

BUSINESS DEMOGRAPHY

NUT II - LISBOA

Total of active employer enterprises										
Size class (number of employees)	1987 - 2000		2001 - 2005		2005		2006		2007	
	Average number of enterprises	Growth rate	Average number of enterprises	Growth rate	Number of enterprises	Growth rate	Number of enterprises	Growth rate	Number of enterprises	Growth rate
Total	52 018	5,4	79 847	2,9	84 489	4,2	86 677	2,6	90 083	3,9
1 - 4	29 723	6,9	50 804	4,4	55 083	5,0	57 381	4,2	60 028	4,6
5 - 9	11 533	4,0	15 642	0,5	15 713	1,7	15 686	-0,2	15 954	1,7
10 - 19	5 507	3,2	7 147	0,1	7 180	3,1	6 993	-2,6	7 333	4,9
20 - 49	3 218	2,2	3 883	0,7	4 006	5,3	4 056	1,2	4 142	2,1
50 - 249	1 672	1,9	1 932	0,5	2 019	3,3	2 089	3,5	2 146	2,7
≥ 250	365	0,8	440	2,3	488	10,2	472	-3,3	480	1,7

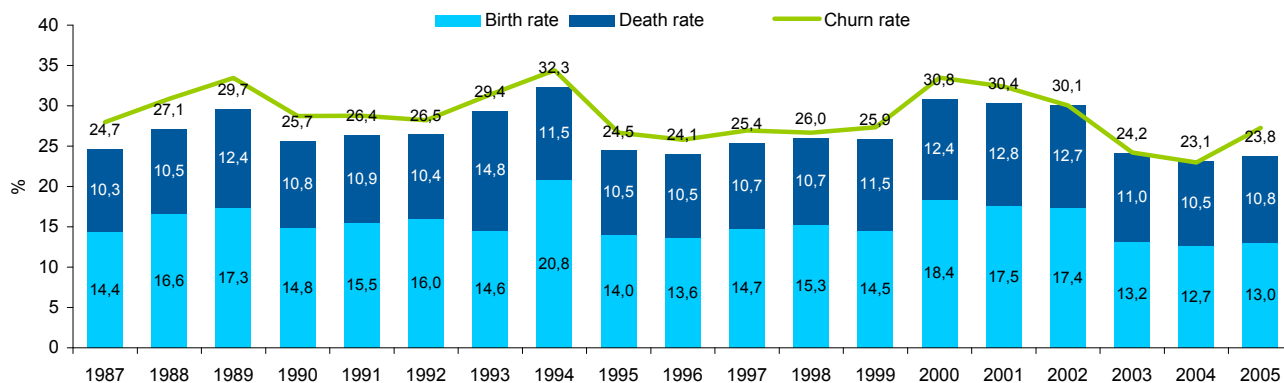
Note: Employer enterprises, according to the definition of the "Manual of Business Demography Statistics" (Eurostat/OECD, 2007), are those which employ at least one employee.

Births and Deaths

Size class (number of employees)	Births										Deaths									
	1987 - 2000		2001 - 2007		2005		2006		2007		1985 - 2000		2001 - 2005		2003		2004		2005	
	Average number	Birth rate (%)	Average number	Birth rate (%)	Nº	Birth rate (%)	Nº	Birth rate (%)	Nº	Birth rate (%)	Average number	Death rate (%)	Average number	Death rate (%)	Nº	Death rate (%)	Nº	Death rate (%)	Nº	Death rate (%)
Total	8 215	15,8	11 798	14,4	10 977	13,0	11 764	13,6	12 148	13,5	5 618	11,2	9 213	11,6	8 761	11,0	8 490	10,5	9 165	10,8
1 - 4	6 403	21,6	9 907	18,8	9 212	16,7	10 035	17,5	10 525	17,5	4 326	15,4	7 668	15,2	7 318	14,5	7 204	13,7	7 638	13,9
5 - 9	1 183	10,4	1 212	7,7	1 080	6,9	1 100	7,0	1 048	6,6	768	7,0	930	5,9	870	5,5	798	5,2	927	5,9
10 - 19	390	7,1	407	5,7	364	5,1	384	5,5	347	4,7	304	5,7	354	5,0	333	4,7	286	4,1	365	5,1
20 - 49	167	5,2	185	4,7	210	5,2	171	4,2	162	3,9	150	4,7	168	4,3	152	4,1	128	3,4	170	4,2
50 - 249	62	3,7	75	3,8	95	4,7	69	3,3	54	2,5	62	3,8	80	4,2	80	4,2	66	3,4	53	2,6
≥ 250	10	2,6	12	2,6	16	3,3	5	1,1	12	2,5	7	2,0	12	2,8	8	1,9	8	1,8	12	2,5

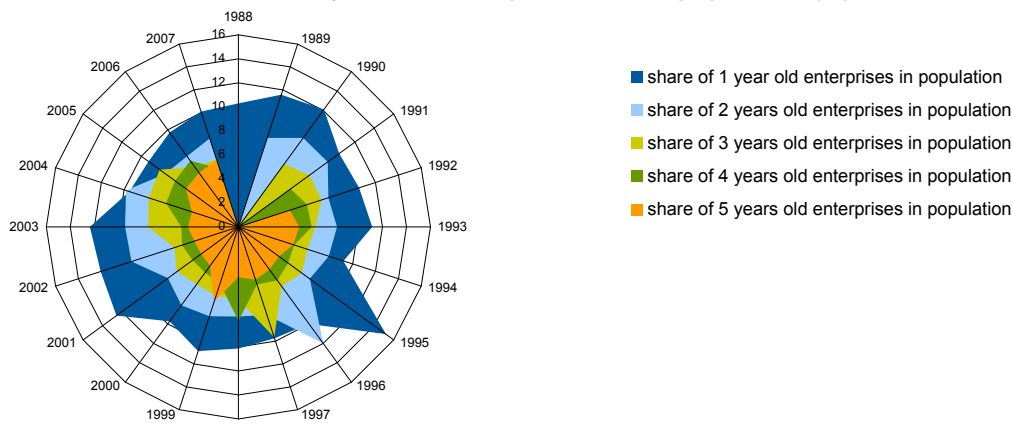
Note: Birth and death rates are composed by a numerator given by the number of total births and deaths, respectively, and by a denominator given by the total number of active employer enterprises in the reference period. The birth of an employer enterprise occurs when it starts its activity. It does not include entries into the population due to mergers and acquisitions, restructuring of enterprises or the reactivation of dormant units within a period of more than 2 years. This population is also composed of enterprises that although existed in previous years, were below the one employee threshold. Deaths occur due to the dissolution of the combination of production factors. They don't include exits from the population due to mergers, take-overs, break-ups or restructuring of enterprises. An enterprise death is counted only if it is not reactivated within 2 years.

Churn Dynamics, 1987-2005



Note: The sum of all births and deaths of employer enterprises are at the top of the bars, and correspond to the churn rate.

Share of 1-5 years old enterprises in total population (%)

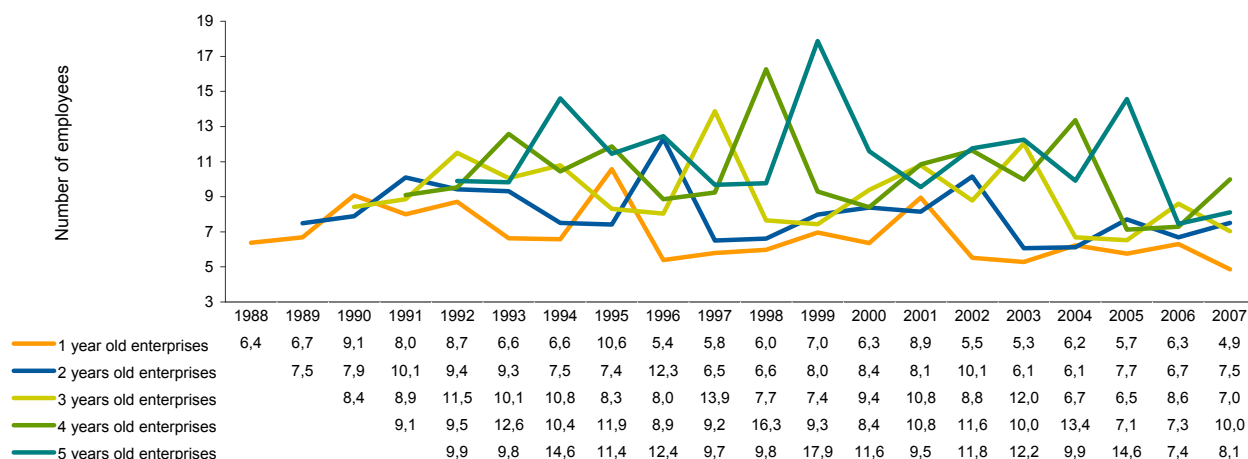


Source: GEE, based on E. de Moraes Sarmiento and A. Nunes, "Entrepreneurship Performance Indicators for active employer enterprises in Portugal", Temas Económicos nº 9, Ministério da Economia, da Inovação e do Desenvolvimento, based on Quadros de Pessoal, GEP, MTSS.

Age and survival, outlook for 2007

Active In 2007	Total Enterprises 90 083 (100%)	Enterprises < 10 employees 75 982 (84,4%)	Enterprises ≥ 10 employees 14 101 (15,6%)
Born in 2006	1st year survivors 9 101 (10,1 %)	1st year survivors 8 362(11,0%)	1st year survivors 739 (5,2%)
Born in 2005	2nd year survivors 6 974 (7,7%)	2nd year survivors 6 220(8,2%)	2nd year survivors 754 (5,4%)
Born in 2004	3rd year survivors 5 343 (5,9%)	3rd year survivors 4 761 (6,3%)	3rd year survivors 582 (4,1%)
Born in 2003	4th year survivors 4 596 (5,1%)	4th year survivors 4 042 (5,3%)	4th year survivors 554 (3,9%)
Born in 2002	5th year survivors 5 262 (5,8%)	5th year survivors 4 605 (6,1%)	5th year survivors 657 (4,7%)

Average firm size (number of employees)



Probability of survival

(for enterprises born in the years below)

Years of survival	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
1	87,5%	85,7%	86,3%	86,2%	86,4%	81,8%	86,8%	86,8%	86,3%	87,2%	85,7%	85,6%	84,1%	83,8%	84,2%	86,2%	86,1%	84,8%
2	77,8%	76,2%	77,0%	77,0%	72,7%	72,1%	77,7%	77,2%	76,8%	77,4%	74,7%	74,8%	72,3%	71,9%	74,1%	76,5%	74,5%	
3	70,6%	69,3%	69,9%	66,1%	65,4%	65,1%	69,6%	69,4%	68,9%	69,2%	65,6%	64,8%	63,9%	64,1%	66,2%	67,8%		
4	65,2%	63,4%	61,3%	59,7%	59,9%	59,5%	63,4%	63,4%	62,4%	62,0%	58,6%	58,0%	57,6%	57,9%	59,1%			
5	60,5%	55,8%	56,2%	54,9%	55,2%	54,5%	58,6%	57,3%	56,8%	55,9%	52,5%	52,4%	52,4%	52,7%				
6	54,3%	50,8%	52,0%	50,7%	51,5%	50,7%	54,0%	52,7%	51,6%	50,5%	48,4%	47,9%	47,4%					
7	50,7%	47,2%	48,3%	47,4%	47,5%	47,1%	49,9%	48,4%	46,7%	46,4%	44,7%	43,9%						
8	47,5%	44,3%	44,8%	44,3%	43,6%	43,5%	45,7%	45,0%	43,3%	43,4%	41,0%							
9	44,5%	41,2%	42,5%	41,4%	40,1%	40,0%	43,1%	41,8%	40,3%	40,3%								
10	41,6%	38,7%	39,6%	38,3%	37,0%	37,3%	40,5%	39,3%	37,3%									
11	39,1%	35,9%	37,1%	35,6%	34,6%	35,1%	37,8%	36,5%										
12	36,9%	33,3%	34,3%	33,1%	32,5%	33,2%	35,8%											
13	35,0%	31,0%	31,9%	31,0%	31,0%	30,9%												
14	32,9%	29,0%	30,2%	29,6%	29,1%													
15	30,9%	27,3%	28,5%	28,1%														
16	29,2%	26,1%	27,1%															
17	27,5%	24,6%																
18	25,6%																	

Note: The non parametric Kaplan-Meier estimator was applied according to the following formula:
The probabilities relate to the enterprises ("cohorts") born in the above mentioned years.

$$\hat{S}(t) = \prod_{j: t_j \leq t} \left(\frac{n_j - d_j}{n_j} \right)$$

Source: GEE, based on A. Nunes and E. de Moraes Sarmento, "Survival dynamics in Portugal, a regional perspective", Proceedings of the European Regional Science Association and E. Sarmento and A. Nunes, "Entrepreneurship Performance Indicators for active employer enterprises in Portugal", Temas Económicos nº 9, Ministério da Economia, da Inovação e do Desenvolvimento, based on Quadros de Pessoal, GEP, MTSS.

Employment

Employment in active employer enterprises

Size class (number of employees)	1987 - 2000		2001 - 2005		2005		2006		2007	
	Average number of employees	Growth rate	Average number of employees	Growth rate	Number of employees	Growth rate	Number of employees	Growth rate	Number of employees	Growth rate
Total	852 191	1,5	1 028 414	1,5	1 083 026	5,2	1 098 738	1,5	1 140 645	3,8
1 - 4	70 509	6,0	110 550	3,0	116 655	3,4	119 574	2,5	123 751	3,5
5 - 9	74 415	4,0	100 859	0,6	101 348	1,7	101 488	0,1	103 007	1,5
10 - 19	73 369	3,2	94 839	0,1	95 134	3,2	92 664	-2,6	97 365	5,1
20 - 49	96 411	2,1	116 118	0,8	119 895	5,9	121 580	1,4	124 574	2,5
50 - 249	168 162	1,8	192 398	0,3	200 005	2,8	210 185	5,1	217 496	3,5
≥ 250	369 325	-0,3	413 649	2,3	449 989	7,8	453 247	0,7	474 452	4,7

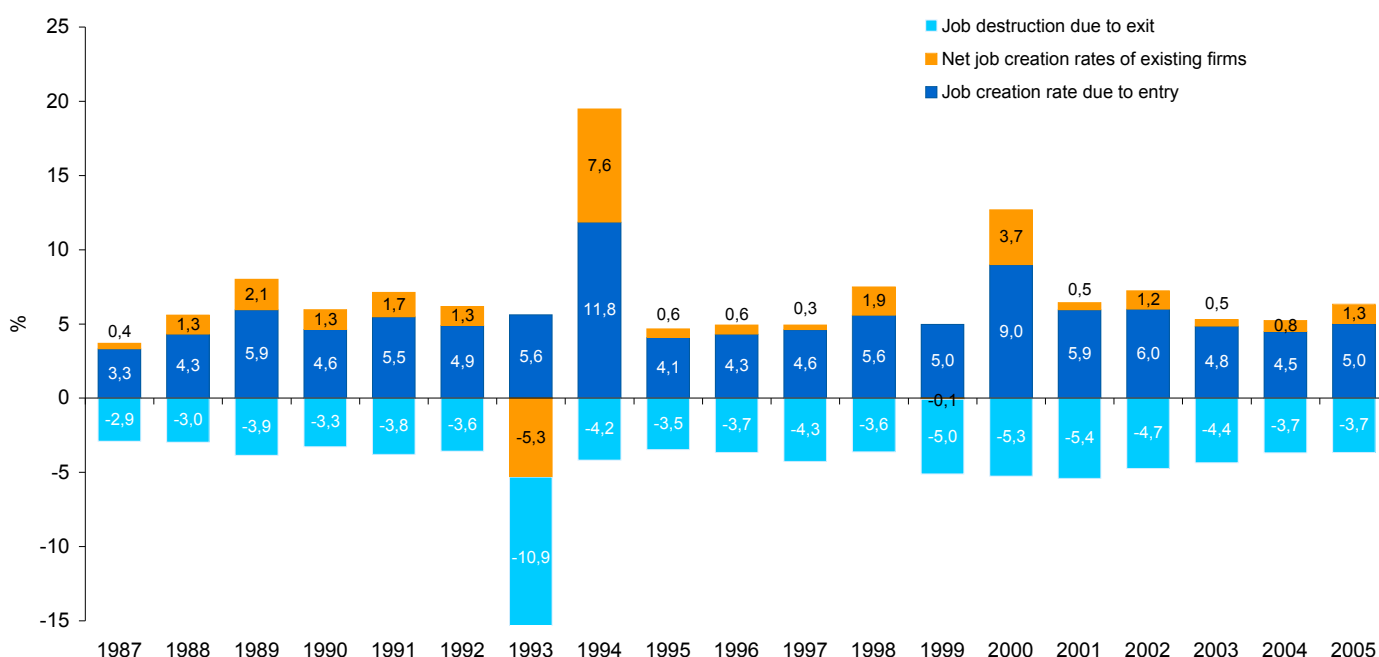
Job creation and destruction

(thousands of employees)

Size class	Creation										Destruction									
	1987 - 2000		2001 - 2007		2005		2006		2007		1985 - 2000		2001 - 2005		2003		2004		2005	
	Average number	Birth rate (%)	Average number	Birth rate (%)	Nº	Birth rate (%)	Nº	Birth rate (%)	Nº	Birth rate (%)	Average number	Death rate (%)	Average number	Death rate (%)	Nº	Death rate (%)	Nº	Death rate (%)	Nº	Death rate (%)
Total	48,1	5,6	51,5	4,9	54,2	5,0	44,2	4,0	47,1	4,1	35,7	4,2	45,0	4,4	44,0	4,4	38,2	3,7	39,9	3,7
1 - 4	13,5	19,3	18,0	16,0	16,5	14,1	17,4	14,5	18,2	14,7	8,7	13,1	13,8	12,5	13,2	12,0	12,7	11,3	13,2	11,3
5 - 9	7,4	10,1	7,6	7,5	6,8	6,7	6,9	6,8	6,6	6,4	4,9	6,9	5,9	5,8	5,5	5,4	5,1	5,1	5,9	5,8
10 - 19	5,1	7,0	5,3	5,6	4,7	5,0	5,1	5,5	4,5	4,7	4,0	5,7	4,7	4,9	4,4	4,7	3,8	4,1	4,8	5,1
20 - 49	4,9	5,1	5,5	4,7	6,3	5,2	5,0	4,1	4,8	3,9	4,4	4,6	5,0	4,3	4,6	4,1	3,7	3,3	5,0	4,2
50 - 249	6,0	3,5	7,3	3,7	9,0	4,5	6,7	3,2	5,4	2,5	6,1	3,6	7,7	4,0	8,0	4,3	6,0	3,1	5,1	2,5
≥ 250	11,1	3,0	7,8	1,8	10,9	2,4	3,2	0,7	7,5	1,6	7,5	2,1	8,0	2,0	8,3	2,1	7,0	1,7	6,0	1,3

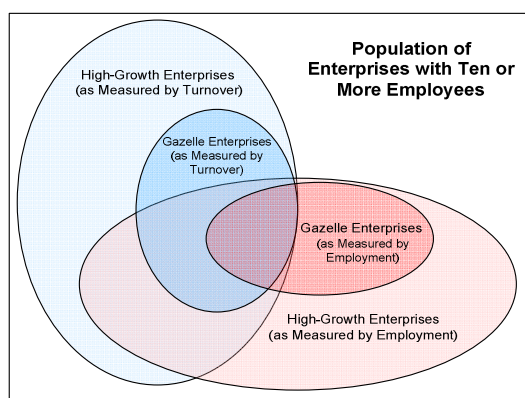
Note: Birth and Death rates are ratios composed by a numerator that corresponds to the total number of employees in employer enterprises that enter and exit the market yearly, respectively, and by a denominator that corresponds to the total of employment in active employer enterprises (according to the methodology of the "Manual on Business Demographic Statistics", Eurostat/OECD, 2007).

Net employment growth and its components (1987 - 2005)



Source: GEE, based on E. de Moraes Sarmiento and A. Nunes, "Entrepreneurship Performance Indicators for active employer enterprises in Portugal", Temas Económicos nº 9, Ministério da Economia, da Inovação e do Desenvolvimento, based on Quadros de Pessoal, GEP, MTSS.

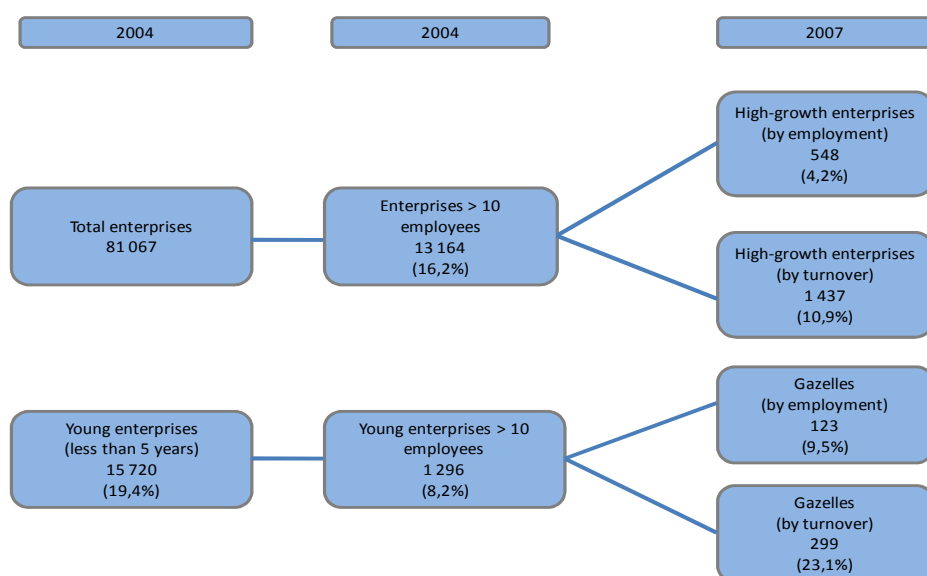
High-Growth Enterprises and Gazelles



A **High-growth enterprise** is an enterprise with average annualised growth greater than 20% per annum, over a three year period. Growth can be measured by the number of employees or by turnover.

Gazelles are high growth enterprises that are up to 5 years old.

High Growth Enterprises and Gazelles, outlook for 2007



High Growth Enterprises and Gazelles, by employment

Year	High growth enterprises				Gazelles			
	Enterprises		Employees		Enterprises		Employees	
	Nº	Weight in the population with at least 10 employees (%)	Nº	Weight in the population with at least 10 employees (%)	Nº	Weight in the population with at least 10 employees (%)	Nº	Weight in the population with at least 10 employees (%)
1990	503	4,84	56.182	7,59				
1991	498	4,68	60.573	8,19				
1992	430	3,85	46.410	6,31	130	1,25	9.494	1,28
1993	359	3,23	38.368	5,46	109	1,02	7.696	1,04
1994	380	3,51	50.246	7,56	120	1,08	14.135	1,92
1995	339	3,18	50.678	7,64	87	0,78	13.202	1,88
1996	358	3,37	56.263	8,60	100	0,92	14.072	2,12
1997	392	3,60	60.701	8,09	104	0,97	15.176	2,29
1998	477	4,23	73.990	10,48	137	1,29	17.773	2,72
1999	571	4,76	102.685	13,90	154	1,42	28.974	3,86
2000	584	4,68	91.848	11,94	121	1,07	20.169	2,86
2001	646	4,80	91.365	11,15	141	1,18	22.470	3,04
2002	582	4,30	83.201	10,56	134	1,07	19.201	2,50
2003	531	4,03	78.273	9,84	126	0,94	19.441	2,37
2004	446	3,39	79.234	9,70	118	0,87	23.861	3,03
2005	496	3,62	79.452	9,18	135	1,02	20.398	2,56
2006	530	3,89	98.739	11,25	128	0,97	12.834	1,57
2007	548	3,89	96.143	9,27	123	0,90	19.062	2,20

Source: GEE, based on E. de Moraes Sarmiento and A. Nunes, "Entrepreneurship Performance Indicators for active employer enterprises in Portugal", Temas Económicos nº 9, Ministério da Economia, da Inovação e do Desenvolvimento, based on Quadros de Pessoal, GEP, MTSS, according to "Manual of Business Demography Statistics", Eurostat/OCDE (2007).