

03 February 2021



Experimental statistics – Company Demographic Profile
First, second and third quarter 2020

More than 17% of the employer legal units found at the beginning of 2020 and almost 11% of self-employed workers were deregistered at the end of the third quarter

A total of 16.3% of the units had at least one employee enrolled in ERTE in the third quarter, compared to 15.6% at the end of the second and 22.7% at the end of the first

A total of 26.3% of the legal units that were deregistered in the first quarter were reactivated in the second

The experimental statistics of the Company Demographic Profile arise from the need for more frequent information - especially during the crisis generated by the COVID-19 pandemic - regarding the creation, survival, reactivation and dissolution of companies, as well as their characterization by variables classification; particularly those related to the Temporary Workforce Reduction Scheme (ERTE), economic activity, size or sociodemographic characteristics for self-employed workers.

The operation focuses on two populations of interest: employer legal units and self-employed workers. Both include different series of data on the *stocks* in each quarter and the flows that occurred between successive quarters.

The coverage by economic activities is identical to that used for the Statistical Use of the Central Enterprise Register (DIRCE). Agricultural, livestock and fishing activities, administrative services of public administrations, activities of households that employ domestic staff and extraterritorial organizations are therefore excluded.

Almost 1.2 million employer legal units and more than 2.9 million self-employed persons

The analysis focuses on nearly 1.2 million employer legal units and more than 2.9 million self-employed workers affiliated with Social Security detected at the beginning of 2020.

The basic information used to obtain these indicators is the Registry of Contribution Accounts and the Registry of Self-Employed Workers (RETA). Social Security sends this information to the INE thanks to a collaboration agreement between the two institutions.

These sources were complemented with files on workers covered by ERTE, which the State Public Employment Service periodically sends to the INE. Statistical information derived from the Municipal Register and the DIRCE has also been used.

Quarterly flows of the employer legal units

Starting from a population of 1,190,870 legal employing units at the beginning of 2020, it was particularly affected in the first quarter, with a net growth rate (difference between registrations and registrations with respect to the total population) of -7.1% .

In the second quarter there was a slight recovery (rate of 3.3%), which moderated in the third (rate of 0.7%).

Regarding employment, the most important incidence of ERTE also occurred in the first quarter. At the end of the first quarter, 22.7% of the units had a worker in this situation. In total, more than 140,000 units lost their entire workforce throughout the first quarter. However, 26.3% of these rehired workers and were still employed at the end of the second quarter (reactivations).

Employer legal units. Data for the first three quarters of 2020

Year 2020	Incomings		Stays		Reactivations		Outgoings
	Without ERTE	With ERTE	Without ERTE	With ERTE	Without ERTE	With ERTE	
First quarter	43,249	9,085	809,057	241,347	0	0	140,466
Second quarter	44,012	963	882,283	177,095	36,407	493	43,360
Third quarter	55,384	47	898,033	187,020	8,697	288	56,200

Quarterly flows of self-employed workers

At the beginning of 2020 there were 2,997,941 self-employed workers. As with the employing legal units, the greatest impact was recorded in the first quarter, with almost 60,000 fewer at the end of that period, which represented a net rate of -1.9% .

In the second quarter there was a slight recovery, with a rate of 0.8% , and in the third there was hardly any change.

14.0% of the 190,000 self-employed workers in the first quarter were high again at the end of the second (reactivations).

Self-employed workers. Data for the first three quarters of 2020

Year 2020	Incomings	Stays	Reactivations	Outgoings
First quarter	130,893	2,807,861	0	190,080
Second quarter	63,733	2,872,111	26,555	66,643
Third quarter	97,476	2,860,164	5,465	102,235

General survival indicators for employing legal units

Survival indicators are calculated as a percentage of the total workforce that persist at the end of each trimester in relation to the initial number of the cohort.

After the first three quarters of 2020, the cohort of employer legal units with reference to January 1 has lost more than 17% of its workforce.

The most critical quarter was the first, with a loss of 11.8% of personnel (88.2% survived). In the following quarters, the rates of losses slowed down, both for the initial cohort, and for the cohorts that began in the second and third trimesters.

Survival indicators of employing legal units

Cohorts	Total units	Monitoring quarters		
		Quarter 1 (%)	Quarter 2 (%)	Quarter 3 (%)
1 january 2020	1,190,870	88.2	85.2	82.6
1 april 2020	1,102,738	96.1	92.7	
1 july 2020	1,141,253	95.1		

Legal units under ERTE

Access to ERTE has been a widely used tool since the beginning of the pandemic. The April 1 and subsequent cohorts already have this additional information, serving as the basis for a more detailed analysis of survival.

The following table classifies the available cohorts based on this variable, with survival indicators for each category. The contribution of this instrument to the survival of the units has represented a differential of at least three points with respect to the population not receiving ERTE.

Thus, of the cohort on April 1, 98.7% of the units receiving ERTE survived in the first quarter, compared to 95.3% of those that did not use this measure.

And of the July 1 cohort, the survival percentage of the units that used an ERTE was 97.7%, compared to 94.6% of those that did not avail themselves of this type of employment regulation file.

Survival indicators of employing legal units according to ERTE

Cohorts	Classification by ERTE	Total units	Monitoring quarters	
			Quarter 1 (%)	Quarter 2 (%)
1 april 2020	Total	1,102,738	96.1	92.7
	With ERTE	852,306	95.3	91.7
	Without ERTE	250,432	98.7	96.3
1 july 2020	Total	1,141,253	95.1	
	With ERTE	962,702	94.6	
	Without ERTE	178,551	97.7	

Size of legal units

The number of employees is another determining factor of survival. The following table takes the initial cohort and presents the survival indicators in the successive follow-up quarters, classifying the starting population according to the strata of wage earners at the beginning of the year.

A high correlation is observed between the number of employees and the probability of survival. Thus, legal units with fewer than six employees have the lowest indicators (85.3% in the first quarter, 81.6% in the second, and 78.5% in the third quarter). In contrast, units with more than 250 employees present survival rates close to 99% at the end of the third quarter of follow-up.

Survival indicators of employing legal units according to employee stratum

Size classes	Cohort: 1 January 2020	Survivals first quarter	Survivals second quarter	Survivals third quarter
		(1 April 2020)	(1 July 2020)	(1 October 2020)
		%	%	%
Total	1,190,870	88.2	85.2	82.6
1 to 5 employees	886,684	85.3	81.6	78.5
6 to 9 employees	125,748	95.2	93.7	92.3
10 to 99 employees	164,940	97.6	96.7	95.8
100 to 249 employees	8,715	99.1	98.7	98.1
250 and more employees	4,783	99.6	99.3	98.8

Sex and age of the self-employed

36.4% of the self-employed as of January 1, 2020 were women. By age, 32.0% of the total were between 40 and 49 years old.

It is worth noting the representativeness of young women. The group from 30 to 39 years old accounted for almost 40% of the total self-employed in that age range.

Self-employed workers by sex and age range

Data as of January 1, 2020

Age	Both genders	Mens(%)	Women(%)
Total	2,997,941	63.6	36.4
Less than 30 years	156,708	62.5	37.5
30 to 39 years	548,319	60.2	39.8
40 to 49 years	957,747	63.9	36.1
50 to 59 years	877,549	64.6	35.4
60 and more years	457,618	65.3	34.7

General survival indicators for self-employed workers

The initial baseline cohort as of January 1, 2020 lost almost 11% of its staff after three quarters. Again, the first quarter was the most critical, since as of March 31, almost 6.5% of the total self-employed had been lost.

The rate of loss slowed in the following quarters, regardless of the cohort considered.

Self-employed survival indicators

Cohorts	Total units	Monitoring quarters		
		Quarter 1 (%)	Quarter 2 (%)	Quarter 3 (%)
1 january 2020	2,997,941	93.7	91.7	89.2
1 april 2020	2,938,754	97.7	94.7	
1 july 2020	2,962,399	96.6		

If these indicators are broken down by sex, slightly higher survival rates are observed in men.

These differences are smoothed out when analysing the evolution of the cohorts with reference to April 1 and July 1.

Survival indicators for self-employed workers by sex

Cohort	Gender	Total	Monitoring quarters		
			Quarter 1(%)	Quarter 2(%)	Quarter 3(%)
1 january 2020	Mens	1,906,102	94.1	92.3	90.0
	Women	1,091,839	93.0	90.7	87.8
1 april 2020	Mens	1,870,987	97.9	95.1	
	Women	1,067,767	97.4	94.0	
1 july 2020	Mens	1,889,600	96.8		
	Women	1,072,799	96.2		

By age, the group of self-employed between 50 and 59 years is the one that has evolved the best in these quarters.

On the contrary, those under 30 years of age show the highest relative losses in the number of troops.

Survival indicators for self-employed workers by age

Reference cohort January 1, 2020

Age	Cohort 1 january 2020	Survival first quarter	Survival second quarter	Survival third quarter
		(1 April 2020)	(1 July 2020)	(1 October 2020)
		%	%	%
Total	2,997,941	93.7	91.7	89.2
Less than 30 years	156,708	87.4	84.1	79.3
30 to 39 years	548,319	92.2	89.9	86.8
40 to 49 years	957,747	94.0	92.3	90.2
50 to 59 years	877,549	95.4	94.0	92.3
60 and more years	457,618	93.6	90.7	87.2

Results by Autonomous Communities

The experimental statistics of the Business Demographic Situation provides indicators for a broad territorial coverage, covering different geographical levels, from autonomous communities to municipalities.

The following table breaks down at the level of autonomous communities and cities the dynamism of the units in the first quarter of 2020, which was the most relevant in terms of personnel losses.

It is observed that the incidence of the pandemic was not homogeneous for the different territories. The most affected, presenting the worst net unit growth rates, were Andalucía (-11.8%), Extremadura (-10.1%) and Canarias (-9.4%).

In the opposite direction, Illes Balears (-2.3%), País Vasco (-3.6%) and the autonomous city of Ceuta (-3.8%) were the least affected, registering the least negative net rates.

Employing legal units according to demographic phenomenon by autonomous communities

Data for the first quarter of 2020

	Total	Incomings	Stays	Outgoings	Net rates(%)
TOTAL	1,243,204	52,334	1,050,404	140,466	-7.1
Andalucía	204,080	9,629	160,827	33,624	-11.8
Aragón	34,478	1,155	30,202	3,121	-5.7
Asturias, Principado de	25,398	898	22,090	2,410	-6.0
Balears, Illes	37,200	2,878	30,573	3,749	-2.3
Canarias	57,932	2,298	47,879	7,755	-9.4
Cantabria	15,032	527	13,081	1,424	-6.0
Castilla y León	59,386	1,849	52,081	5,456	-6.1
Castilla-La Mancha	48,184	1,855	40,060	6,269	-9.2
Cataluña	221,950	9,361	192,100	20,489	-5.0
Comunitat Valenciana	141,301	6,425	118,187	16,689	-7.3
Extremadura	24,725	1,029	20,160	3,536	-10.1
Galicia	75,832	2,735	66,505	6,592	-5.1
Madrid, Comunidad de	177,471	7,233	151,697	18,541	-6.4
Murcia, Región de	36,924	1,551	30,905	4,468	-7.9
Navarra, Comunidad Foral de	15,314	511	13,609	1,194	-4.5
País Vasco	55,645	1,935	49,748	3,962	-3.6
Rioja, La	8,912	259	7,856	797	-6.0
Ceuta	1,644	101	1,379	164	-3.8
Melilla	1,796	105	1,465	226	-6.7

Results by municipalities

Basic indicators for all municipalities in Spain are available on the INE website.

If the data from the five largest municipalities in Spain are analyzed, it can be seen that the highest percentages of dismissals of legal employing units occurred in the first quarter, with a maximum of 13.0% in Seville. And the same happened with the self-employed, where the highest loss value was registered in Zaragoza (7.1%).

The percentages decreased in all these municipalities during the second quarter, to pick up slightly in the third.

Dismissal of legal employing units and self-employed workers in large municipalities
Percentage

Municipality	Employer legal units			Self-employed workers		
	First quarter	Second quarter	Third quarter	First quarter	Second quarter	Third quarter
Total	11.3	3.7	4.7	6.1	2.2	3.3
Madrid	9.6	3.6	3.9	6.9	2.7	3.5
Barcelona	8.6	3.3	3.8	6.6	2.6	3.7
Valencia	10.8	3.8	4.3	6.7	2.5	3.4
Sevilla	13.0	3.8	4.5	6.9	2.4	3.3
Zaragoza	9.2	3.3	4.1	7.1	2.3	3.2

Differences are also observed in these five municipalities when analyzing the employer legal units that have availed themselves of an ERTE.

The maximum was registered in Valencia, with 26.4% in the first quarter, and the minimum in Zaragoza, with 10.3% in the third.

Employing legal units under ERTE in large municipalities
Percentage

Municipality	First quarter	Second quarter	Third quarter
Total	22.7	15.7	16.3
Madrid	25.0	20.7	21.9
Barcelona	25.8	16.4	23.6
Valencia	26.4	17.3	17.8
Sevilla	25.4	20.3	19.6
Zaragoza	15.2	11.8	10.3

Data Review and Update

The data published today is final and is not subject to further revision. All results are available on INEbase <https://www.ine.es/experimental/codem>

Methodological note

The experimental statistics of the Company Demographic Profile will henceforth have a quarterly periodicity. Today we present the data for the first three quarters of 2020.

In this operation, the data of employing companies are always referred to legal units.

Legal units that were unemployed at the beginning of the quarter, have hired workers and are still employed at the end of the quarter are considered "High". Similarly, "Deregistration" are considered to be legal units with employment at the beginning of the quarter, but who have lost all their employment throughout the quarter.

Therefore, the High and Low events do not necessarily mean that the legal unit has been established / dissolved or has been involved in some process involving a redistribution of production factors (merger, absorption, etc.). The *employment* factor is the determining factor in identifying the demographic flow.

With regard to self-employed persons, those individuals who were not detected in the RETA at the beginning of the quarter and registered in it at the end of the quarter are considered "High". Similarly, "Retirements" are considered to be natural persons detected in the RETA at the beginning of the quarter, but who retire throughout the quarter.

The details of the methodological documentation can be accessed at:

https://www.ine.es/experimental/codem/exp_codem_proyecto.pdf

INE statistics are produced in accordance with the Code of Good Practice for European Statistics, which is the basis for the institution's quality policy and strategy. For more information see the section on Quality at INE and the Code of Best Practices on the INE website.

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