

**Comments on draft SNA chapter:
Addendum 1 to Chapter 8: The redistribution of income accounts**

Deadline for comments: 16 October 2007

Send comments to: sna@un.org

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Submission date:	16 October 2007

This three-part template allows you to record your comments on the Addendum 1 to draft chapter 8 (Add.1) 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.

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:

The logic of the addendum is inconsistent and difficult to understand.

For example, paragraph 8.78, in the first sentence gives a definition of social benefits. The next two sentences appear to be about what is not a social benefit. This is then followed by 8.79 to 8.82 which describe receivables which are not social benefits. If at all, this section should come at the end, not the beginning.

Paragraph 8.83 begins by categorising social benefits in two ways, but does not say what the two ways are. Three types of social benefit are distinguished, but are not separately described. Three types of schemes under which social benefits are payable are given, but are not separately described. Paragraphs 8.84 to 8.92 are then impossible to understand.

For 8.90 and 8.91 it might be useful to include a subtitle 'Social assistance and social security – followed by a description of some key characteristics.

We are not sure whether it makes sense to distinguish, in paragraph 8.93, between pensions and other social benefits paid in cash and not reimbursed for social benefits paid by social assistance. Otherwise, a separate item health for social benefits paid by employment-related schemes other than social security and paid by social security makes sense taking into accounts the policy relevance of this item.

Paragraph 8.94 defines social transfers in kind but the heading of the section is social benefits and redistribution in kind.

Part II: Comments on specific draft paragraphs or passages

In your review of this Add.1, you may wish to devote particular attention to the passages listed below. For ease of reference, we have identified the relevant paragraphs. For the each passage, a Word table is provided for you to use in making your comments. There is a row for general comments at the top of the table. Thereafter please use a separate row for each paragraph on which you wish to make detailed comments.

1. In order to clarify the limits of social benefits, paragraphs 8.79-8.82 of the revised text shown in Add.1 describe receivables by households from government, NPISHs and other units that are **not** social benefits. Do you find it helpful to clarify that such items are not treated as social benefits? Are the distinctions clear and sufficiently complete?

General comment	Yes, but not at the beginning of the section.
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* Insert rows in this Word table for each paragraph on which you wish to comment.

2. Paragraphs 8.83-8.91 of the revised text shown in Add.1 set out the distinction between social security and social assistance. Institutional arrangements for the ways that government provides social benefits vary widely from country to country so that distinctions that hold generally are difficult to draw. Are these guidelines set out in these paragraphs clear? Can you think of any other way that is internationally robust to reinforce the distinction between social security and social assistance?

General comment	They are not clear and neither is the purpose of these paragraphs.
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* Insert rows in this Word table for each paragraph on which you wish to comment.

3. Section H of the revised text shown in Add.1 discusses the redistribution of income in kind account and its relation to the concept of actual consumption. Discussion of this account is not presently included in chapter 8 (either in the 1993 text or the draft of 1 August 2007). Do you agree this is a useful addition?

General comment	8.94 – 8.98 describe social transfers, but the heading of Section H is social benefits and redistribution in kind.
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* 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 comments. Please do so by using Adobe Acrobat Version 6 or 7 to comment directly on the PDF of the addendum.

If you don't have Adobe Acrobat Version 6 or 7 and would like to make very detailed comments please send a message to sna@un.org requesting to receive a version of the addendum permitting you to comment. To optimize your commenting tools please download Adobe Reader 7.0 for free from

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