

Quarterly business survey (goods producing industries)

Note: As part of the program to harmonize European business surveys, the questionnaire for the quarterly industrial survey has undergone some marginal changes taking effect in January 2004. See the "Changes in survey questionnaire" section below.

Survey description

The quarterly industry survey is conducted in January, April, July, and October. In these months, it supplements the monthly survey with a series of additional questions. For the common questions, please see the methodological description of the monthly survey. This fact sheet discusses only the indicators specific to the quarterly survey. The results of the latter are published separately in the INSEE bulletin *Informations Rapides*. Identical surveys are carried out in the other Member States of the European Union. Their results are published by the European Commission services and reprinted in the "International" section of *Informations Rapides*.

Main qualitative indicators specific to the quarterly survey

Each indicator is computed as the difference between the percentages of positive and negative responses.

Change in total orders (or demand) (domestic + export)

Change in past three months:

... increase (+) ... no change ... decrease (-)

Likely change in three months ahead:

... increase (+) ... no change ... decrease (-)

Change in export orders (or demand)

Change in past three months:

... increase (+) ... no change ... decrease (-)

Likely change in three months ahead:

... increase (+) ... no change ... decrease (-)

Change in total workforce

Change in past three months:

... increase (+) ... no change ... decrease (-)

Likely change in three months ahead:

... increase (+) ... no change ... decrease (-)

Change in length of workweek

Change in past three months:

... increase (+) ... no change ... decrease (-)

Likely change in three months ahead:

... increase (+) ... no change ... decrease (-)

Opinion on current productive capacity

... more than adequate ... adequate ... inadequate

General wage outlook

Likely change in three months ahead:

... sharp increase (+) ... weak increase ... no change (-)

.../...

Ancillary questions

Change in finished-product inventories (*products ready for sale*)

Change in past three months:

... increase (+) ... no change ... decrease (-)

Past change in delivery times

Change in past three months:

... increase (+) ... no change ... decrease (-)

Overall export outlook

Change in past three months:

... increase (+) ... no change ... decrease (-)

Change in inventories of raw materials and semi-finished products

Change in past three months:

... increase (+) ... no change ... decrease (-)

Main quantitative indicators

Production bottlenecks

Proportion of enterprises that, if faced with an increase in orders, could not raise their production with their current capacity.

Supply and demand problems

Proportion of enterprises prevented by supply and demand problems from raising their production to the desired level. Supply problems include inadequate equipment, financial straits, and labor and procurement shortages. Demand problems are due to slack order levels.

Supply problems only

Proportion of enterprises prevented from raising their production to the desired level by supply problems only.

Demand problems only

Proportion of enterprises prevented from raising their production to the desired level by demand problems only.

Productive capacity utilization rate

Productive capacity utilization rate that could be obtained by hiring additional labor.

Cash-flow problems

Proportion of enterprises reporting.

Hiring problems

Proportion of enterprises reporting.

Selling prices

Recent change in selling prices: percentage change in past quarter.

Outlook for selling prices: percentage change in coming quarter.

Wages

Percentage change in hourly wages in past quarter.

Ancillary questions

Finished-product inventories (*products ready for sale*) measured in production weeks

Number of production weeks represented by inventories of manufactured products.

Orders measured in production weeks

Number of weeks of guaranteed operation at capacity.

Export prices

Percentage change in export prices in past quarter.

Changes in survey questionnaire

To ensure complete harmonization of European business surveys, the quarterly questionnaire for the French industrial survey has been slightly modified, effective January 2004:

- Change in the wording of a question:

The change concerns the question on the productive capacity utilization rate. Until now, the respondent was asked to evaluate the capacity margins available if additional labor were hired, and the productive capacity utilization rate was obtained with the following formula:

$$CUR = \frac{100}{1 + (Margins/100)}$$

Business owners are now asked for a direct estimate of their productive capacity utilization rate if they hired additional labor. The question is worded as follows:

"Your enterprise is now working at % of its available capacity.

("available capacity" means the productive capacity that would be obtained by hiring additional labor if needed)"

- Additional choice in response to one question:

The question on factors restricting production now includes an additional choice of response: "financial constraints."

Factors currently restricting your production	
Are you currently prevented from raising your production to a desired level because of:	
-	<i>weak demand</i>
-	<i>inadequate plant and equipment</i>
-	<i>labor shortage, which you are having trouble filling</i>
-	<i>financial constraints</i>
-	<i>procurement problems</i>
-	<i>other (please specify)</i>
-	<i>[question does not apply]</i>

Note: the percentages of enterprises reporting financial constraints will not be published until the available time series is long enough to be seasonally adjusted.

- Removal of one question:

A question on the raw materials used by the enterprise has been removed (*"At your current production rate, how many weeks of consumption do your inventories of raw materials and semi-finished products represent?"*). The responses to the question were little used.

- Other questions:

Changes have been slight, if any. Questions on "demand" (past and expected, total and exports) now concern "orders (or demand)" (past and expected, total and exports). In addition, the questions now ask about "changes" rather than "trends."

The above-mentioned changes in the survey questionnaire will fully harmonize it with the European industrial-survey questionnaire. As approximately European thirty institutes producing business surveys have done the same, the results obtained will be more directly comparable.