

**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:

Ancillary activities draft recommendations need to be clarified across the entire 5th chapter, since main changes foreseen to SNA 1993 in this field (Establishments and Industries, and the basic units behind) concern this “entity”. Crucial, when “splitting” the relevant economic units for National Accounts purpose for a certain enterprise, the identification of separate establishments involved only (or mostly) with traditionally ancillary activities (in headquarters, in particular), implies a different kind-of-activity classification and an imputed-market valuation of its output, vis-à-vis other similar enterprises. This implies, mainly, regional accounting.

It should be assumed that Local Kind-of-unit (LKAU) is equivalent to Establishment, theoretically and/or in practice.

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	Instead of “An unincorporated enterprise represents the production activity ...”: “An unincorporated enterprise corresponds to a household or a government unit concerning their production capacity, only”.
5.2	This § is too long. Maybe, the concepts of “establishment” and of “industry” could be included in a new §, eventually in Part C (as in SNA 1993).
5.3	“The recording ... how <u>these ancillary activities provided</u> . Those <u>conventions</u> are described...” – to solve misprint.
5.5	Instead of “... institutional units that use inputs of labour, capital and goods and services to produce outputs of goods and services.”: “... institutional units that use inputs of labour, capital, goods and services to produce outputs of goods or services.”
5.8	Change “The producer unit ... as defined below.”: “The producer unit ... as defined above.”, accordingly to 5.2.
5.9	A (second) glance or an outline of Ancillary activities should be introduced here, despite full detail in (new) part C.
5.13	It should be added: Local kind-of-activity unit is equivalent to establishment.
5.28	Re-number (5.20) and following §.
5.29	Difficult to understand the connection off this point... Add: “(If) an unincorporated enterprise owned by government is a market producer and is (independently managed ...),” rearranging from SNA 1993.
5.34	An example of good produced by an ancillary activity would be convenient to introduce in this point.
5.48	Replace “Units that are constructed by statistical manipulation of the data collected by the agency are called analytical units” by “The units there derived are called analytical units”.

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

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