



**Michael Davies**  
13/02/2009 02:11 AM

To sna@un.org  
cc  
bcc  
Subject Comments on Volume 2 of the 2008 SNA  
[SEC=UNCLASSIFIED]

Dear Sir,

## **Comments on Volume 2 of the 2008 SNA**

I refer to the letter from Dr Paul Cheung of 24 December 2008 inviting further comments on 2008 SNA, Vol. 2.

ABS has taken advantage of the ample opportunity provided to comment during the update process. We have only two substantive comments on the contents of Volume 2. These are detailed below.

We would like to take this opportunity to congratulate the Editor, the Manager and all those concerned with the difficult task of assembling the material and in writing a clear and coherent update to the System. It has been a substantial step forward.

We look forward to finalisation of the important work of upgrading the SNA.

Yours sincerely,

Michael Davies  
Branch Head  
National Accounts Branch  
Australian Bureau of Statistics

## **Comments on 2008 SNA Volume 2: Australian Bureau of Statistics**

### **1. The Market non-Market Distinction**

We consider that the advice offered in paragraph 22.29 of a 50% long-run cost recovery threshold is inappropriate, even though we recognise that this threshold is non-prescriptive. The principles for making a decision are well articulated in the text and we do not believe that it is appropriate for the SNA to extend this discussion to a proposal on how to operationalise these principles by suggesting a percentage threshold. The operationalisation of the principles may result in different thresholds in different countries and even within countries. For example, different thresholds may apply to non-profit institutions and government entities within a country. We suggest deletion of the last sentence in paragraph 22.29 and perhaps the merging

paragraph 22.30 into the amended paragraph 22.29.

Similar comments apply in relation to market and non-market Non Profit Institutions.

## **2. Consistency of Volume 1 and Volume 2**

We understand from the ISWGNA report to the forthcoming UNSC meeting that a number of updates to Volume 1 are being made. Most of these have been the subject of wide international consultation except what is described in the ISWGNA report (E/CN.3/2009/8) as:

(f) To include some additional text clarifying the criteria that determine when changes to pension schemes should be recorded in the core accounts and when they should be recorded in the supplementary table; it will consist of text outlining how to treat negotiated and non-negotiated changes to pensions;

We understand that a room document is to be provided on this topic to the UNSC but that it is not yet available. We look forward to the detail of the proposal being available and will be able to comment once we see the detail.

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