



Lidia Bratanova

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To Annette Becker

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Subject Re: Comments on Volume 2

Dear Annette,

I am sending you below some comments by our Director Heinrich Bruengger on chapter 29: Satellite accounts.

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Chapter 29: satellite accounts:

In general, the chapter is fine. However, there are some paragraphs which describe possible uses that should not become part of a standard for producing SNA as part of official statistics. These paragraphs involve valuations of something where no market prices or cost incurred can be observed. The paragraphs are as follows:

- para. 29.36: production boundary: measuring the time spent by households on transport is perfectly compatible with official statistics, however, valuing this time is not (the principle of impartiality; there is no objective way to value this time)
- para. 29.42: valuing pollution externalities: o.k. in physical terms, but not as values
- paras. 29.10 to 29.127: accounting for environmental degradation; Green GDP - this is the fourth layer of SEEA, which should be left to users, but not be part of official statistics. The introducing paragraph mentions that "there is still a wide divergence of views". It would be good to mention that there is also a divergence of views whether this is part of official statistics or not.
- para. 29.145 to 29.151: unpaid household services: measuring in time is fine, but valuing with so-called "opportunity cost" is not compatible with impartiality (there are various opportunity costs to everything, not only to time spent on household production)
- para. 29.156 to 29.160: volunteer work: this chapter is rather confusing and far from being clear. There is no problem with the way volunteer work is treated in the traditional production boundary and with additional measures in time, but it is not clear whether something more is proposed.

The sentences on valuation should be either left away completely, or qualified as being an additional option for users outside official statistics. If we leave only the measurement in physical units, then another question arises: is this still a "satellite account", or just part of official statistics outside the SNA like many others not mentioned at all?

With best regards,
Lidia

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