

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

**Deadline for comments: 12 March 2007  
Send comments to: [sna@un.org](mailto:sna@un.org)**

Your name:	Click here and enter your name
Your country/organization:	Germany/Federal Statistical Office
Contact (e.g. email address):	Abteilung-III@destatis.de
Submission date:	2007-03-09

This three-part template allows you to record your comments on draft chapter 8 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](mailto: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:*

In general we are quite satisfied with this chapter. Some specific comments are presented on the following pages.

Please cross-check the references (e.g. at the end of para 8.53 is said “see para. 8.52 below”).

**Part II: Comments on specific draft paragraphs or passages**

In your review of draft chapter 8, you may wish to devote particular attention to the passages listed below. There is space after each issue for any comment you wish to make.

1. The title of the chapter has been changed from “The secondary distribution of income account” to “The redistribution of income accounts.” The new title reflects that the chapter also covers the redistribution of income account. This change is followed

through in the first three paragraphs of section. Are you comfortable with the change in title? Are these paragraphs clear and helpful?

*Comment:*

Yes.

2. In section B, the discussion of transfers has been extended. Is this discussion clear and helpful?

*Comment:*

8.38: We wonder why the presentation in the overview has been extended to include an impact on the financial accounts. Is this really true?

8.53 f.: We would prefer to mention, that in practice different methods exist to arrive at accrual data (one is the corrected taxes due, another one the time adjusted tax receipts).

8.68: Please check the use of terms social security funds, insurance and schemes. Particularly the term funds may be confusing in the case of PAYE-systems.

NOTE: In sections E and F at present relate only to pensions. There is discussion on other social insurance benefits in chapter 17. Eventually, some of the implications will be incorporated in chapter 8 (but leaving the main discussion in chapter 17).

3. In section E, the text on social contributions has been amended. Please see the note from the editor on the classification of social contributions as regards self- and non-employed persons. Do you agree that what is proposed is more practicable than what had been included in the 1993 SNA?

*Comment:*

Click here and start typing.

4. Section G includes text added for reinsurance, standardised guarantees, and new items for personal transfers and remittances from abroad. The last are in line with new BOP items. Do you have any comments?

*Comment:*

8.94: This new paragraph deals with the treatment of large claims in the case of exceptional events like hurricanes etc. The decisive point is that recording claims in this way has no impact on the output any more. We would prefer to mention this explicitly.

8.96: Treating reinsurance business like direct insurance business is consequent from a conceptual point of view. The former simplified version (“balance of all flows”) may have had some merits for a closed economy but not for the globalized reinsurance business of today. At the conceptual level we therefore agree to the new treatment, although the implementation will not be easy.

8.97: This new paragraph on standardized guaranties is extremely brief for a fundamental change. We would prefer to mention the principal implications. One would be that these (government) units create insurance-technical reserves and a second implication is that debt releases will decrease or even not exist any longer.

8.97: Please introduce some connecting word before the word “non-life insurance” in the first sentence.

5. Section G, in paragraph 8.106, describes the SNA treatment of lotteries and gambling. An endnote mentions that those working on the BOP Manual query this treatment because some very big payouts are made in the form of annuities such that there are financial claims and liabilities existing between winners and the lottery organizers. This issue will be brought to the AEG meeting in late March. Do you have views?

*Comment:*

Click here and start typing.

### **Part III. Other specific comments**

You are welcome to make other comments. Please do so by using Adobe Acrobat Version 6 or 7 to comments directly on the PDF of the draft chapter.

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](mailto:sna@un.org) requesting to receive a version of the draft chapter 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>