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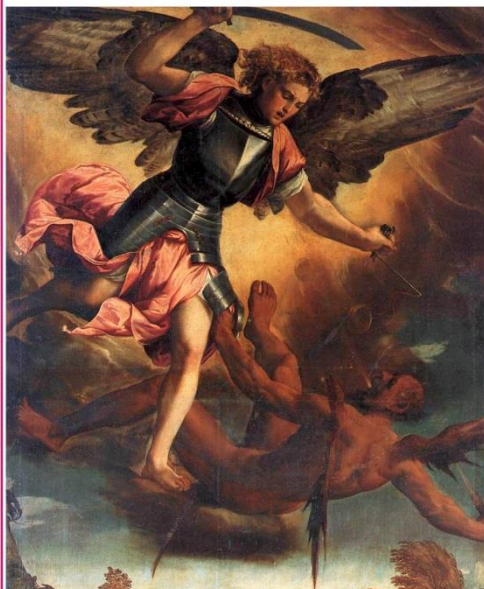
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The development of SMEs in China: Opportunities and Challenges

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Abstract

Purpose-The purpose of this study is to propose a framework of Chinese SMEs' development in recent years, and to present the opportunities and challenges for SMEs. **Design/methodology/approach-**The research of this paper is based on the collection and evaluation of existing literature, year-books, and government disclosures. Previous literature is mainly collected from Science Direct, Scopus, Google Scholar, etc. **Findings-**This study finds that, SMEs have experienced rapid development, financial crisis and stable growth period since 2001. Escalation of consumption structure, globalization, and cross-border e-commerce platforms have provided new opportunities for SMEs. However, financing constraints, squeezed profit margins and innovation difficulties have become the most prominent challenges facing by SMEs. **Originality/value-**This study presents a development overview of Chinese SMEs, and emphasizes the opportunities and challenges. The result of this study can provide a basis for future research and policy formulation.

Keywords Development of SMEs, Opportunities, Challenges

El Desarrollo De Las Pyme En China: Oportunidades Y Desafíos

Resumen

Propósito: El propósito de este estudio es proponer un marco de desarrollo para las PYME chinas en los últimos años y presentar las oportunidades y los desafíos para las PYME. Diseño / metodología / enfoque: la investigación de este documento se basa en la recopilación y evaluación de literatura existente, anuarios y divulgaciones gubernamentales. La literatura anterior se recopila principalmente de Science Direct, Scopus, Google Scholar, etc. Resultados: este estudio revela que las PYME han experimentado un rápido desarrollo, crisis financiera y un período de crecimiento estable desde 2001. La escalada de la estructura de consumo, la globalización y las plataformas de comercio electrónico transfronterizo han brindado nuevas oportunidades para las PYME. Sin embargo, las restricciones financieras, los márgenes de beneficio reducidos y las dificultades de innovación se han convertido en los desafíos más importantes que enfrentan las PYME. Originalidad / valor: este estudio presenta una visión general del desarrollo de las PYME chinas y enfatiza las oportunidades y los desafíos. El resultado de este estudio puede proporcionar una base para futuras investigaciones y formulación de políticas.

Palabras clave Desarrollo de Pymes, Oportunidades, Desafíos

1. Introduction

The history of world economic development shows that SMEs are an important driving force for national economic development (Genc, Dayan and Genc, 2019) . For most countries in the world today, especially in developed countries, SMEs have made outstanding contributions in promoting technological innovation and improving employment levels (Del Giudice et al., 2019).

According to the report of China Industry Research in 2018, medium, small, and micro sized enterprises account for 99.7% of the total number of Chinese enterprises; moreover, this group also contributes about 50% of the total national tax revenue and more than 80% of urban employment (Wu, 2019). SMEs play a key role in maintaining economic development and social stability.

Since the beginning of 21st century, the strategic position of SMEs has become increasingly prominent. However, the bankruptcy rate of SMEs is still high and only a few can grow into large companies (Genc, Dayan and Genc, 2019). In face of environmental changes such as the escalation of consumption structure and globalization, how to promote the development of SMEs has become a common concern of the government and academic circles (Y. Wang, 2016; Del Giudice et al., 2019; Mamman et al., 2019). In order to solve this problem, it is necessary to be familiar with the development of SMEs in recent years. However, little literature has focused on this topic. The purpose of this paper is to provide a more comprehensive framework for SMEs' development of China through observing government-published reports and existing literature, and propose opportunities and challenges of Chinese SMEs' development. The finding of this study can serve as the basis for future research in this field.

2. The development of Chinese SMEs

2.1 Definition of SME

As can be seen from the existing literature, SME have different definitions in different countries (Eniola and Entebang, 2015). In general, SME is a self-operated, small-scale enterprise with small market share and low operating income. The specific criteria for judging are usually defined by each country. In China, SMEs are classified into medium, small and micro enterprises according to their number of employees, operating income and asset size. Moreover, due to different industries have different characteristics, criteria are different (see table A). Fig. 1 shows the composition of SMEs in 2016. It is easy to be seen that the number of small and micro enterprises is much larger than that of medium-sized enterprises.

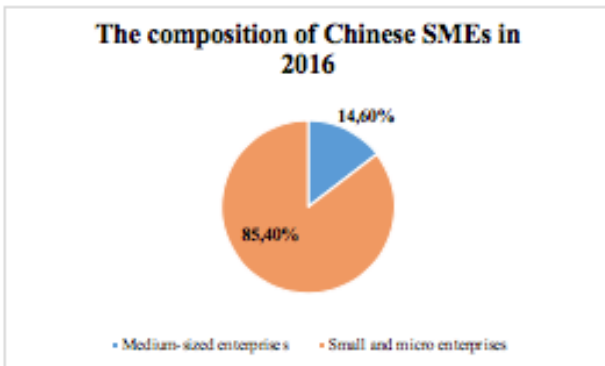


Fig. 1 The composition of Chinese SMEs in 2016

2.2 SME supporting policies in recent years

Before the 21st century, large enterprises were considered to be the core strength of China's development, and the role of SMEs was neglected. During this period, the content of government's policies about SMEs mainly was to strengthen supervision. Since country dominates the allocation of resources, the resources available to SMEs are very limited, leading to the initial slow development of SMEs. After 2000, Chinese SMEs gradually gained national recognition. The "Law of the People's Republic of China on the Promotion of Small and Medium-sized Enterprises", which promulgated in June, 2002, officially announced China's determination to fully support SMEs.

Compared with large enterprises, SMEs are still a vulnerable group (Li et al., 2018). To change the survival and development dilemma faced by SMEs, it is not enough to rely solely on SMEs. It also requires government to stimulate the sustainable development of SMEs by exercising its functions (Qian, Liu and Wang, 2018; Mamman et al., 2019). In emerging countries, policy intervention is considered to be one of the most effective means of developing business, especially in China, where government policy updates are considered to be efficient (Pandya, 2016). Through frequent issuance of various policies and regulations, Chinese government has deeply involved in the growth of SMEs (Yan et al., 2018; Veronica et al., 2019).

The number of SME supporting policies issued by Chinese government every year during 2001 to 2016 is reflected in Fig. 2. The number of policies issue is fluctuating and showing an upward trend. The policies and regulations promulgated in 2011 are the most. It can be inferred from the trend in the Fig. 2 that the timing of Chinese government's policy introduction may be mainly based on the economic environment at that time.

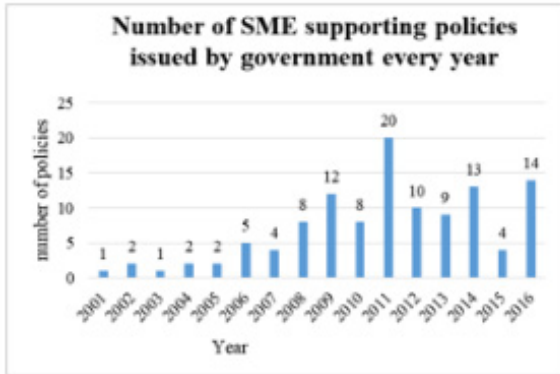


Fig. 2 Number of SME supporting policies issued by government every year

Note: 1. Policy information was screened from the “Yearbook of China Small and Medium Enterprises” published from 2002 to 2016. There are two screening criteria. Firstly, the policy needs to be implemented nationwide. Secondly, the policy need to target SMEs. Specifically, the name of the policy should mention medium, small, micro, or private enterprises.
 2. As of the date of submission, “Yearbook of China Small and Medium Enterprises (2017)” has not been published yet.

According to “Yearbook of China Small and Medium Enterprises”, from 2001 to 2005, relevant policies mainly focused on the legal status, protection of rights and interests, and the financing market construction of SMEs. During 2006 to 2010 (Including financial crisis period), the number of policies issue has also increased dramatically. The policy content has gradually diversified, involving various aspects such as financing, taxation, guarantee, innovation, and service. Policies create a good external environment for the development of SMEs. From 2011 to 2016, the number of policies issued by the government fluctuated greatly, but the sum of policies during this period is more than previous period. The newly released policies pay more attention to employment, innovation and financing difficulties, especially innovation. Since 2015, “Mass entrepreneurship and innovation” have become the key words of SMEs’ development in China. The newly revised “Law of the People’s Republic of China on the Promotion of Small and Medium-sized Enterprises”, which was implemented in 2018, was also added new content about innovation.

2.3 Development of Chinese SMEs in recent years

2.3.1 Rapid development period (2001-2007)

After Chinese government has clarified SMEs' economic status, Chinese SMEs have entered a rapid development period since 2000. The number of SMEs has increased rapidly. As can be seen from Fig. 3, there were only 163,000 industrial SME above state designated scale in 2001, and it reached 334,000 in 2007. The number of SMEs has more than doubled after 6 years.

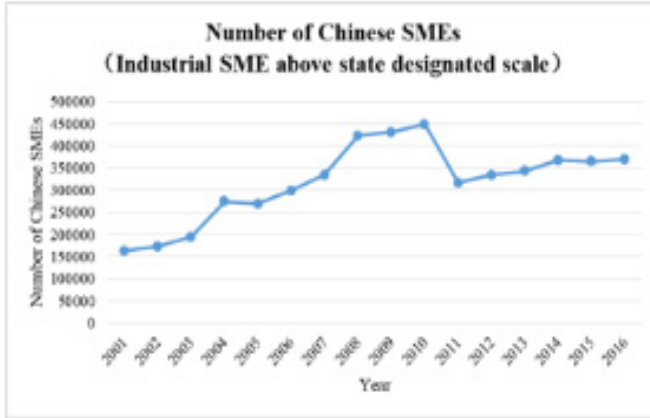


Fig. 3 Number of Chinese SMEs (Industrial SME above state designated scale)

NOTE: 1. “Industrial SME above state designated scale” refers to all state-owned SMEs and private SMEs which meet the following standards:
 Before 2011: annual main business income exceeds 5 million RMB.
 After 2011: annual main business income exceeds 20 million RMB.

2. The Ministry of Industry and Information Technology of China Issued the new “Provisions on Criteria for Classifying Small and Medium-sized Enterprises” on July 4, 2011. Therefore, the criteria for classifying SMEs before 2011 are inconsistent with criteria after 2011.

The number of employees increases as number of SMEs increases. As shown in Fig. 4, in 2001, there were 34.9 million employees in industrial SME above state designated scale, and in 2007 it rose to 60.52 million. The growth rate of employees is slightly lower than the growth rate of SMEs, which suggests that the average employees of newly established small and medium industrial enterprises may be slightly less than the original SMEs.

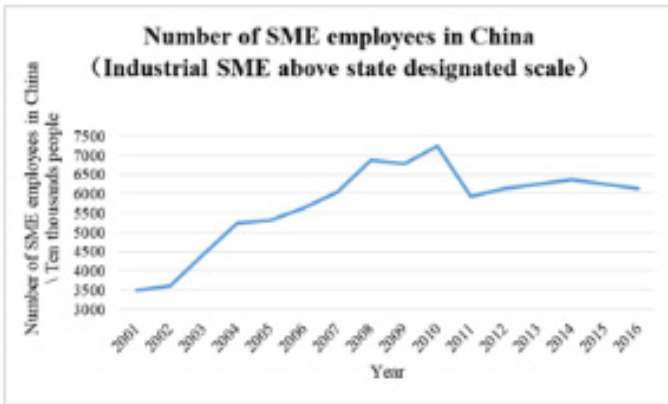


Fig. 4 Number of SME employees in China (Industrial SME above state designated scale)

The main business income and total profit also showed a trend of rapid growth during these seven years. As can be seen from Fig. 5, in 2001, main business income of industrial SME above state designated scale was 4,736 billion (RMB), and the total profit was only 176 billion (RMB). In 2007, main business income and total profit of these SMEs reached 25,462 billion (RMB) and 1,574 billion (RMB) respectively. The average growth rate of total profit is much higher than the average growth rate of main business income. It indicates that SMEs not only expanded the scale of sales, but also improved the profit margin of products in these seven years.

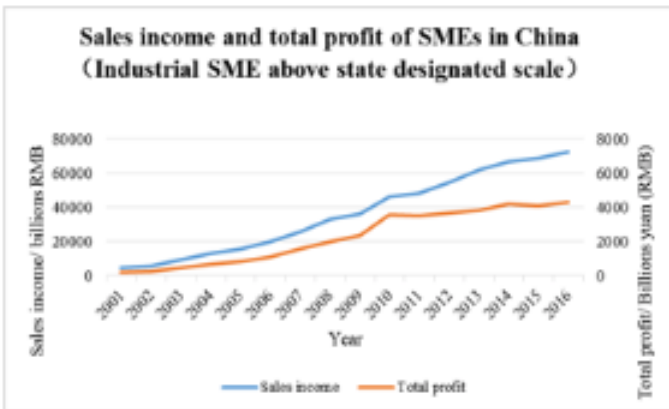


Fig. 5 Sales income and total profit of SMEs in China (Industrial SME above state designated scale)

The export business of Chinese SMEs also developed rapidly during this period. As shown in Figure 6, in 2001, the export delivery value of industrial SME above state designated scale was only 1001 billion (RMB). It increased to 4,303 billion (RMB) in 2007, which was almost four times that of six years ago.

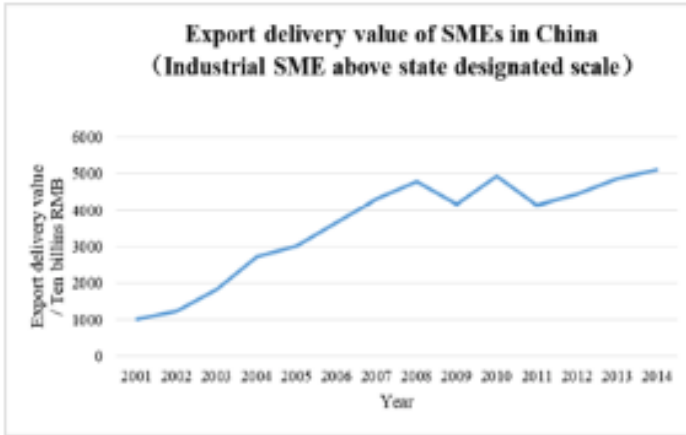


Fig.6 Export delivery value of SMEs in China (Industrial SME above state designated scale)

According to Jiang and Shi (2019), during 2001 to 2007, the dual changes in policies and markets affected Chinese SMEs. The property rights structure of SMEs had gradually been clarified. The financing channels of SMEs had also been expanded: commercial banks had established SME credit departments, local governments had established SME loan guarantee funds, and SME boards had been established to provide equity financing for SMEs. The export trade volume of SMEs increased. Moreover, many SMEs began to integrate into global industrial chain of multinational companies. The globalization of Chinese SMEs began to develop rapidly.

2.3.2 Financial crisis period (2008-2010)

During 2008 to 2010, factors such as global financial crisis and inflation caused serious consumption shortages (Jiang and Shi, 2019). Like all of the countries in the world, Chinese SMEs, especially those in coastal areas, were greatly affected. As can be seen from Fig. 3, the growth rate of SMEs became slow significantly from 2008 to 2010. It only rose from 423 thousand to 449 thousand.

As shown in Fig. 4, the number of employees suffered a brief fall after financial crisis, reflecting the layoffs associated with economic downturn. In 2010, the number of employees resumed an upward trend. However, the

number of new employees was as small as the increment of new SMEs. In this period, the number of SME employees only increased by 3 million. The average growth rate was only about 2.7%

The increase of main business income and total profit also showed a trend of slowing down and then accelerating. As can be seen from Fig. 5, the growth rate of main business income in 2009 and 2010 were 11% and 27%. The growth rate of total profit also rose from 18% to 50%. This trend suggested that the operating dilemma of SMEs had been relieved partly in the next 2 years of financial crisis. Nevertheless, growth rates of income and profit in 2010 were still much lower than the average growth rate between 2001 and 2007.

The impact of global financial crisis on export business was enormous. As shown in Fig. 6, the export delivery value in 2009 not only did not maintain growth, but also reversed. It was 621 billion (RMB) less than in 2008. The proportion of decrease was 13%. In 2010, the export delivery value returned to 4,919 billion (RMB).

In general, during these three years, changes in global economic environment caused Chinese SMEs to suffer a certain impact. The overall development rate of SMEs was slowed down, and there was also a large-scale unemployment, especially for SMEs involved in export business. Although this problem improved in 2010, according to the trend of data changes, the impact of crisis would continue to following years.

2.3.3 Stable growth period (After 2011)

Since 2011, the national economic growth rate had declined. However, the stability improved (Jiang and Shi, 2019). As can be seen from Fig. 3, the number of SMEs increased from 316 thousand in 2011 to 370 thousand in 2016. The annual growth was only about 3%. Although the growth of SMEs in this period was slower than in previous period, the growth rate was relatively stable. It was consistent with the trend of economic situation in the country.

The activity of small and micro enterprises continuously improved, and it became the driving force for employment. Employees of SMEs maintained a growth trend from 2011 to 2014, rising from 59 million to approximately 64 million (Fig. 4). However, in the following two years, the number of SMEs' employees turn to decrease. From 2014 to 2016, employees were reduced by around 2 million. The reason might be related to the adjustment of employment structure caused by technological innovation.

The growth rates of SMEs' main business income and total profit were also slower than before. From 2011 to 2016, main business income of SMEs

was increased by 23,906 billion (RMB), and total profit increased by 804 billion (RMB). As can be seen from Fig. 5, the increase in total profit was weaker than main business income. It was probably because the main business cost of SMEs increased over the past few years. The bargaining power of SMEs was poor, resulting in narrowing of profit space.

The “Yearbook of China Small and Medium Enterprises” did not publish information on export delivery values for 2015 and 2016. As shown in Fig. 6, the export business of SMEs also showed a slowdown in growth rate, but it tended to be stable. From 2011 to 2014, the export delivery value increased by about 970 billion (RMB).

Since 2011, innovation gradually became the key work of SME development (Del Giudice et al., 2019). SMEs in information technology industry were gradually emerging. New products and services were introduced at low cost. During this period, characteristics of SMEs such as intelligent and networking were relatively prominent. In addition, the trend of accelerating development of service industry was also reflected in SMEs, more and more SMEs were developing into modern service industry (Zhang and Xia, 2017). The globalization of Chinese SMEs was also gradually increasing. Transactional e-commerce changed traditional forms of global trade and lowered the threshold and cost of SMEs’ international trade (Jean and Kim, 2019).

3. Opportunities of Chinese SMEs’ development

3.1 Escalation of consumption structure brings new domestic market

Escalation of consumption structure is usually reflected in the improvement of consumption levels, the improvement of consumption quality, and the development of consumption structure from low to high level (Du, 2017). In the past 20 years, escalation of consumption structure became one of the most significant characteristics of Chinese residents’ consumption behavior. This new feature provides opportunities for the development of SMEs in China (Zhang and Xia, 2017). On the one hand, with the increase of income, consumers, especially urban residents, have shown a rapid growth trend in the consumption of top grade products (Wei and Yang, 2017). On the other hand, new consumer demands lead to consumption hotspots which are different from the past. Consumers are beginning to pursue a higher quality of life, and price is no longer the most important factor affecting consumption. Products with new features such as smart, environmentally friendly and healthy are more favored by consumers (Q. Wang, 2016). This trend has brought new markets with great potential. The

new market will provide a broader development space and profit margin for SMEs. Due to the small size, SMEs are more flexible in operations and have a stronger ability to perceive and adapt to market changes. Therefore, SMEs are more likely to be a beneficiary of consumption structure escalation.

While bringing new markets, escalation of consumption structure will also promote the transformation and innovation of SMEs. The demand of products with new features has prompted SMEs to change their past operation, and increase investment in research and personnel training, so that ultimately promote technological innovation (Jin and Huang, 2017). Moreover, escalation of consumption structure will drive the growth of service consumption and eventually achieve adjustment to the industrial structure (Zhang and Xia, 2017). Under the interaction of consumption structure escalation and industrial structure adjustment, SMEs have opportunities to improve their living environment and development status in the future.

3.2 Cross-border e-commerce platform brings new overseas markets

With the development of information technology, network has had a major impact on the national economy, corporate trade and personal life. The development of cross-border payment and logistics industries has established a good foundation for the rise of transactional e-commerce platforms (Liu, 2017). China's cross-border e-commerce transaction volume in 2015 was 5,400 billion (RMB), with a growth rate of 28.57% (Zhu and Zhu, 2016). It can be defined that cross-border e-commerce has become a new growth point of Chinese economy. For SMEs with export business, their size has greatly limited their competitiveness in the international market. However, in recent years, the e-commerce network platform has greatly eased the negative effect of size on enterprise's development, making it possible for lots of SMEs to enter the international market (Zhu and Zhu, 2016).

Internet has gradually become a convenient market medium. The transactional e-commerce platform has helped companies open their markets through expanding the range of consumers' searching (Jean and Kim, 2019). The cost of internationalization of SMEs has also decreased with the development of industries such as IT and logistics. Large enterprises with transactional e-commerce business, such as Alibaba, can effectively help SMEs participate in international trade. These cross-border e-commerce platforms can effectively reduce the cost of information and credit caused by information asymmetry between the supply and demand sides. Due to the cooperation between logistics companies and platforms, logis-

tics costs of SMEs have also been reduced. Cross-border e-commerce platforms also help companies understand competitors' information, improve sales strategies and set price (Jean and Kim, 2019). In addition, the cross-border e-commerce platform accelerates the internationalization of SMEs, which will not only bring more intellectual and financial resources to SMEs (Li et al., 2018), but also benefit SMEs' innovation (Genc, Dayan and Genc, 2019).

4. Challenges of Chinese SMEs' development

4.1 Financing constraints

The financing of SMEs has always been discussed by scholars all over the world (Kent Baker, Kumar and Rao, 2017; Quartey et al., 2017). In China, financing constraints have also caused difficulties in operation of SMEs (Li, Karim and Munir, 2016). According to a survey of World Bank, only 56.82% of Chinese SMEs' financing needs were met in 2018, and the funding gap was about 1,900 billion dollars (Huang, 2018). Financing difficulties severely constrain the development of SMEs (Lee, 2014).

Like large enterprises, SMEs mainly have two financing channels: equity financing and debt financing. In China, debt financing has a larger share. Feng and Liu (2018) estimated the proportion of debt financing in China, and the results was shown in Fig. 7. It is easy to see that the proportion of debt financing is higher than 65% during 2011 to 2017, which means that the scale of debt financing is larger than equity financing. However, the proportion of debt financing has been declining year by year.

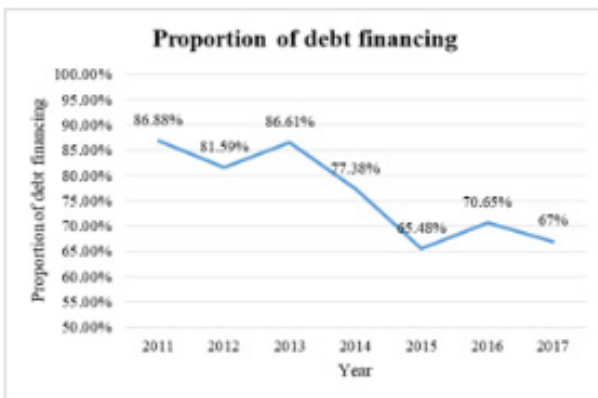


Fig.7 Proportion of debt financing in China

The bank loan balance of small and micro enterprises in recent years can

be found in Fig. 8. The balance of Chinese small and micro enterprises' bank loans was 24,300 billion in 2017, and the growth rate was about 16.6%. The growth of bank loans shown in this figure is relatively stable, which means that bank loans for small and micro enterprises are almost impossible to significantly improve the funding gap proposed by World Bank in a short period of time.

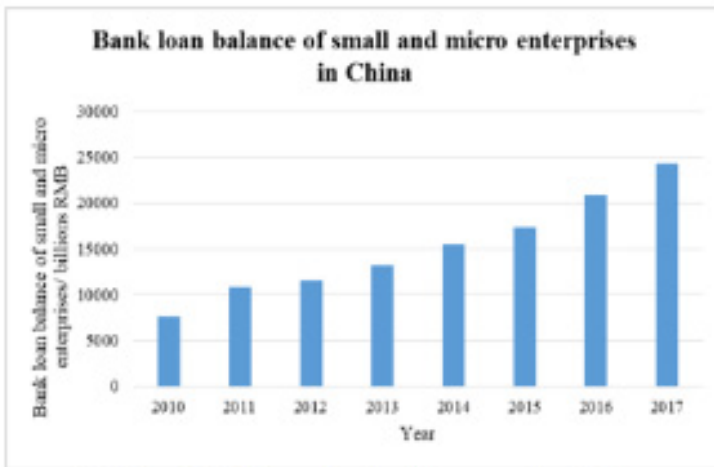


Fig. 8 Bank loan balance of small and micro enterprises in China

With the increase of competitive pressure and risk awareness, Chinese commercial banks are paying more attention to risk management. This trend has exacerbated the exclusion of large state-owned commercial banks from SMEs (Zhou and Wang, 2015). Financial services resources are more inclined to large enterprises and state-owned enterprises. In the process of applying for loans, SMEs often fail to meet the requirements of banks because of their small size and lack of collateral (Xia and Xia, 2016; Erdogan, 2018). Moreover, even if SMEs successfully obtain bank loans, compared with large state-owned enterprises, SMEs still have to pay higher interest rates (generally rise 30% to 70% on the benchmark interest rate), which greatly increasing SMEs' financing burden (Y. Wang, 2016; Wu, 2019).

Combined with the observations of Fig. 7 and Fig. 8, it can be found that although banks are expanding loans to small and micro enterprises every year, the proportion of debt financing to total financing is decreasing year by year. This means that the growth rate of total financing is much higher than the growth rate of debt financing. In other words, equity financing be-

gin to provide more funds to SMEs (Li, Meng and Wei, 2015). Science and technology innovation board, which is the newest direct financing market of China, opened in July 2019. It may solve some financing difficulties of technology-based SMEs. However, only a small number of SMEs in China can meet the listing requirements, and most of SMEs still rely on debt financing such as bank loans (Li, Geng and Li, 2015). In addition, there are a lot of approval procedures in the process of applying for listing, which will lead to longer financing time. Therefore, some urgent funding needs of SMEs cannot be satisfied rapidly.

4.2 Cost of SMEs increases, profit space become smaller

Most of SMEs in China belong to labor-intensive or resource-intensive industry, which means that SMEs are generally small in size and weak in ability to develop core competencies (Li, Yang and Pan, 2016). For a long time, SMEs depend on price advantage to compete with other entities in the market. However, in recent years, the operating costs of SMEs have continued to rise. As shown in Fig. 9, the main business cost of SMEs in 2011 accounted for about 85% of the main business income. After continuous increase, this proportion in 2017 is close to 86.4%. Increased cost will cause the limited profit space to be squeezed again.

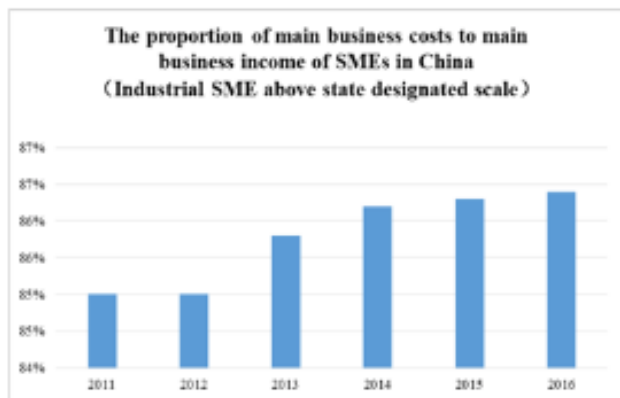


Fig. 9 The proportion of main business costs to main business income of SMEs in China (Industrial

SME above state designated scale)

The pressure of the shrinking profits on SMEs is also reflected in the loss status (see Fig. 10). In 2011, 9.7% of the Chinese SMEs suffered losses. In

2015, this ratio rose to 18.8%, which meant that nearly one-fifth of SMEs did not make a profit in 2015. This proportion declined in 2016, but the total deficit value of SMEs did not improve significantly.

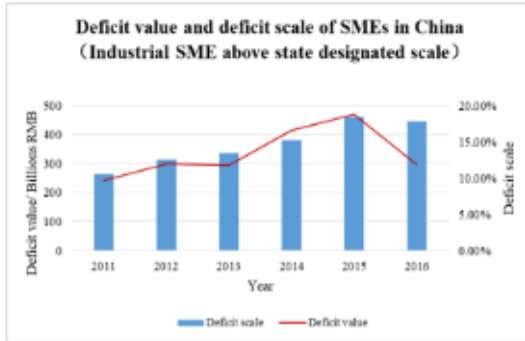


Fig. 10 Deficit value and deficit scale of SMEs in China (Industrial SME above state designated scale)

Through existing literature, the possible reasons for rising costs are as follows. Firstly, due to the decline in total supply of labor (caused by increased population aging), increased awareness of employee rights protection, and the newly issued policies which focus on improvement of employees' wages, insurance, and work environment, the labor costs of SMEs continue to rise (Cheng and Tang, 2016). Secondly, due to factors such as domestic energy shortages and rising international energy prices, the purchase price of raw materials in some industries has increased. In addition, China levies environmental protection tax from 2018. Due to the lack of environmentally friendly technologies, many SMEs may face high taxes, which may worsen the profit margin of SMEs.

Compare with large enterprises, SMEs have a poor bargaining power, so the rising costs will directly reduce the profits of SMEs. Moreover, if sales price is increased, many SMEs will lose their main competitiveness. Therefore, abandoning the high-cost, low-price business strategy and turning to develop core competitiveness may become the path for most SMEs to improve this dilemma (Li, Yang and Pan, 2016).

4.3 Innovation difficulties

For SMEs, technological backwardness is a major bottleneck in the development. Lack of innovation not only negatively affects domestic sales, but also negatively affects export business (Suh and Kim, 2014; Genc, Dayan and Genc, 2019; Hsieh et al., 2019). In other words, innovation is an im-

portant element of SMEs' competitive advantage (Child et al., 2017). In order to achieve higher productivity, differentiated products and continuous development, R&D investment is inevitable (Del Giudice et al., 2019). Statistics show that, China invested 1760.61 billion (RMB) as R&D funds in 2017, which is increase by 12.3% over the previous year. However, the ratio of R&D funds to GDP is 2.13%, which is much lower than that of developed countries (NBS, 2018). Large manufacturing companies are most active in innovation, yet insufficient investment in R&D has resulted in lower innovation activity of SMEs (Love and Roper, 2015).

Lack of resources is an objective reality for SMEs (Genc, Dayan and Genc, 2019). On the one hand, SMEs are difficult to obtain bank loans due to reasons such as small size, lack of collateral, and unfair domestic institutional settings (Deng and Zhang, 2018). On the other hand, because of the confidentiality of innovative project, it is difficult for external investor to make a accurate assessment of its strength and weakness. Therefore, the innovation of Chinese SMEs has long been limited by the constraints of funds (Li et al., 2018).

Li, Yang and Pan, (2016) pointed out that because innovation activities may bring operational risks, major shareholders may hinder enterprises from conducting R&D activities. When companies face fierce market competition, innovation activities are more likely to fail because of attacks by competitors. Therefore, the aversion of SMEs' shareholders to risk will be more obvious when competition is intense. Due to the lack of information providing institutions, it is difficult for SMEs to obtain information such as changes in consumer demand and competitor actions (Yadollahi Farsi and Toghraee, 2014), so the rate of failure in R&D will be higher. In addition, R&D activities require investment of workforce, especially those who specialize in a certain field (Brush, Ceru and Blackburn, 2009). However, due to issues such as salary and development prospects, SMEs are less attractive than large companies. It will also exacerbate the difficulties of SMEs' innovation and development (Lee, 2014).

5. Conclusion

Chinese SMEs have experienced rapid development, financial crisis and steady growth in the past two decades, and have grown into the driving force of Chinese economy now. The policies have played an important role in the initial stage of Chinese SMEs' development. However, based on the experience of other countries, the key factors guiding the development of SMEs will eventually change from policies to market (Veronica et al.,

2019). Nowadays, the escalation of consumption structure has provided a new domestic market for SMEs; moreover, globalization and development of e-commerce have offered a new overseas market to SMEs. Economic development and technological advancement have provided unprecedented opportunities for Chinese SMEs. However, financing constraints, tight profit margins, and difficulties in innovation have become the most prominent problems that hinder the development of SMEs. In order to ensure the sustainable development of SMEs, solving these challenges will become a common task for SMEs and Chinese government.

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Appendix

Table A: Provisions on Criteria for Classifying Small and Medium-sized Enterprises (After 2011)

Industry	Index	Unit	Medium	Small	Micro
Agriculture	Operating income(Y)	Million yuan	$5 \leq Y < 200$	$0.5 \leq Y < 5$	$Y < 0.5$
Forestry					
Animal husbandry					
Fishery					
Industry	employees (X)		$300 \leq X < 1000$	$20 \leq X < 300$	$X < 20$
	Operating income(Y)	Million yuan	$20 \leq Y < 400$	$3 \leq Y < 20$	$Y < 3$
Construction	Operating income(Y)	Million yuan	$60 \leq Y < 800$	$3 \leq Y < 60$	$Y < 3$
	Total assets(Z)	Million yuan	$50 \leq Z < 800$	$3 \leq Z < 50$	$Z < 3$
Wholesale	employees (X)		$20 \leq X < 200$	$5 \leq X < 20$	$X < 5$
	Operating income(Y)	Million yuan	$50 \leq Y < 400$	$10 \leq Y < 50$	$Y < 10$
Retail	employees (X)		$50 \leq X < 300$	$10 \leq X < 50$	$X < 10$
	Operating income(Y)	Million yuan	$5 \leq Y < 200$	$1 \leq Y < 5$	$Y < 1$
Transportation	employees (X)		$300 \leq X < 1000$	$20 \leq X < 300$	$X < 20$
	Operating income(Y)	Million yuan	$30 \leq Y < 300$	$2 \leq Y < 30$	$Y < 2$
Warehousing	employees (X)		$100 \leq X < 200$	$20 \leq X < 100$	$X < 20$
	Operating income(Y)	Million yuan	$10 \leq Y < 300$	$1 \leq Y < 10$	$Y < 1$
Postal	employees (X)		$300 \leq X < 1000$	$20 \leq X < 300$	$X < 20$
	Operating income(Y)	Million yuan	$20 \leq Y < 300$	$1 \leq Y < 20$	$Y < 1$
Accommodation	employees (X)		$100 \leq X < 300$	$10 \leq X < 100$	$X < 10$

	Operating income(Y)	Million yuan	$20 \leq Y < 100$	$1 \leq Y < 20$	$Y < 1$
Catering	employees (X)		$100 \leq X < 300$	$10 \leq X < 100$	$X < 10$
	Operating income(Y)	Million yuan	$20 \leq Y < 100$	$1 \leq Y < 20$	$Y < 1$
Information transmission	employees (X)		$100 \leq X < 2000$	$10 \leq X < 100$	$X < 10$
	Operating income(Y)	Million yuan	$10 \leq Y < 1000$	$1 \leq Y < 10$	$Y < 1$
Software and information technology services	employees (X)		$100 \leq X < 300$	$10 \leq X < 100$	$X < 10$
	Operating income(Y)	Million yuan	$10 \leq Y < 100$	$0.5 \leq Y < 10$	$Y < 0.5$
Real estate development	Operating income(Y)	Million yuan	$10 \leq Y < 2000$	$1 \leq Y < 10$	$Y < 1$
	Total assets(Z)	Million yuan	$50 \leq Z < 100$	$20 \leq Z < 50$	$Z < 20$
Property management	employees (X)		$300 \leq X < 1000$	$100 \leq X < 300$	$X < 100$
	Operating income(Y)	Million yuan	$10 \leq Y < 50$	$5 \leq Y < 10$	$Y < 5$
Leasing	employees (X)		$100 \leq X < 300$	$10 \leq X < 100$	$X < 10$
Business services	Operating income(Z)	Million yuan	$80 \leq Z < 1200$	$1 \leq Z < 80$	$Z < 1$
Others	employees (X)		$100 \leq X < 300$	$10 \leq X < 100$	$X < 10$



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