

Report on the Outcome of the Global Consultation on the Draft 2025 SNA

Chapter 34 : Measuring well-being

39 comments were received from 15 respondents.

Question 1 – Have the agreed recommendations been reflected appropriately?

One respondent indicated that the recommendations had not been reflected appropriately. Another indicated that the recommendations had been quite well reflected but that improvements could still be made. Neither respondent provided any additional explanation of their concerns. No further substantive issues were raised.

No additional issues requiring changes of the current text were raised.

Question 2 – Is the material in the chapter clear?

One substantive issue was raised.

Issue 34.2.1: Ensuring a clear and well described connection between well-being and welfare and the link to the role of the SNA and measures such as GDP. Issue was raised by two respondents.

Proposed response: Consistent with proposed refinements in chapter 2 on this issue, relevant changes will be incorporated to ensure consistent application of the terms well-being (to refer to the general concept), material well-being (as the focus of measurement in the integrated framework of the SNA and extended accounts) and economic welfare (as a synonym for material well-being). Also, the following new second last sentence is proposed for inclusion in paragraph 34.10 to summarise the key message from chapter 2, B.4: “The primary issue is that the set of goods and services included within the scope of GDP does not cover all goods and services which may be considered relevant for measuring material well-being.”

Five minor additional issues were raised which are considered relevant for inclusion:

- Paragraph 34.28: It is proposed to amend the second sentence for clarification on the rationale for removing price effects (changes highlighted by underlining): “First, since inflation can affect the quantity of goods and services consumed?to. compare.material.well_being.over.time the effect of price changes must be removed.”
- Paragraph 34.68: It is proposed to clarify descriptions of collective consumption and public infrastructure.
- Paragraph 34.89: It is proposed to better explain "a parallel method of physical time accounting as a better comprehensive solution to measure household experience".
- Paragraph 34.125: It is proposed to add words “primarily due to disability and illness”, to clarify the scope of LTC (social).
- Table 34.5: It is proposed to add, for information services, the following: “for both their own use and for use by”, to expand scope of use of services beyond only other households.

Question 3 – Are there any errors in the chapter, or inconsistencies within this chapter or with other chapters?

No substantive issues were raised.

No additional issues requiring changes of the current text were raised.

Question 4 – Are there any other concerns?

Six substantive issues were raised.

Issue 34.4.1: Treatment of household ownership of common resources. Issue was raised by one respondent.

Proposed response: This is recognised as a wider issue. The proposed response is described in a separate Issues note on natural capital related topics.

Issue 34.4.2: Explanation of the link between ecosystem services and the production boundary applied in the integrated framework of the SNA. Issue was raised by one respondent.

Proposed response: This is recognised as a wider issue. The proposed response is described in a separate Issues note on natural capital related topics.

Issue 34.4.3: Clarify the treatment of non-use values. Issue was raised by two respondents.

Proposed response: This issue is best considered a distraction since there are a range of interpretations of non-use values and the intent of the paragraph (34.75) was simply to note values beyond those recognised in the SNA and the SEEA. To limit confusion it is proposed to refine the text and remove explicit reference to non-use values.

Issue 34.4.4: Clarify the use of exchange values in paragraph 34.93. Issue was raised by one respondent.

Proposed response: It is agreed that the last sentence should be re-worked to clarify the valuation approaches that are relevant. It is proposed the following new sentences (additions highlighted by underlining): “To support comparisons, the valuation of unpaid household service work should apply the same valuation approaches ~~exchange value concept~~ as applied for valuing non-market output production within the production boundary applied in the integrated framework of the SNA (see chapter 7) including market-equivalent prices and sum of costs methods. When applying a sum of costs approach, the costs incurred ~~as inputs to production~~ should be the same as those recorded as household final consumption expenditure (e.g., purchases of food, electricity, gasoline).

Issue 34.4.5: A range of comments were received on Figure 34.1: (i) it conflates aspects (components) of well-being and measures of these aspects; (ii) examples of aspects outside the boundary of the integrated framework of the SNA and outside material well-being should be reconsidered; (iii) distributional aspects should be reflected; (iv) consider identifying environmental-economic accounting connections distinct from social and population connections; and (v) clarify the connections to ecosystem services.

Proposed response: It is agreed that improvements can be made and changes will be considered in conjunction with redevelopment of figure 2.1 in chapter 2. Note also that text associated with figure 34.1 (paragraphs 34.3 – 34.7) will also need to be updated to align with any changes.

Issue 34.4.6: In paragraph 34.104 consider improving the explanation and presentation of the link between unpaid household service work and industries, including the incorporation of ISIC codes. The current text was misinterpreted as implying the need to collect data on unpaid household service work data from industries.

Proposed response: Propose that improvements are made in the presentation of this content with a focus on showing the link from unpaid household service activities to ISIC classes rather than the other way around as at present. In this respect, please also note the issue regarding the referencing of detailed classification codes from other standards, manuals and handbooks, as explained in the issues note on more generic crosscutting issues.

Seven minor additional issues were raised which are considered relevant for inclusion:

- Paragraph 34.26: As requested, correct referencing to the coverage of depreciation and depletion to different types of natural resources will be ensured.
- Paragraph 34.32 and 34.56: The reference to FISIM will be updated.
- Paragraph 34.52 and table 34.2: The use of correct terminology for AN.1 concerning produced assets will be ensured.
- Paragraph 34.90 and 34.100 : The correct title of the UNECE 2017 manual will be included.
- Para 34.104 and Table 34.6: It is proposed to update text to reflect that section G (trade) no longer includes “repair of motor vehicles and motorcycles” following the new ISIC.
- Table 34.6: The term “consumption of fixed capital” will be replaced with “depreciation”.
- Figure 34.2: It is proposed to add a footnote to the table to note that feedback loops have not been incorporated.

Disagreement with agreed recommendations for the update of the 2008 SNA – provided for information only

See the general remark under question 1.

Substantive concerns with 2008 SNA text unaffected by agreed recommendations – provided for information only

There were no substantial concerns regarding the 2008 SNA text unaffected by agreed recommendations.