

**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:	16.10.2007

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 and structure of these paragraphs could be improved as suggested below.

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	We would suggest putting, at the end and not at the beginning of this section, the list of some receivables by households not to be treated as social benefits (part 1 under F)
8.82	Last paragraph "other current transfers": using this formulation after the previous case-enumeration of what are not social benefits is confusing. Is the SNA category "other current transfers" meant here? This needs clarification.

* 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	
8.83	<p>Second paragraph: it should be made more explicit that "Employment-related social insurance schemes other than social security" and "Social security" are social insurance schemes, whereas the social assistance is not</p> <p>For the sake of the consistency of the System the first category ""Employment-related social insurance schemes other than social security" should be split (as in the SNA 1993) in</p> <ul style="list-style-type: none"> - private funded schemes and - unfunded schemes <p>These two subcategories have to be defined here, as they are used in chapter 17 (Title 2. "Unfunded social insurance schemes operated by employers) and in chapter 9 ("change in pension entitlements" is defined by reference to private funded schemes).</p>
8.93	It should be made clearer, that "Social benefits payable by employment-related schemes other than social security" also include benefits in kind. Please replace "(all treated as being paid in cash)" by "(in cash or in kind)".

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	<p>The concepts of two distinct subcategories of social transfers in kind ("social transfers in kind- government non-market production" and "social transfers in kind – market production purchased by government" are not explained.</p> <p>The redistribution of income in kind account tables of part H should be reintroduced.</p>
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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 <http://www.adobe.com/products/acrobat/readstep2.html>