# **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:	Robin Lynch
Your country/organization:	UK
Contact (e.g. email address):	Robin.LynchLtd@ntlworld.com
Submission date:	11 September 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: <a href="mailto:sna@un.org">sna@un.org</a>

# 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:

<b>C</b>	The concrete section on productivity is brief and does not say enough shout
General	The separate section on productivity is brief, and does not say enough about
comment	such a complex measure. Although the title of the first section mentions labour
	productivity, only the first sentence addresses this,. The rest is about the
	difficulties of this measure, and how extensions are possible, but they too bring
	their own problems.
	Å
	A different approach would be to restrict description to a very general short
	one, such as given in paragraph 19.4, and then refer to the OECD manual. The
	current description of MFP gives the impression it is a measure of the
	contribution of both labour and capital, whereas the definition in the OECD
	manual (page 16) says that only "disembodied technical change" affects MFP.
	MFP is a residual rather than a direct measure

## 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	For population, <u>income</u> per capita seems the appropriate measure, not GDP. Is this worth a mention, and why it is not referred to in the literature?
19.5	The word "clearly" is not needed.
*	Click here and start typing.

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

# **B.** Population (paragraphs 19.9-19.14)

General	Click here and start typing.
comment	
19.13	First sentence – repeats "per capita". Proposed re-write
	"Growth rates in real national income per capita or in real actual consumption expenditure per capita generally provide
*19.14	Meaning is unclear in the last sentence. "same population estimates previously described as being used for volume growth measures". No need to mention volume growth, simply say "population estimates as described previously", or "in paragraph 19.10."

\* 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	Click here and start typing.
19.26	An employer (not employee)
*19.32	"another difference between ILO and SNA practices". This sounds important and deserving of a formal listing of areas. They may be mentioned at different places in the chapter, but an exhaustive listing in a table would help compilers
19.37	The paradox of owner-occupied dwelling services being in the production boundary, yet no employment being recognised in the ILO statistics, would benefit from more description. Presumably, the convention of no labour services recognised in national accounts is to avoid an inconsistency with ILO statistics. It seems strange that market rents are used to estimate owner- occupied dwelling services, and so includes labour by the landlord and his directly employed agents to maintain the property, and yet no labour is included explicitly on the owner-occupier side. Presumably the depreciation of the asset

far outweighs any minor labour costs of the landlord, and so this is an
acceptable approximation, but that point may be worth making here in a
separate paragraph before going on to describe the situation of self-build
groups

\* 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	Click here and start typing.
19.41	"the use of full-time equivalents should be gradually phased out <i>as more reliable hours worked data becomes available</i> ".
*19.44	Split second sentence into two for comprehension. "In many countries, especially for monthly paid employee jobs, only normal hours or hours usually worked, any paid overtime, plus annual and holiday leave entitlements can be ascertained. It may be impossible to estimate the amount to be subtracted to allow for illness leave.
	Omit the last part of the last sentence "so can be tolerated if it is unavoidable", or replace by a phrase such as "and this is unlikely to have a material effect on the measures."

\* 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	I have expressed concern with this (or any!) treatment of productivity in a brief manner. The exposition makes it sound as if MFP is a combination of labour and capital, rather than a residual once these effects have been allowed for.
19.60	"Nor even full-time equivalent employees," $-$ an extra "r" in the first word, and an extra comma at the end.
*	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	The material here is very readable and seems useful – but is it sufficiently relevant to most countries, and is it exhaustive? Elsewhere in the manual, very little is said on sources, presumably because of the difficulties mentioned. Is it worth it here? Does this section raise more questions than answered?
19.69	Click here and start typing.
*	Click here and start typing.

\* 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 <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>