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- Australian Business Number (ABN)** The Australian Business Number (ABN) is a unique business entity identifier introduced to assist with dealing with the Australian Government. An entity is entitled to an ABN if it meets one of the following criteria:
- carrying on an enterprise in Australia or in the course of furtherance of carrying on an enterprise, you make supplies that are connected with Australia;
  - a Corporations Act Company;
  - a Government entity, a non profit sub–entity or a superannuation fund as if it were an entity carrying on an enterprise in Australia; or
  - a religious practitioner.
- The ABN is the statistical unit used to represent businesses, and for which statistics are reported, in most cases. The ABN unit is the business unit which has registered for an ABN, and thus appears on the Australian Taxation Office (ATO) administered Australian Business Register (ABR). In most cases, the ABN unit represents the legal entity. This unit is suitable for ABS statistical needs when the business is simple in structure. For more significant and diverse businesses where the ABN unit is not suitable for ABS statistical needs, the statistical unit used is the Type of Activity Unit (TAU).
- Australian Bureau of Statistics Business Register (ABSBR)** The ABSBR is a register of all Australian businesses and contains identifying and classificatory data for each business. Information to populate the register is largely sourced from the ABR. The ABSBR is used as a source for survey frames and counts.
- The ABSBR consists of two sub populations, namely the profiled population and the non profiled population. The ABSBR uses an economic statistics unit model to describe the characteristics of businesses and the structural relationships between related businesses. For details, refer to paragraphs 6 to 10 of the Explanatory Notes.
- Australian and New Zealand Standard Industrial Classification (ANZSIC)** Businesses have been classified according to their description of activities. Businesses are coded to industries in the Australian and New Zealand Standard Industrial Classification 2006 (ANZSIC06) which is a classification system for grouping producing businesses (of both goods and services) in Australia and New Zealand to permit comparability of data. Within ANZSIC, there is a structure comprising four levels ranging from industry division (broadest level) to the industry class (finest level). For more information, users should refer to the Australian and New Zealand Standard Industrial Classification 2006 (cat. no. 1292.0).
- Australian Standard Geographical Classification (ASGC)** The Australian Standard Geographical Classification (ASGC) is the former classification used to disseminate ABS business counts data. However, this has now been replaced by the Australian Statistical Geography Standard (ASGS). Please refer to section entitled 'Australian Statistical Geography Standard' for further information.
- Australian Statistical Geography Standard (ASGS)** The ASGS is the new geographical framework used by the ABS. It brings together all regions for which the ABS publishes statistics within the one framework and will be used for the collection and dissemination of geographically classified statistics from 1 July 2011.
- The ASGS replaces the ASGC, which will no longer be produced. While there are superficial similarities between the ASGS and the ASGC, it is important to recognise that the two are fundamentally different and there are significant differences between their respective regions, both in their geographical extent and their conceptual foundation. As a whole, the ASGS represents a more comprehensive, flexible and consistent way of defining Australia's statistical geography than the ASGC. For further information to assist users move from the ASGC to the ASGS please refer to the ABS website <[www.abs.gov.au/geography](http://www.abs.gov.au/geography)>.
- With the move to the new geography framework, State based data will remain unchanged, however sub State data will be affected, as it will now be produced using the new ASGS. In terms of business counts data, the base unit of the ASGS will be the Statistical Area Level 2 (SA2). This SA2 data will replace the previously published SLA

## GLOSSARY *continued*

**Australian Statistical  
Geography Standard (ASGS)**  
*continued*

business counts data. Please refer to section entitled 'Statistical Area Level 2' for further information.

**Business**

For the purposes of the Counts of Australian Businesses including Entries and Exits (CABEE) publication, a business is defined as 'a legal entity engaging in productive activity and/or other forms of economic activity in the market sector. Such entities accumulate assets on their own account and/or hold assets on behalf of others, and may incur liabilities. Excluded are the economic activities of individuals (except where individuals engage in productive activity either as sole traders or in partnership) and entities mainly engaged in hobby activities'. For more information on the ABS definition of a business, users should refer to Information Paper: A Statistical View of Counts of Businesses in Australia (cat. no. 8162.0).

In line with this definition, the business counts in this publication are derived from the ABSBR. The starting point is all economically active entities in Australia. From here, various entities are excluded, such as those without an active ABN, those without an active GST role, those no longer actively remitting Goods and Services Tax (GST) and those not operating in the market sector. These exclusions aim to ensure that only those businesses who are actively trading in the economy are included in the counts. Please refer to the section entitled 'Conceptual and Practical Basis for Counts' of this publication for further information.

The statistical unit referred to as a 'business' consists of ABNs from the non profiled population and TAUs from the profiled population.

**Business Entry**

A business which has newly registered for an ABN and which has a GST role allocated. Business entry rates are calculated by taking the total business entries during a financial year divided by the total businesses operating at the start of the financial year, multiplied by 100.

**Business Exit**

A business for which the ABN or GST role has been cancelled and/or which has ceased to remit GST for at least five consecutive quarters. Business exit rates are calculated by taking the total business exits during the financial year divided by the total businesses operating at the start of the financial year, multiplied by 100.

It should be noted that a business exit event does not necessarily equate to a business 'failure'. For details, refer to paragraphs 34–36 of the Explanatory Notes.

**Business Survivor**

A business which was actively trading in year xx and continued to be trading in year xx+n.

**Client Activity Centre**

The Client Activity Centre (CAC) is the level where all client contact with the ATO happens. For small businesses that have registered for GST purposes only, they will probably not realise there is a difference between the ABN and the CAC. Most of the roles can be included in one CAC. The ATO determines how best to set the structure up for reporting purposes.

Each ABN has at least one CAC attached to it, from which tax obligations are assessed. A Client Activity Centre (CAC) can have a number of roles with each role representing a specific taxation obligation. There are currently nine different roles:

- DAFG – Diesel and alternative fuels grant scheme (invalid from July 2003);
- ITIP – Income Tax Instalment Payer;
- GSTP – Goods & Service Tax Payer;
- ITW – Income Tax Withholding;
- WETP – Wine Equalisation Tax Payer;
- EGCS – Energy Grants Credit Scheme (valid from July 2003, replaces DAFG and DFRS);
- DCIP – Deferred Company Instalments;
- DGST – Deferred Goods and Services Tax;
- FBTI – Fringe Benefits Tax Instalments; and

## GLOSSARY *continued*

<b>Client Activity Centre</b> <i>continued</i>	<ul style="list-style-type: none"><li>■ LCTP – Luxury Car Tax Payer.</li></ul>
<b>Employment size ranges</b>	<p>For the purposes of the CABEE publication, businesses are categorised as:</p> <ul style="list-style-type: none"><li>■ Employing businesses:<ul style="list-style-type: none"><li>■ employment of 200 or more persons;</li><li>■ employment of 20 to 199 persons;</li><li>■ employment of 5 to 19 persons;</li><li>■ employment of 1 to 4 persons; or</li></ul></li><li>■ Non–employing businesses.</li></ul> <p>The methods used to quantify employment for Australian businesses in ABS economic statistics are based on the concept of a 'headcount', rather than a measure of Full Time Equivalent persons. For further information, refer to paragraphs 53–57 in the Explanatory Notes.</p> <p>In the non profiled population, businesses with an active Income Tax Withholding (ITW) role are considered to be employing, resulting in some employing businesses having zero employment.</p> <p>Employing businesses in the non profiled population that have not remitted Business Activity Statement (BAS) data for their ITW role for five consecutive quarters prior to the reference period are deemed to be long term non remitters. These businesses are counted as non–employing businesses.</p>
<b>GST Role</b>	A business entity having a role in producing or distributing goods or providing services.
<b>Industry</b>	See the entry for 'Australian and New Zealand Standard Industrial Classification'.
<b>Industry class</b>	At the industry class level, the activities of businesses are narrowly defined and recognised by a four digit code, e.g. Industry Class 3911 for Car Retailing.
<b>Industry division</b>	The main purpose of the industry division level is to provide a limited number of categories which give a broad overall picture of the economy. There are 19 divisions within ANZSIC06 each identified by an alphabetical letter, that is, 'A' for Agriculture, Forestry and Fishing, 'B' for Mining, 'C' for Manufacturing, etc.
<b>Industry group</b>	This is the intermediate level within an industry division of ANZSIC and is recognised by a three digit code, e.g. Industry Group 391 for Motor Vehicle Retailing. It gives more detail than the industry subdivision and is created in a way that groups like industry classes together.
<b>Industry subdivision</b>	This is the broadest level category within an industry division of ANZSIC and is recognised by a two digit code, e.g. Industry Subdivision 39 for Motor Vehicle and Motor Vehicle Parts Retailing. Industry subdivisions are built up from industry groups which, in turn, are built up from industry classes.
<b>Inflow</b>	The count of surviving businesses that moved into a different size range (i.e. an employment or turnover size range) from another range in the previous year. This does not include entries & exits.
<b>ITW Role</b>	A business which employs and pays a salary to (or plans to employ and pay a salary to) one or more persons, is required to register as such with the ATO. These business are required to deduct payments from salaries and wages to their employees and send the amounts to the ATO. This is known as Pay As You Go (PAYG) tax.
<b>Main business address</b>	The main business address of a business relates to the physical address where the main business activity takes place. The individual addresses of businesses with multiple locations are not available.
<b>Main State</b>	For businesses in the non profiled population, main State refers to the State or Territory of the main business address. For businesses in the profiled population, main State refers to the State or Territory with the highest employment.

## GLOSSARY *continued*

<b>Multi State</b>	Refers to those businesses which operate from locations in more than one State or Territory.
<b>Net movement of surviving businesses</b>	The net count of surviving businesses for each size range (i.e. employment or turnover size ranges). The net movement of surviving businesses is calculated by subtracting the total outflow at the end of the financial year from the total inflow at the end of the financial year.
<b>Non–employing business</b>	A business without an active Income Tax Withholding (ITW) role or which has not remitted ITW for five consecutive quarters.
<b>Non Profiled Population</b>	One of two business populations of the ABSBR. The vast majority of businesses are in the non profiled population. These businesses have simple structures and the unit registered for an ABN satisfies ABS statistical requirements. As such, one ABN equates to one business. For more details, refer to paragraphs 6 to 10 of the Explanatory Notes.
<b>Operating at end of financial year</b>	The count of businesses operating at the end of the financial year, also referred to as 'closing stock'.
<b>Operating at start of financial year</b>	The count of businesses operating at the beginning of the financial year, also referred to as 'opening stock'.
<b>Outflow</b>	The count of surviving businesses that have moved out of a size range (i.e. an employment or turnover size range) into another range. This does not include entries & exits.
<b>Profiled Population</b>	One of two business populations of the ABSBR. This population is comprised of a relatively small number of businesses who have a large, complex structure and the ABN unit is not suitable for ABS statistical purposes. As such, the ABS maintains its own unit structure through direct contact with these businesses. In the profiled population, a type of activity unit (TAU) equates to one business. For more details, refer to paragraphs 6 to 10 of the Explanatory Notes.
<b>Single State</b>	Refers to a business which operates from locations in only one State or Territory.
<b>Standard Institutional Sector Classification of Australia (SISCA)</b>	SISCA is the central classification among ABS Standard Economic Sector Classifications. It is based on the System of National Accounts 2008 (SNA08) institutional sector classification, and includes the following sectors: non–financial corporations, financial corporations, general government, households, not for profit institutions serving households, and rest of the world (which includes only non–resident units, these being excluded from all other sectors). For more information, users should refer to the Standard Economic Sector Classifications of Australia (SESCA) (cat. no. 1218.0).
<b>Statistical Area 2 (SA2)</b>	<p>The Statistical Area Level 2 (SA2) is a general purpose spatial unit. It is the base spatial unit used to disseminate ABS business counts data, and replaces the previous Statistical Local Area (SLA). In aggregate, SA2s cover the whole of Australia without gaps or overlaps.</p> <p>Sub State level data cubes will be released using SA2 as the base spatial unit. The SA2 data cubes replace the previously published SLA based data cubes.</p>
<b>Statistical Local Area (SLA)</b>	The SLA is the former base spatial unit used to disseminate ABS business counts data. However, with the move to the new ASGS, SLA business counts data will no longer be produced. Instead, the base spatial unit will be that of the SA2. Please refer to the sections entitled 'Australian Statistical Geography Standard' and 'Statistical Area Level 2' for further information.
<b>Turnover</b>	The total revenue generated by a business from the provision of goods and services for a given accounting period.



## GLOSSARY *continued*

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<b>Type of Activity Unit (TAU)</b>	The TAU, residing in the profiled population, is comprised of one or more business entities, sub entities or branches of a business entity within an enterprise group that can report production and employment data for similar economic activities when a minimum set of data items are available. For further information, refer to paragraphs 6–10 of the Explanatory Notes.
<b>Type of Legal Organisation (TOLO)</b>	All legal entities on the ABSBR are classified according to their Type of Legal Organisation (TOLO). Examples of types of legal entities recognised for statistical purposes are companies, partnerships, trusts, sole proprietorship, government departments and statutory authorities. TOLO indicates whether a business is part of the private or government sector and the type of ownership structure it has.
<b>Unincorporated Entity</b>	An unincorporated entity is an entity which has not become a corporation under the Corporation Act 2001. Unincorporated entities can choose to remain 'unincorporated', where by the business does not possess a separate legal identity to that of its owner, or it can choose the limited liability status of a company where the business assets are legally separate to that of the owners.





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