

Government/public sector/private sector delineation issues

Summary conclusion

Questions

- (a) Does the AEG agree with the TFHPSA recommendation 1 to use a decision tree relevant for the delineation government/public/private?
- (b) Does the AEG agree with the additional guidance on control over corporations and over NPIs, as set out in the TFHPSA recommendations 2 and 3 respectively?
- (c) Does the AEG agree with the additional guidance on economically significant prices set out in TFHPSA recommendation 4, supported by TFHPSA recommendations 5 and 6 [about the definition of sales and production costs respectively]?

Outcomes

- (a) The AEG agreed. The description of the decision tree, which relates to units and not production, should be set out in the chapter on government and the public sector. **Further elaboration is required for quasi-corporations.**
- (b) The AEG agreed that the list of indicators is useful, but emphasised that they should be used in conjunction with each other in reaching a decision on control, rather than any one of them necessarily being definitive in its own right. The AEG felt that the text set out in the TFHPSA paper was too long to be incorporated directly into the SNA.
- (c) The AEG agreed with the guidance set out to determine what constitutes “economically significant prices”. The AEG felt the SNA should avoid being prescriptive in relation to the use of a specific threshold (such as the ESA95 50% rule).