

**Comments on draft SNA chapter:
Chapter 5: Establishments and industries**

Deadline for comments: 1 September 2007

Send comments to: sna@un.org

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This three-part template allows you to record your comments on draft chapter 5 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.

Especially when providing comments in Part III of the template, you are encouraged to focus on the new passages of the draft text. To facilitate this process, a file comparing the existing text and the draft text is available on the website under the following link:

<http://unstats.un.org/unsd/sna1993/projectmanagement/drafts/Chapter5dv2cdv0.pdf>

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 (30 words or less).

Comment:

Moving the paragraphs concerning the ancillary activities to where they are now generates some lack of clarity, because they are needed in Part C.

We couldn't find an explicit definition of ancillary establishment (AEG Rec. 25a).

We suggest to use the definition of local KAU in ESA 1995 2.106 in order to clarify / define the establishment in the draft SNA. This relates to the clarification point 21.

The description of the analytical unit as result of manipulation of statistical data is confusing; an analytical unit is a concept for which data are produced by means of calculations for the whole set of units of homogeneous production (not for the individual analytical unit). The original 5.45 should be re-introduced.

There are two paragraphs with the number 5.28 (after 5.19 and after 5.27).

Part II: Comments on specific draft paragraphs or passages

In your review of draft chapter 5, you may wish to devote particular attention to the passage listed below. For ease of reference, we have identified the relevant paragraphs. Please use the space provided to the right of the paragraph number to make your comment.

1. Section D, paragraphs 5.37 – 5.40:

The treatment of ancillary activities has changed in the 1993 SNA Rev.1. The new treatment is described in paragraphs 5.37 – 5.40. Please indicate whether the description is sufficiently clear and comprehensive.

5.1	"An unincorporated enterprise represents the production activity ...": as there is a difference between the enterprise and the production activity, the formulation in the 5 th sentence of paragraph 5.1 of SNA 1993 "an unincorporated enterprise.... in it's capacity as a producer of goods and services" is preferable.
5.5	Replace "goods and services" by "goods or services" (twice)
5.8	5 th line: replace "below" by "above" (see 5.2)
5.9	Ancillary activities should be placed after 5.9 (Secondary activities) (as they were in SNA 1993)
5.13	Establishment: see general comments concerning establishments
5.16	The definition of "ancillary establishment" should be introduced here, consistently with recommendation 25a.
5.17	We suggest rewording the title: 2. " Accounts for establishments " as " Data and Accounts for establishments "
5.20	The right number is 5.21
5.21	The right number is 5.22
5.24	the deleted information from 5.34, that sections are the first breakdown of the ISIC is not superfluous and has to be reintegrated
5.28 (after 5.27); 5.29	this is a sentence of the former 5.36 (now 5.26) and should stay there. This paragraph is a part of a sentence of the former 5.36 and has no meaning standing alone. Clarifications are needed on these paragraphs and, in particular on the links between them.
Part D	this part on ancillary activities should be placed where it was in SNA 1993 because it is important for the further explanations and delimitations
5.34	"Goods are not commonly used as inputs in the same way as services such as accounting, transportation or cleaning.": we suggest to reintroduce the deleted 2 nd sentence "the characteristic that ancillary activities ...produce services as output" of paragraph 5.11 of SNA 1993 in order to ensure continuity in the reasoning.
5.36	We suggest rewording the title: "Recording (or not) the output of ancillary Services" as "Recording (or not) the output of ancillary activities".
5.41	Last sentence: replace "groups of establishments" by "sets of establishments" because in the context of ISIC the word "groups" should be reserved for a defined level of breakdown.
5.42	We suggest to reintroduce the phrase " and more broadly economic" of 5.41 SNA 1993 in the 3 rd sentence of 5.42, as this is an important aspect for the distinction of market and non-market. We also suggest replacing "production activity" with " <i>productive activity</i> ".

Part F	Introduction of the concept "analytical unit" (5.45 in SNA 1993) has been unnecessarily deleted; we find it useful and suggest reintroducing it.
5.47	Replace "The desirable unit" with " The analytical unit". This requires introducing and defining the analytical unit beforehand, along the lines of paragraph 5.45 of SNA 1993.

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 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>