

**Comments on draft SNA chapter:
Chapter 23: Non-profit institutions in the System**

**Deadline for comments: 30 September 2008
Send comments to: sna@un.org**

Your name:	Mr Sanjiv Mahajan
Your country/organization:	UK / Office for National Statistics
Contact (e.g. email address):	Head of National Accounts Strategy and Development National Accounts Co-ordination Division Zone GE 108 Office for National Statistics 1 Myddelton Street Islington London EC1R 1UW Tel no. +(44) 020 7014 2078 E-mail: sanjiv.mahajan@ons.gov.uk
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This template allows you to record your comments on draft SNA chapter 23 “Non-profit institutions in the System” 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 or all parts of the template.

There is no file comparing existing text with draft text for this chapter because there is no equivalent chapter in the 1993 SNA.

Save this template and send it as an attachment to the following e-mail address:
sna@un.org

Part I: General comments

In the space below, please provide any general comments. This may cover e.g. the structure of the chapter, issues missing and (lack of) consistency with other chapters of the 2008 SNA.

General comments:

<p>General comment</p>	<ul style="list-style-type: none"> • This is a short and well-written chapter. • In terms of structure, there should be a section covering the treatment, and measurement, of NPIs (both market and non-market NPIs, and in current prices and volume terms) in the sector and national accounts, including GDP, before the sections on the Satellite Account etc. • More detail and the treatment of a number of areas (briefly) is needed to provide a fuller and more balanced picture: <ul style="list-style-type: none"> ○ Explicit criteria for determining where NPIs are market or non-market. ○ Deflation and generating volume estimates for a non-market sector with reference to Prices and Volumes Handbook, etc. ○ Links between functional/activity based classifications and industry classifications, for example, links between COPNI and ISIC. ○ Role of NPISHs as both as producer and as a consumer. • A section is needed to provide clarity over how a unit is designated as a market producer as opposed to a non-market producer (i.e. what are the criteria being applied?). Reference to the 50 per cent market/non-market classification guidance is needed. For example, a producer may charge prices that do not cover 50 per cent or more of their costs yet charge prices which are economically significant. These prices may be lower than the market prices that would be charged by a market producer providing the same type of goods or services, and say, cover only 30 per cent of the costs. In this case, the producer would be treated as a non-market producer. This does not seem consistent – should the guidance stipulate a specific and higher percentage? <p>Style and consistency points for this chapter and/or across SNA chapters</p> <p>This section is evolving and expanding through the process of the feedback provided on the SNA chapters. This should be considered as a check list reflecting various issues identified through the chapters to date but the issue(s) may not occur in each and every chapter.</p> <p>These are a number of specific points which you may wish to consider for “consistency” in the editing of the revised SNA as a whole publication. Examples include:</p> <ul style="list-style-type: none"> • There are various occurrences of American spelling and English spelling of words. I do not know which approach you are applying but consistency within each chapter, and across the chapters, is necessary. I would recommend the English spelling (not surprisingly!). For example, in this chapter, both versions have been used, for example “organizations” should be “organisations”.
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	<ul style="list-style-type: none">• There is an important style point which increases the usefulness for the reader. Many of the cross-paragraph references, for example, if there are exclusions in a list of examples, to know where the exclusions are included elsewhere in the SNA in the same text reference is extremely helpful. Although it is time and resource intensive to cross-check all such references, this needs to be balanced against the value and usefulness for the reader as well as ensuring consistency across the SNA.• The separation of either a list of examples or list of bullet points need to be consistent across, e.g. “;” followed by for the penultimate point with “and” or use full stops for each point. Whichever the approach, it needs to be the same across the SNA. Also the beginning of a bullet point should start with a capital letter or a lowercase letter, again consistency is needed.• In the text, reference to tables should be “Table x.x” and not as “table x.x”.• Use of Latin phrases or the English equivalent written in full? Again, consistency is the underlying theme, I am happy with either approach.
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Part II: Comments on specific draft paragraphs and sections

All comments on specific draft paragraphs are welcome. They can be about e.g. scope, content and clarity. Proposing a concrete alternative text or table is also possible. For the paragraphs in separate sections, separate forms are used for providing and collecting comments (see below).

A. Introduction (paragraphs 23.1-23.11)

General comment	<ul style="list-style-type: none"> The title should be “Non-profit” as opposed to “Non profit”. Need more on the criteria and why NPIs differ from other institutional units.
23.4	2 nd sentence, after “...costs.” add “, for example subscription fees.”
23.5	Last sentence, remove the “-”.
23.6	As mentioned in the “general comments”, need to describe the criteria being applied.
23.7	Bullet point i., add “and” after the “;”.
23.10	<ul style="list-style-type: none"> 1st sentence, remove the extra full-stop at the end of the sentence. Bullet point g., add “and” after the “;”.

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

B. The units included in the NPI satellite account (paragraphs 23.12-23.29)

General comment	
23.16	<ul style="list-style-type: none"> 1st sentence, reference to “Johns Hopkins” should be in italics. 2nd sentence, remove “-”.
23.19	Text in brackets, remove the “-” before and after “by”.
23.24	<ul style="list-style-type: none"> “Social”, all the letters should be in italics. 2nd sentence, “unnless” should be “unless”.
23.25	Remove “-” after “Quasi”.
23.29	<ul style="list-style-type: none"> 2nd sentence, “Becasue” should be “Because”. 2nd sentence, “off” should be “of”. Penultimate sentence, “Rev.4” should be “Rev. 4”.

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

C. Accounts for NPIs in the satellite account (paragraphs 23.30-23.36)

General comment	
23.31	<ul style="list-style-type: none"> • It is not only if the activity can be separable but also the unit needs to be separable. Otherwise, the unit will have mixed activity and needs to be recorded as such. • 1st sentence needs to distinguish between market and non-market NPIs, and remove the word “not”. • For National Accounts, the “return to capital” to be included for non-market sector sum of costs has not been agreed internationally.

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

D. Other SNA considerations concerning NPIs (paragraphs 23.37-23.44)

General comment	
23.43	Need to explain the difference between “individual” and “collective” services and use examples appropriate for NPISHs.
23.44	Much more is need on the measurement, for example: <ul style="list-style-type: none"> • In current prices the application of the sum of costs to estimate output. • How do you estimate the volume estimates?

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

Part III. Other specific comments

You are welcome to make other specific comments. To assist you in doing so, the following points are provided as a guide to the types of points on which you might wish to comment. Note, though, that you are not restricted to commenting on only these points.

1. Is the scope and purpose of the satellite account clear?
2. Are the three alternative valuations of output of NPIs in the satellite account clear?
3. Are there any other issues that should be added to section D?

Specific comments:

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

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>