in a Waste of Resources

In the fourth economic census of Binzhou, there were 6,696 registered units of industrial activity. The number of survey indicators required for each unit has increased by at least 10. This table alone has increased by 66,960 indicators, in addition to the employees to be filled in and other forms such as major economic indicators, the workload has increased n-fold, and it will take a certain amount of manpower, material and financial resources to collect statistical data and divide and so on, greatly increase the workload of statistical workers, resulting in waste of resources.

4.2.2. The Statistical Data of Industrial Activity Unit Lacks Reliable Support

Based on the phenomenon of legal persons having more than one name and more than one certificate, the units of industrial activities to which they belong will often have "more names and more certificates with one output" for reasons of survival and development, thus, the number of units of industrial activities or the scale of false increase. Some units of industrial activities do not have independent finance or full-time and part-time finance personnel. When they fill in the forms of industrial activity units, they often fill in the forms repeatedly or at random, resulting in the lack of quality assurance of the data they provide.

4.2.3. The "Life and Death" of Industrial Activity Units are Arbitrary

The establishment, dissolution, cancellation and merger of industrial activity units are managed by the legal entity to which they belong. In the Economic Survey and research found that a trade legal person, in order to enjoy various policies and tax concessions, registered a number of industrial activities units, responsible for the local coal wholesale business, a year later, all kinds of preferential policies expire, immediately cancelled. It can be seen that the life of industrial activity units is not only short, but also the continuity and comparability of their financial and statistical data are relatively poor, which is not conducive to the collection and analysis of statistical data.

5. The Improvement Path of the Current Statistical Principle of Legal Person Unit

The survey object of both the Legal Person Unit and the industrial activity unit is changed from the traditional legal person unit as the main body to the legal person unit and the industrial activity unit as the main body. It is envisaged that: enterprises with a single output as legal persons shall be counted in accordance with the principle of legal persons; multi-productive legal persons whose places of production and business operations are located within their respective regions, whose industries are single, and whose ownership of statistics is clearly defined as legal persons shall be counted in accordance with the principle of legal persons; their organizational structures are complex and their levels are many; For enterprises involving multi-level legal persons, multi-industry activity units and enterprises operating across regions or industries, statistics shall be made according to the principle of industrial activity units, as long as cross-regional operations, financial independence, can normally pay tax units of industrial activities are based on the principle of industrial activities unit statistics. The practice of attaching equal importance to statistics of legal property is in fact a combination of the two methods of statistics of legal entities and statistics of units of industrial activity, thus avoiding the defects and drawbacks of adopting a single legal entity or unit of industrial activity, it is the inevitable trend of the next unit statistic principle reform.

Pay Equal attention to statistics of law and production not only conforms to the situation of our country, but also integrates well with the 2008 SNA. As a mature market economy country, the statistical principles adopted by its comprehensive statistical department should be in line with China's national conditions and the current situation of its statistical units, and should not copy international standards. On this basis, with an open attitude to learn from foreign advanced statistical theory. The statistics with equal emphasis on law and production is not only in line with the status quo of cross-industry and cross-region development in Chinese enterprises, but also in accordance with the resident units as accounting objects in the 2008 SNA.

Paying equal attention to statistics of law and property overcomes the disadvantage and contradiction of using single legal person unit or industrial activity unit as statistic unit. It can solve the problem of cross-industry and cross-region duplicate statistics, and improve the quality of statistical data. It can accurately divide the industry data and meet the requirements of grading accounting, and can truly reflect the actual structure and scale of each industry It is

conducive to the study of the organizational forms of enterprises, industrial structure and changes in emerging business forms, and to ensure that the "three new" economy is not repeated or omitted.

The fourth economic census and the construction of the basic unit list database have laid a good foundation for the implementation of laying equal stress on statistics. The fourth economic census set up a special survey on the organizational structure of enterprises and a special survey on the organizational structure of enterprises, this paper makes a detailed survey and registration on the indexes of legal person and industrial activity units, and finds out the relationship between legal property and the operation of complex enterprises across regions and industries. At present, a comprehensive, timely and accurate list of basic units has been established, and has been fully updated and maintained using the four classics. All of these lay a good foundation for the enforcement of equal emphasis on statistics. Because both the "one set of tables" and the basic list of units are carried out through the national data platform, the next step is to put equal emphasis on statistics of law and property on the basis of economic census data and the list database, the relevant data can be extracted and fused by computer technology, in fact, it does not add too much work to the grass-roots statisticians.

Carrying out the law and property equally pays attention to the statistics, breaking the principle of the statistics of the registered place of the construction industry, is advantageous to the overall statistics of the local construction industry output value. According to China's relevant regulations on statistics, the construction industry is counted according to the place of registration. For example, the industrial activity units under the China Construction group carry out business in many areas, although the output value of the projects they undertake is large and influential, however, statistical principles do not allow the inclusion of data from local statistical offices. In accordance with the principle of attaching equal importance to statistics, it is suggested that the unit output value of industrial activities with relatively independent finance and tax payment should be incorporated into local statistics. According to the data of the fourth economic census, the 31 companies that belong to legal persons in the city but have industrial units outside the city earn 340 million yuan in operating units; the 63 companies that belong to legal persons outside the city but have industrial units in our city, operating units income of 140 million yuan, according to the principle of paying equal attention to statistics, will drive the city's construction industry output value growth of 1.4 percentage points.

6. Conclusion

With the development of the market economy, the cross-border integration and mixed operation of the business model, especially in the face of the new economic characteristics of various economic factors, such as embedded, radiating and integrated, the drawbacks of the principle of statistics of a single legal person are becoming more and more obvious, difficult to adapt to statistical needs. In order to avoid the duplication and the omission in the statistics, to find out the economic aggregate and the data of the sub-regions and sub-sectors, and to accurately grasp the national economic operation situation, it is imperative to pay equal attention to the statistics of the Legal Person Unit and the industrial activity unit. The Fourth Economic Census and the pilot project of attaching equal importance to statistics of legal person units and industrial activity units carried out by the National Bureau of Statistics of the People's Republic of China in Anhui and other provinces have accumulated experience and laid a solid foundation for the full implementation of attaching equal importance to statistics of legal property. The full implementation of attaching equal importance to both law and production is a milestone in the reform of China's statistical method system, which will give full play to the function of information, consultation and supervision.

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