

**Comments on draft SNA chapter:
Chapter 15: The Goods and Services Account and
Supply and Use Tables**

Deadline for comments: 29 November 2007

Send comments to: sna@un.org

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This three-part template allows you to record your comments on draft chapter 15 easily and, at the same time, makes it easy for us to use your comments in considering revisions to the draft chapter. You may complete any one, any two, or all of the three parts of the template.

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Part I: General comments

In the space below, please provide any general comments, such as about the clarity with which the new recommendations were incorporated. Also, you may wish to comment on whether there is enough cross-referencing to earlier chapters for the basic concepts and definitions used in the supply and use tables (30 words or less).

Comment:

Click here and start typing.

Part II: Comments on specific draft paragraphs or passages

In your review of draft chapter 15, you may wish to devote particular attention to the passages listed below. For ease of reference, we have identified the relevant paragraphs. For each passage, a Word table is provided for you to use in making your comments. In most cases, there is a row for general comments at the top of the table. Thereafter please use a separate row for each paragraph on which you wish to make detailed comments.

Goods and services account

As the foundation of the supply and use tables, the goods and services account is discussed in paragraphs 15.7. This account also serves as a preliminary step to the material on the summary measures of the accounts (now in chapter 14, but to be moved in the next version of the full set of chapters where this chapter on the goods and services account and supply and use table will be chapter 14, prices and volumes will be chapter 15 and part of the existing chapter 14 will be described as “Summarising and integrating the accounts” in place of the present title of “Summarising and presenting the accounts”> and will be chapter 16.).

1. Do you find this discussion useful? Is it clear and sufficient?

General comment	Click here and start typing.
15.2	Replace "including inventories" with "including changes in inventories" in the brackets.
15.6	The link between the use of the commodity balance (first sentence) and financial account is not clear.
15.7	Consider placing 15.7 after the full discussion of the supply and use tables at the end of part C.
15.8	<p>A complete set of commodity balances is the result of the compilations process of the supply and use tables and not at the precondition, as the first sentence may suggest.</p> <p>The text in italic should be deleted at this place and the relevant information should be added at the end of 15.15 respectively 15.68. In doing this the wording "a supply table at purchasers' prices " should be avoided, because the core of the supply table is in fact valued as basic prices, only the total column is valued in basic as well as in purchasers' prices. Also should be avoided the wording "a use table .. .consists of a set of commodity balances" because a use table in fact shows only the right side of the commodity balance described in 15.2.</p>
15.10	Delete "only" and "sufficiently" in the sentence "Only supply and use tables provide a sufficiently rigorous framework ... " and replace "GDP measured from the production account" with GDP measured from the

	production approach" in the 2nd sentence.
15.11-15.14	Delete these paragraphs.
15.15	Replace in the first sentence "is" by "presents the domestic production in" and add at the end: "The domestic production is valued at basic prices. Additional columns for imports and for the valuation adjustments necessary to have total supply of each [group of] product[s] valued at purchaser's prices complete the table."
15.16-15.17 And 15.23-15.28	These paragraphs should be placed before B, as they concern both, the use and the supply table. In doing so 15.16 has to be extended in the first sentence as follows: "While it is possible to compile a supply and use table using ...". 15.28 2nd sentence: it should be made clear, which part of these ancillary activities are to be recorded as output (whole or only the ones sold to other units).
15.18 15.19	Replace "number of producing units " by "number of groups of producing units " (3 times).
15.21	First sentence: replace "amount" by "degree".
15.22	It is a little bit strange saying " many establishments produce some retail and wholesale margins", because the establishments produce the retail and wholesale services, which are measured in the system with their margins.
15.29	Replace "types of producing units" with "groups of producing units" in the first sentence and delete "with zeroes elsewhere " at the end of the paragraph.
15.31	Delete last sentence.

Goods for processing

The implications of the new treatment for goods sent abroad for processing (and returned from abroad after processing) for the supply and use tables is described in paragraphs 15.32-15.36.

2. Is the discussion of goods for processing clear and sufficient?

General comment	Click here and start typing.
15.35	15.35 is especially difficult to comprehend and we suggest to replace it by the 1 st and 2 nd sentence from 15.63

15.40	This paragraph should be replaced by 15.29 from SNA 1993, which has been suppressed.
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* Insert rows in this Word table for each paragraph on which you wish to comment.

Trade and transport margins

The decision on how to record goods for processing has implications for how to record transport margins on such goods. Further, the principles of how to record trade and transports margins within supply and use tables when valuation is at basic prices as compared with purchaser's prices were not elaborated in the 1993 SNA text. Such a clarification is now provided (paragraphs 15.42-15.66)

3. Is the discussion of trade and transport margins clear and sufficient?

General comment	<p>The use of "transport margins" and "transport charges" has to be clarified. A definition for transport margins has to be introduced, for example by reintroducing 15.40-15.41 of SNA 1993. We suggest also restoring 15.42 of SNA 1993, as it was very clear and helpful.</p> <p>The change of the valuation of imports and exports should be discussed and agreed before putting it in die SNA rev. 1.</p> <p>The number of the paragraphs after 15.66 have to be reconsidered.</p>
15.42	Click here and start typing.
Table 15.2 and 15.45	Why is there no tax on the transport in the 5 th case (transport as ancillary activity of B) , while there is a tax (of 1 unit) in the 2 nd case (transport as ancillary activity of A).
15.47	Replace at the end " of the primary activity." with "of A."
15.50	Delete last sentence.
15.51 (page 8)	Consider deleting the 4 th case ("Ships and aircraft....") because it is not obvious why they are not covered in customs statistics.
15.66	As there are two kinds of supply tables in respect of the recording of the trade margins (showing the trade margins in the rows of retail and wholesale or showing the trade margins allocated on the products in the respective rows), this paragraph has to be reformulated accordingly. Avoid the wording "basic value" as it may be confusing because of the concepts in basic prices.
15.68	The 3 rd quadrant should be also addressed.
15.91	At the end add "to a consumer".
15.113	First sentence: replace "are not separately invoiced " with "are separately invoiced".

* Insert rows in this Word table for each paragraph on which you wish to comment.

The supply and use tables in volume terms

Section D.2 provides a general discussion of the supply and use tables in volume terms, covering output, imports and exports, margins, taxes less subsidies on production, and value added.

4. Is the discussion of supply and use tables in volume terms clear and sufficient?

General comment	Click here and start typing.
15.127	This paragraph is difficult to understand
*	Click here and start typing.

* Insert rows in this Word table for each paragraph on which you wish to comment.

Additions and deletions to the draft chapter

The chapter aims to give a more comprehensive view of supply and use tables and how they might be used than is found in the *1993 SNA*. As explained in the Note by the Editor, new material was added on several aspects.

5. Bearing in mind that input-output tables will be described in a later chapter, are there other aspects of supply and use tables that you feel should be added to the chapter?

Comment:

Click here and start typing.

Table 15.3 of the *1993 SNA* shows the cross classification of production account items by industries and institutional sectors. It has been omitted from the draft chapter.

6. Do you see any reason to restore it to the draft?

Comment:

Click here and start typing.

Part III. Other specific comments

You are welcome to make other comments. Please do so by using Adobe Acrobat Version 6 or 7 to comment directly on the PDF of the draft chapter.

If you don't have Adobe Acrobat Version 6 or 7 and would like to make detailed comments, please send a message to sna@un.org requesting a version of the draft chapter that permits you to comment. To optimize your commenting tools, please download Adobe Reader 7.0 for free from <http://www.adobe.com/products/acrobat/readstep2.html>