Communication TT: Review of Macroeconomic Accounting Terminology

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Outline

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- Deliverables and Timeline
Review of Macroeconomic Accounting Terminology: Background

- SNA brand is perceived to be strong, although currently less effectively communicated.
- Need for a more user-friendly terminology, but finding a common terminology that fits all users is challenging.
- Guidance on the SNA branding and a communication strategy for the SNA update should be developed, and updated branding of the BPM, GFS and MFS would also be helpful and welcome.

Word cloud built using Chapter 1 of the 2008 SNA.
Review of Macroeconomic Accounting Terminology: Background

Weighing the costs and benefits of a change in terminology and presentation

- The cost of any change in terminology and presentation is significant and most likely outweighs the benefits.
- As an alternative, a complementary set of stylized tables/accounts, indicators, terms with a more modern appeal can be considered but the underlying concepts remain unchanged.

**Costs**
- Retraining of compilers.
- Updating of standards, manuals, guides, training materials.
- Update of titles, tables, sources and methods.

**Benefits**
- Increase Interpretability.
- Potential increased use.
- Potential reduction in misreporting.
Review of Macroeconomic Accounting Terminology: Goal

Objective: conduct a review of the current macroeconomic accounting terminology and branding across countries and seek to foster comparability, consistency, and understanding of macroeconomic by users.

- the goal does not include changing the concepts currently used.

✔ the goal is to identify complementary alternative terms for more consistent and accurate use in the communication with non-experts, to better convey the meaning and interpretation of the definition, concept, and data to users.

✔ the goal is also to review the branding of the macroeconomic accounting manuals.

The Task Team is expected to:

➢ evaluate the terminology and labelling used by the macroeconomic accounting manuals and assess if it is still relevant and consistent with the macroeconomic domain.

➢ take into account the different audiences and users of macroeconomic statistics.
Review of Macroeconomic Accounting Terminology: Activities

- **Branding**
  The work will include a review of the overall branding, including the way the versions of the manuals are labelled and the way the system as a whole is referenced.

- **Survey**
  The review could include a survey to compilers and users to know the terminology they are using and how it is understood by users.

- **Terms**
  The work will include a review of all terms used by the macroeconomic accounting manuals.

- **Labelling**
  The work will include a review of the labelling of accounts and tables.
## Review of Macroeconomic Accounting Terminology: Possible Developments

### Terminology

- **Primary, Secondary, Disposable Income**
  - Are these terms well understood?
    - Would *Earned Income* be a more appropriate term for primary income?

- The use of disposable income account
  - Would an appropriate alias be *Saving and Investment Account*?

- Do users understand the technical concepts generally used in national accounts?
  - Could user-friendly alternatives be suggested?

### Branding

- How do users interpret the *2008 SNA* brand?

- Should the new next version of the SNA include reference to a year?
  - 2025 SNA versus SNA?

- Do users understand what is *national accounts compilation* and relate to GDP and other key aggregates?

- Do users understand the coverage and scope and the links with other statistical domains?
Expected deliverables:
- Guidance note

Timeline:
- August 2020: Report of activities for AEG, BOPCOM, and GFSAC
- November 2020: Report of activities for ISWGNA report to UNSC
- 2021: Finalization of draft guidance note
END

Thank you!

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