

Note on the changes incorporated into the pre-edit versions of Volume 1 and Volume 2 of the 2008 SNA

I. Introduction

In its report¹ to the Statistical Commission in 2009, the Intersecretariat Working Group on National Accounts (ISWGNA) reported a number of changes that needed to be incorporated into the pre-edit versions of Volume 1 and Volume 2 of the 2008 SNA. Together with this report, the ISWGNA submitted a background document² on the outcome of the global consultation on volume 2 of the 2008 SNA.

The purpose of this note is to report on the changes incorporated into the pre-edit versions of Volume 1 and Volume 2 of the 2008 SNA that were presented to the Statistical Commission, based on the two documents mentioned above.

II. Changes reported to the Commission

Volume 1

In the process of drafting volume 2, and taking into consideration the comments received during its review, several minor errors and issues requiring clarification were discovered in volume 1. In addition, at its meeting in November 2008, the Advisory Expert Group recommended that some additional minor changes to the text in volume 1 that flowed from research be incorporated in order to clarify the treatment of those issues. These changes are listed below, together with the paragraph numbers where they were introduced in the final 2008 SNA:

- Extend the coverage of standardized guarantees issued by government to include other financial instruments as well as loans; paragraph 17.211.
- Change the term of the transaction in the use of income accounts “change in pension entitlements” to “adjustment for the change in pension entitlements”; paragraphs 9.20 to 9.24.
- Change the text to point out that in the financial account, the transaction referred to as “change in pension entitlements” may differ from the transaction referred to as “adjustment for the change in pension entitlements” by the amount of capital transfers relating to pension entitlements; paragraph 11.107.
- Make a correction to show that payment of pensions does not change the net worth of households; paragraph 9.23, 17.140 and 17.160.
- Clarify the term “sponsor” (of a pension scheme) by making an explicit distinction between the initiator of a scheme and the administrator of a scheme, but pointing out that they can be one and the same (and usually are within Europe); paragraphs 17.149 and 17.163 to 17.166.

¹ ISWGNA report to the Statistical Commission
<http://unstats.un.org/unsd/statcom/doc09/2009-8-NationalAccounts-E.pdf>

² Background document on the outcome of the global consultation on volume 2 of the 2008 SNA
<http://unstats.un.org/unsd/statcom/doc09/BG-SNA2008-GlobalConsultation.pdf>

- Include some additional text clarifying the criteria to determine when changes to pension schemes should be recorded in the core accounts and when they should be recorded in the supplementary table; it will consist of text outlining how to treat negotiated and non-negotiated changes to pensions; paragraphs 17.204 to 17.206.
- Include some extra text on determining when claims payable under non-life insurance should be treated as capital rather than current transfers; paragraph 17.41.

Volume 2

Following the world-wide review of volume 2 in early 2009, a number of changes were introduced in the pre-edit version of volume 2 of the 2008 SNA. Below these changes are listed together with the paragraph numbers where they were introduced in the final 2008 SNA.

- Chapter 18 (elaborating and presenting the accounts) introduces further discussion on the discrepancy between net lending / borrowing as emerging from the capital and financial accounts; paragraph 18.20.
- Chapter 19 (population and labour inputs) defines quality adjusted indicators for labour input based on hourly wages measures rather than average wages per worker; paragraph 19.56.
- Chapter 21 (measuring corporate activity) presents "bad debts" and the relationship with non-performing loans; 21.56 to 21.58.
- Chapter 23 (non-profit institutions) provides more detail on international relief agencies and to the ongoing work on measuring voluntary labour; paragraphs 23.42 to 23.47 and 26.45.
- Annex 3 presents chapter by chapter the changes from the 1993 SNA; paragraphs A3.160 to A3.169.
- Annex 4 (the research agenda) incorporates continuing work on the informal sector (A4.37), continued monitoring of the implications for the SNA of events resulting from the financial crisis (A4.38) including in particular the treatment of one-off guarantees, the treatment of index linked instruments and measurements of interest, covering the costs of ownership of non-produced assets (A4.56), the treatment of mergers and acquisitions (A4.11), consumption subsidies and taxes (A4.26).

III. Other changes mentioned in the reports

In addition to the changes mentioned above, some other changes restricted to correcting clear errors, inconsistencies within the SNA or with BPM6, or clarifications beyond dispute were introduced in line with the reports to the Statistical Commission. Some examples of these changes are:

- Clear errors, for example, correcting paragraph 6.124 to read “Valuation of output for own final use: Output for own final use should be valued at the basic prices...” instead of “Valuation of output for own use: Output for own use should be valued at the basic prices...”.

- Some minor wording changes to keep the SNA consistent with the BPM6, for example on the treatment of monetary gold and the recording of amounts due but not yet paid in respect of financial derivatives.
- Clarification beyond dispute, for example clarifying the description of the “Gerschenkron effect” on the calculation of purchasing power parities (PPPs) in paragraph 15.216.

As noted in the reports to the Statistical Commission, changes were also made at the request of the United Nations editor. These included:

- The style of referring to other documents has been brought into line with United Nations conventions.
- United Nations conventions on spelling and hyphenation have been adopted, for example "policymaking" rather than "policy making".
- A number of typographical, style formatting and paragraph number errors were corrected.