

Longitudinal studies of enterprises require clear continuity rules. There is broad theoretical consensus; continuity has to be based on the factors of production (with different weights depending on the nature of the economic activity). In practice it has been impossible to implement this approach on a large scale (e.g. in the statistical Business Register), as sources are missing, and the computational burden would be too high. For this reason often a shortcut was implemented based on the controlling legal unit, the economic activity and the location. This shortcut is known to be a poor approximation. As a result, official statistics does not provide the basis for longitudinal analysis of enterprises across Europe. In the paper we will check whether the use of individual data on employees has added value in the assessment of the continuity of the enterprise. This will be done in two directions:

- 1) selecting enterprises for which the statistical business register reports an enterprise-demographic event and assess on the bases of continuity in employees;
- 2) selecting enterprises for which the source on employees suggests an enterprise demographic event and check what has been recorded in the statistical business register.

The paper will present the outcome of first experiments in one or two countries. It will show feasibility and give first information on the impact and sensitivity to the specific rules implemented. In a later phase we would like to analyse whether such an approach is stable over time and produces results comparable over countries.