

**Comments on draft SNA chapter:
Chapter 19: Population and labour inputs**

**Deadline for comments: 26 September 2008
Send comments to: sna@un.org**

Your name:	Antonella Baldassarini
Your country/organization:	Italy/Istat
Contact (e.g. email address):	anbaldas@istat.it
Submission date:	25/9/2008

This template allows you to record your comments on draft SNA chapter 19 “Population and labour inputs” 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 or all parts of the template.

There is no file comparing existing text with draft text for this chapter because the draft is largely new text.

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. This may cover e.g. the structure of the chapter, issues missing and (lack of) consistency with other chapters of the 2008 SNA.

General comments:

General comment	<ul style="list-style-type: none"> • The structure of the chapter seems not homogeneous: too long the part referred to the hours worked; too synthetic the section on productivity, not well developed the part related to labour productivity, the section on non observed economy seems partial and incoherent with concepts and definitions on volume 1, chapter 6. • Too restricted considering total population and productivity the main topics of the chapter. The relevance of the different measures of employment should be underline too for the following reasons 1) a clear definitions of all the different measures of labour input (that is persons employed, jobs, hours actually worked and full-time equivalent units) is useful and necessary for statistical purposes; 2) in the chapter, labour input measures in level (like jobs, FTEs and total hours worked) are compared with index numbers like quality adjusted labour input • It is difficult to follow differences between ILO definitions and SNA definitions on population and employment. The introduction of a synthetic figure is suggested. • Self-employed working hours may require a measurement approach in turn more flexible and complex than for fixed working arrangements in paid employment. The introduction of another measure of hours that express a typical amounts of working time is suggested for analysing quality of labours statistics.
-----------------	---

Part II: Comments on specific draft paragraphs and sections

All comments on specific draft paragraphs are welcome. They can be about e.g. scope, content and clarity. Proposing a concrete alternative text or table is also possible. For the paragraphs in separate sections, separate forms are used for providing and collecting comments (see below).

A. Introduction (paragraphs 19.1-19.8)

General comment	Click here and start typing.
19.2	The first sentence should be changed as follows: 'The chapter considers total population, labour inputs and labour productivity.'
19.4	At the end of the paragraph should be better to say: ' More complicated productivity measures, such as multifactor productivity.....also require a measure of labour inputs (for example hours worked).....'

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

B. Population (paragraphs 19.9-19.14)

General comment	Click here and start typing.
19.9	To say that in years between censuses, updated information on the population of a country is provided by less robust methods seems too strong. In a lot of European countries, population registers are updated and represent a reliable source of information for updating population. We think that the last sentence of the paragraph could be eliminated.
19.13	The first sentence could be the following: 'Per capita growth rates in real national income or in real actual consumption.....'

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

C. Measuring the labour force (paragraphs 19.15-19.37)

General comment	The paragraph is referred to non observed with the aim of putting in light the importance of the exhaustiveness issue in national accounts. Nevertheless, it should be mentioned that integrating production aggregates means also to estimate unregistered employment (that is workers without agreements declared to the fiscal and social contributions authorities) which is hidden by will of the entrepreneurs to reduce the costs of production.
19.16	It should be said that Labour force and Economically active population are equivalent. In any case, we suggest using only the term labour force.

19.22	In the paragraph, it could be useful to remind at paragraph 19.37 where the volunteer work of employees in some borderline cases is explained.
19.29	We think that point g presents a mistake. Maybe the correct formulation should be the following “local employees of general government bodies situated outside the <u>geographic territory</u> ” or “local employees of general government bodies situated <u>abroad</u> ”. This formulation would become coherent with point c of paragraph 19.28 which describes the opposite case. Otherwise we do not understand who the persons are involved in point g: could you make some examples?
19.30	Terminology is not correct. In particular, in Volume 1 of the SNA no reference has been done to terms hidden or underground economy, while a distinction has been done between non observed economy and illegal production. References to Volume 1, paragraphs 6. , and Volume 2, chapter 25 on informal economy should be done. Accordingly to general comments, we also suggest to change the last sentence as follows “... when looking at comparisons between labour statistics and output, it is important the persons concerned should be included in labour input (or NA employment) also”. In fact “labour statistics” are supposed to be data from surveys, while here we refer to NA employment estimates.
19.31	Having in consideration Volume 1 concepts and definitions, it seems incorrect to speak about non observed economy only referred to statistical underground, which is only a component of the non observed economy. A reference to the OECD Handbook on “Measuring the non-observed economy” has to be done, in particular for clarifying differences among underground for statistical reasons, underground for economic reasons, informal sector and illegal economy. Another important reference could be the European Commission Decision on exhaustiveness (94/168/CE, Euratom 22 February 1994) which explicitly describes of all the phenomena which are not directly observed in relation to production, primary income and expenditure (and consequently to labour input)
19.32	We suggest to include this paragraph as a special case of Volunteer labour

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

D. Standardized measures of labour inputs (paragraphs 19.38-19.55)

General comment	<ul style="list-style-type: none"> • The three different measures presented should be presented as follows: 1) hours worked; 2) full-time; 3) quality adjusted labour input. • We think that should be better to give in the paragraph 19.46 the definition of hours usually worked because it is useful for estimating hours worked of self-employed in lack of detailed labour statistics.
19.38	In this paragraph, three types of labour inputs are considered as conceptually equivalents: full-time employment, hours worked and quality adjusted labour

	input. We don't agree because the first two measures express the amount of labour in absolute level while the last one in only an index of labour input finalized to estimate MFP and not a physical measure of labour input employed in the production process.
19.39	We would like to receive some more information on what is the average number of hours actually worked in a full-time job. Is it comprehensive of sick leaves? If the answer is positive, how is it possible to measure an annual full-time number of hours actually worked for self-employed?
19.42	We would like to receive some clarifications on the last sentence according to which hours in full-time jobs have been adjusted for the average amount of sick leave taken in the reference period as well as for leave taken.
19.44	It is not clear how to estimate an annual full-time hours actually worked.
19.46	It is not clear the link between the definition of hours actually worked according to the Eighteenth ICLS (sub-paragraphs (1)-(4)).and the statistics of hours worked (sub-paragraphs (5) and (6)). It should be better to introduce in the paragraph another definition of hours worked that could be used for self-employed in absence of qualified labour statistics (for example, hours usually worked).
19.47	It should be better instead of say: ' in all jobs', to specify in all employee and self-employed jobs.
19.49	We have some difficult to accept contents of this section D where measures of labour input expresses in different units of measure coexist (for example, hours worked and quality-adjusted labour input).

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

E. Estimating labour productivity (paragraphs 19.56-19.68)

General comment	This section is mainly oriented to describe MFT while less prominence has been given to labour productivity measures.
19.56	We don't agree to qualify measures of labour productivity, like volume of output per hour worked, as less sophisticated respect to MFP. They are simply different measures that express different concepts..
19.57	Click here and start typing.

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

F. A note on source data (paragraphs 19.69-19.74)

General comment	Click here and start typing.
19.71	It should be added that business statistics collect only registered labour while unregistered workers (who are part of the underground economy) are not declared by employers in the questionnaires.

19.72	We don't agree to say that administrative data don't provide a useful source of employment data for national accounts. Probably, it is better to say that administrative data don't provide a complete (or exhaustive) source of employment data for the national accounts.
*19.74	We suggest that in the first sentence it should be specified that the problem concerns only household surveys

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

Part III. Other specific comments

You are welcome to make other specific comments. To assist you in doing so, the following points are provided as a guide to the types of points on which you might wish to comment. Note, though, that you are not restricted to commenting on only these points.

1. Are the details of the labour force and the differences between the ILO and SNA conventions sufficiently clear?
2. Is the discussion of standardised labour inputs sufficient?
3. Is the discussion of labour productivity sufficient?
4. Can you recommend references to be included?

Specific comments:

Specific comments	Click here and start typing.
-------------------	------------------------------

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

If you don't have Adobe Acrobat Version 6 or 7 and would like to make detailed comments, please send a message to sna@un.org 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 <http://www.adobe.com/products/acrobat/readstep2.html>