Regional Course on Statistical Business Registers: Making a Business Case for an Operational Statistical Business Register

26 – 30 January 2015
Sungkai, Perak, Malaysia

3.5 – Handling continuity

What is continuity?

* Continuity is a demographic event in which a unit’s production factors continue
  * Measure and weight the continuation of land, labour and capital
  * Continuity rules – the condition for keeping or changing a unit identity number in the SBR
  * Should a unit be deleted and a new one created?
Handling continuity

* In practice, we look at the following three criteria:
  * Control (controlling legal unit)
  * Economic activity
  * Location
* Recommended rule:
  * Change in only one criteria – continuation
  * Change in more than one criteria – discontinuation
* In case of an establishment: move over a long distance would represent an identity loss

Reactivations

* Reactivation: resumption of activity after cessation of a unit was detected
* Usually detected through deletion and creation of administrative units
* Possible situations:
  * Seasonal activities – unit to retain old identity if reactivation
  * Temporary suspension – unit to retain old identity if reactivation occur within 24 months after cessation
  * Paralysis of production for external reasons (e.g. destruction of production factors) - unit to retain old identity if reactivation occur within 24 months after cessation
Example of a continuation of an enterprise:
* Legal unit A sells its business, represented by enterprise X in the SBR, to legal unit B, which continues to conduct the business as before (no changes)

**Continuity example (1)**

In administrative source of the SBR the change will be detected by death of administrative unit A* and birth of administrative unit B*. This is subject to two scenarios:

1. If enterprise X is subject to profiling, this event will trigger the need for reprofiling:

**Continuity example (2)**
2. In case enterprise X is small (no profiling), then this transfer may result in death of enterprise X and birth of new enterprise Y: