Suggestions for clarification of the SNA 1993

1. It is suggested to introduce new property income item which would be imputed earnings reinvested by general government units in quasi-corporations owned by the government. In the absence of this imputation it is not clear how entries on balance sheets of government and quasi-corporations can be reconciled. This imputed flow will show the relationship between the government and quasi-corporation owned by it. This item is similar to the reinvested earnings of direct foreign investment flow. Similar imputations may be considered for other sectors.

2. It is suggested to clarify some aspects of computation of output of insurance. For example, it is not clear why the SNA 1993 recommends that only part of technical insurance reserves should be taken into account in computation of output of insurance, namely changes in reserves for life insurance (actuarial reserves and reserves for with-profit insurance) and in reserves of pension funds while another part of technical insurance reserves (prepayment of premiums and reserves against outstanding claims) is excluded.

   It is not clear whether the text in par.6.138d (which says that most of the actuarial reserves and reserves for with-profit insurance relate to life insurance but they may be needed in the case of non-life insurance) is consistent with the text of the par.16 in the annex on the page 572 (which says that these reserves relate only to life insurance).

3. It would be useful to clarify whether payments by owner-occupiers for insurance services related to dwellings should be allocated to intermediate consumption of producers of housing services on own-account or to final consumption of the owner-occupiers.

4. It would be useful to clarify the treatment of the payments by the government to banks which compensate their losses due to the provision of loans to enterprises at the low interest rate (lower than current market rate). It appears that in the SNA 1993 there is no explicit text on this item. It appears that in the ESA 1995 this payment is recommended to be treated as other subsidies on production while it would be more logical to treat them as subsidies on products.

5. It is suggested to clarify the coverage of assets the payments for the use of which should be considered as rent. It appears that in the SNA 1993 only land and subsoil assets are considered as such whereas non-cultivated biological resources and water resources are not mentioned in this context.

6. The text in the par.4.109 and 5.39 implies that the general government sector may include munition enterprises due to their close integration with the government. It appears, however, that in some countries these enterprises are relatively independent from the government, compile complete sets of business accounts including balance sheets and therefore are treated as quasi-corporations owned by the government and are allocated to the non-financial corporation sector. It appears it would be useful to discuss in the SNA a possibility of alternative allocation of munition enterprises.

7. It is suggested to include in the SNA 1993 explicit text clarifying treatment of theft in the accounts. In the Handbook on measuring non-observed economy in the par.9.18 it is stated that “The treatment of theft recommended in the 1993 SNA requires clarification, if not elaboration, in order to take into account the special circumstances in some countries.” In par.9.19 it is stated that in some cases it is difficult to draw a clear distinction between theft and underreporting.
8. It would seem to be desirable to clarify methods of calculation of FISIM in constant prices.

**Terminology in Russian version of SNA 1993**

While the work on the Russian version of the SNA 1993, rev.1 will not be undertaken in the immediate future it seems to be appropriate in this context to note that there are some inaccuracies in Russian version of the SNA 1993 and in many cases the Russian terms which were used differ from those which are used in statistical practice of Russia and other CIS countries. The most important examples of the above said are as follows.

The term “assets and liabilities” is translated as “активы и пассивы” rather than “активы и обязательства”; this term is used frequently in the SNA in various combinations. The term “пассивы” is an equivalent of “liabilities and net worth”.

The term “capital gains” is translated as “прирост капитала” (increase in capital) and therefore does not convey the meaning of this category.

The term “disposals” is translated as “реализация” (sales) which does not fully convey the meaning of this category; the most appropriate term is “выбытие”.

The term “own-account workers” is translated in some places as “самостоятельные хозяева” while the appropriate term is “самостоятельно занятые работники”.

The term “dwellings” is translated as “жилые помещения” while the appropriate term is “жилища”.

The term “trade credits” is translated as “коммерческие кредиты” while the appropriate term is “торговые кредиты”.

The expression “consumption of fixed capital is a cost of production” is translated as “потребление основного капитала” отражает стоимость производства” while the appropriate Russian equivalent is “потребление основного капитала является элементом затрат на производство”.

The expression “unit value indices” is translated as “индексы удельной стоимости” while the appropriate Russian equivalent is “индексы стоимости единицы продукта”.

The term “satellite accounts” is translated as “вспомогательные счета” or even “вспомогательный учет” while the appropriate term is “сателлитные счета”.

The above list of examples is not exhaustive and can be extended. As was mentioned above in many cases the Russian terms used in the SNA 1993 differ from those used in practice for many years in CIS countries.

The conclusion is that it seems to be important to organize the future work on translation of the SNA 1993, rev.1 in close cooperation with statistical institutions of the CIS countries.