# Comments on draft SNA chapter: Chapter 15: The Goods and Services Account and Supply and Use Tables

## Deadline for comments: 29 November 2007 Send comments to: sna@un.org

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This three-part template allows you to record your comments on draft chapter 15 easily and, at the same time, makes it easy for us to use your comments in considering revisions to the draft chapter. You may complete any one, any two, or all of the three parts of the template.

Save this template and send it as an attachment to the following e-mail address: sna@un.org

## **Part I: General comments**

In the space below, please provide any general comments, such as about the clarity with which the new recommendations were incorporated. Also, you may wish to comment on whether there is enough cross-referencing to earlier chapters for the basic concepts and definitions used in the supply and use tables (30 words or less).

Comment:

A big improvement. However the numerical example in section B should be integrated with that of section E so as not to confuse the reader

## Part II: Comments on specific draft paragraphs or passages

In your review of draft chapter 15, you may wish to devote particular attention to the passages listed below. For ease of reference, we have identified the relevant paragraphs. For each passage, a Word table is provided for you to use in making your comments. In most cases, there is a row for general comments at the top of the table. Thereafter please use a separate row for each paragraph on which you wish to make detailed comments.

#### Goods and services account

As the foundation of the supply and use tables, the goods and services account is discussed in paragraphs 15.7. This account also serves as a preliminary step to the material on the summary measures of the accounts (now in chapter 14, but to be moved in the next version of the full set of chapters where this chapter on the goods and services account and supply and use table will be chapter 14, prices and volumes will be chapter 15 and part of the existing chapter 14 will be described as "Summarising and integrating the accounts" in place of the present title of "Summarising and presenting the accounts"> and will be chapter 16.).

1. Do you find this discussion useful? Is it clear and sufficient?

General	Yes
comment	
15.7	Specific reference to related chapters should also be mentioned

## Goods for processing

The implications of the new treatment for goods sent abroad for processing (and returned from abroad after processing) for the supply and use tables is described in paragraphs 15.32-15.36.

2. Is the discussion of goods for processing clear and sufficient?

General comment	15.32-15.36 reference to the production account (processor of goods for processing) should be expounded to link production with import/export of goods for processing.
15.32	Should elaborate further what accrues to the "importer/exporter" of goods for processing
*	Click here and start typing.

\* Insert rows in this Word table for each paragraph on which you wish to comment.

### Trade and transport margins

The decision on how to record goods for processing has implications for how to record transport margins on such goods. Further, the principles of how to record trade and transports margins within supply and use tables when valuation is at basic prices as compared with purchaser's prices were not elaborated in the *1993 SNA* text. Such a clarification is now provided (paragraphs 15.42-15.66)

3. Is the discussion of trade and transport margins clear and sufficient?

General comment	It is clearer now
15.42	15.42-15.66 The examples and tables provided in these paragraphs helped clarify the various scenarios for trade and transport margin. However, no recommendations were mentioned on what approach can be use of adjustments for trade and transport margin in the case wherein the only available data would be cif value of imports
*	Click here and start typing.

\* Insert rows in this Word table for each paragraph on which you wish to comment.

The supply and use tables in volume terms

Section D.2 provides a general discussion of the supply and use tables in volume terms, covering output, imports and exports, margins, taxes less subsidies on production, and value added.

4. Is the discussion of supply and use tables in volume terms clear and sufficient?

General comment	Some paragraphs should be elaborated to make it clearer.
15.119	Sufficient as an introduction for the topic on use table in volume terms
*	<ul> <li>15.126 Some suggestions/recommendation on the deflators to account for quality change of import/export would be helpful.</li> <li>15.127-15.128 A summary of the approaches to derive estimates of margin in volume terms as mentioned in the manual on CPI &amp; PPI could be mentioned here.</li> </ul>

\* Insert rows in this Word table for each paragraph on which you wish to comment.

Additions and deletions to the draft chapter

The chapter aims to give a more comprehensive view of supply and use tables and how they might be used than is found in the *1993 SNA*. As explained in the Note by the Editor, new material was added on several aspects.

5. Bearing in mind that input-output tables will be described in a later chapter, are there other aspects of supply and use tables that you feel should be added to the chapter?

Comment:

Would there be some discussions on how the SUT can be used to update your benchmark I-O tables in the absence of a survey specific to the I-O compilation needs?

Table 15.3 of the *1993 SNA* shows the cross classification of production account items by industries and institutional sectors. It has been omitted from the draft chapter.

6. Do you see any reason to restore it to the draft?

Comment:

It is still useful but should be clearly explained. Will this be covered in another chapter?

## Part III. Other specific comments

You are welcome to make other comments. Please do so by using Adobe Acrobat Version 6 or 7 to comment directly on the PDF of the draft chapter.

If you don't have Adobe Acrobat Version 6 or 7 and would like to make detailed comments, please send a message to <u>sna@un.org</u> requesting a version of the draft chapter that permits you to comment. To optimize your commenting tools, please download Adobe Reader 7.0 for free from <u>http://www.adobe.com/products/acrobat/readstep2.html</u>