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

### Deadline for comments: 21 August 2007 Send comments to: sna@un.org

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Your country/organization:	The Netherlands, Statistics Netherlands (Note: The comments below also include those made by the Dutch Centeral Bank.)
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Submission date:	5 September 2007

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:

Generally, we are quite happy with the proposed draft. We only have one more general remark, in relation to the description of ancillary activities; see below.

## 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.

5.37	In our opinion, the description of the treatment of ancillary activities is very clear. In the new set-up of the chapter, however, additional text with appropriate references may be needed. In para. 5.7, it is stated that the fundamental distinction between principal and secondary activities on the one hand and ancillary activities on the other will be explained. Yet, the text right after that paragraph relates to principal and secondary activities only. Furthermore, one may need to know something about ancillary activities before entering into part C. A suggestion may be to introduce a short definition of ancillary activities at the end of part B, with a refernce to part D for a more detailed explanation.
5.38	
5.39	
5.40	

### 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>

Para. 5.1: We prefer the original wording according to the 1993 SNA. In the proposed text, NPIs as part of the sectors general government and NPISHs seem to be excluded from the definition of an "enterprise".

Para. 5.3, 5th sentence: Typo: (...) how they are provided

Para. 5.28 and 5.29: These paragraphs should be combined. Furthermore, it is not entirely clear whether this swimming pool is meant to be an example of a quasi-corporation or not. It is somewhat confusing, because the previous paragraph addresses the enterprise not being a quasi-corporation.

Part D: Reading the part on ancillary activities, one starts to wonder why ancillary activities are that important. The reason is only explained much later in the text, i.e. in para. 5.36. Perhaps, one should change the order of the text, or perhaps even move para. 5.36 to part B?

Para. 5.41, first sentence and para. 5.42, second sentence: Typo: replace "engaged <u>on</u>" by "engaged <u>in</u>".

Para. 5.45, one but last sentence: Typo: Replace "resulting <u>separate in</u> activities" by "resulting <u>in separate</u> activities".

Para. 5.45 and 5.46: The line of reasoning seems a bit complicated. Apart from more conceptual reason, it seems to be quite straightforward that establishments (and consequently) industries produce more than one product, because of secondary activities, joint products, by-products, etc.