

Issue no.: 15, Capital Services.

AEG recommendations:

- (1) confirmed the importance of including the concept of capital services in the updated SNA
- (2) strongly supported including the estimates of capital services in supplementary tables rather than in the core accounts of the SNA
- (3) confirmed that capital services (comprising depreciation and return to capital) and capital stock measures should be compiled in an integrated and consistent manner
- (4) agreed that the basic concepts of the capital services approach be presented in the SNA and that the detailed recommendations would be elaborated in an updated version of the OECD manual on "Measuring Capital"
- (5) agreed that the concepts underlying the formulae presented in the paper ("Cost of capital services", document number SNA/M1.05/04; Issue 15) are appropriate, subject to detailed checking.
- (6) It was agreed in later discussion related to the manual that it is important that it should give due consideration to the position of countries with less developed statistical systems.

View of Statistics Denmark: (A (agreement), FC (needs further consideration) NA (non-agreement))

- (1) Agreement.
- (2) Agreement.
- (3) Agreement.
- (4) Agreement.
- (5) Agreement.
- (6) Agreement.

Comments from Statistics Denmark:

Statistics Denmark believes it is important that estimates for capital services are not included in the core account of the SNA i.e. the production account. Some implementation issues, such as the choice between an exogenous and endogenous rate of return, has not been agreed and since varied estimation methods are allowed, it is not acceptable to include capital services in the core accounts.