

## GLOSSARY OF TERMS

*(Source: System of National Accounts, 1993)*

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| Assets   | <i>Assets</i> are entities that must be owned by some unit, or units, and from which economic benefits are derived by their owner(s) by holding or using them over a period of time.  |
| Base period  | The period that provides the weights for an index is described as the <i>base period</i> .  |
| Basic price  | The <i>basic price</i> is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, on that unit as a consequence of its production or sale; it excludes any transport charges invoiced separately by the producer. |
| Capital stock - gross  | <i>Gross capital stock</i> is the value of all fixed assets still in use at the end of an accounting period, at the actual or estimated current purchasers' prices for new assets of the same type, irrespective of the age of the assets.  |
| Capital stock - net  | The sum of the written-down values of all the fixed assets still in use at the end of an accounting period is described as the <i>net capital stock</i> .   |
| Changes in inventories (including work-in-progress)          | <i>Changes in inventories (including work-in-progress)</i> are measured by the value of the entries into inventories less the value of withdrawals and the value of any recurrent losses of goods held in inventories.  |
| Classification of individual consumption by purpose (COICOP) | The <i>classification of individual consumption by purpose (COICOP)</i> is a classification used to identify the objectives of both individual consumption expenditure and actual individual consumption.   |
| Classification of the functions of government (COFOG)        | The <i>classification of the functions of government (COFOG)</i> is a classification used to identify the socio-economic objectives of current transactions, capital outlays and acquisition of financial assets by general government and its sub-sectors.   |
| Compensation of employees                                    | <i>Compensation of employees</i> is the total remuneration, in cash or in kind, payable by enterprises to employees in return for work done by the latter during the accounting period.   |
| Computer software  | <i>Computer software</i> consists of computer programs, program descriptions and supporting materials for both systems and applications software.   |
| Constant prices  | <i>Constant prices</i> are obtained by directly factoring changes over time in the values of flows of goods and services into two components reflecting changes in the prices of the goods and services concerned and changes in their volumes (i.e. changes in "constant price terms").                                      |
| Consumption  | <i>Consumption</i> is an activity in which institutional units use up goods or services; consumption can be either intermediate or final.   |
| Consumption of fixed capital                                 | <i>Consumption of fixed capital</i> represents the reduction in the value of the fixed assets used in production during the accounting period resulting from physical deterioration, normal obsolescence or normal accidental damage.   |

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| Cultivated assets                             | <i>Cultivated assets</i> are livestock for breeding (including fish and poultry), dairy, draught, etc. and vineyards, orchards and other plantations of trees yielding repeat products that are under the direct control, responsibility and management of institutional units.  |
| Defined benefit pension plans                 | <i>Defined benefit pension plans</i> are those in which the level of pension benefits promised to participating employees is guaranteed; benefits are related by some formula to participants' length of service and salary and are not totally dependent on either the participants' contributions or the assets in the fund.   |
| Depletion of natural economic assets          | The <i>depletion of natural economic assets</i> is the reduction in the value of deposits of subsoil assets, natural forests, fish stocks in the open seas and other non-cultivated biological resources as a result of the physical removal and using up of the assets.   |
| Depreciation                                  | <i>Depreciation</i> as usually calculated in business accounts is a method of allocating the costs of past expenditures on fixed assets over subsequent accounting periods; <b>note</b> that the depreciation methods favoured in business accounting and those prescribed by tax authorities almost invariably deviate from the concept of consumption of fixed capital employed in the SNA and so the term "consumption of fixed capital" is used in the SNA to distinguish it from "depreciation" as typically measured in business accounts. |
| Disposable income                             | <i>Disposable income</i> is derived from the balance of primary incomes of an institutional unit or sector by adding all current transfers, except social transfers in kind, receivable by that unit or sector and subtracting all current transfers, except social transfers in kind, payable by that unit or sector.   |
| Disposals                                     | <i>Disposals</i> of assets (inventories, fixed assets or land or other non-produced assets) by institutional units occur when one of those units sells any of the assets to another institutional unit.  |
| Domestic output                               | <i>Domestic output</i> is output produced by resident enterprises.   |
| Double deflation                              | <i>Double deflation</i> is a method whereby gross value added is measured at constant prices by subtracting intermediate consumption at constant prices from output at constant prices; this method is feasible only for constant price estimates which are additive, such as those calculated using a Laspeyres' formula (either fixed-base or for estimates expressed in the previous year's prices).  |
| Durable good                                  | A <i>durable good</i> is one which may be used repeatedly or continuously over a period of more than a year, assuming a normal or average rate of physical usage.  |
| Dwellings                                     | <i>Dwellings</i> are buildings that are used entirely or primarily as residences, including any associated structures, such as garages, and all permanent fixtures customarily installed in residences; movable structures, such as caravans, used as principal residences of households are included.   |
| Entertainment, literary or artistic originals | <i>Entertainment, literary or artistic originals</i> are the original films, sound recordings, manuscripts, tapes, models, etc, on which drama performances, radio and television programming, musical performances, sporting events, literary and artistic output, etc, are recorded or embodied.   |
| Establishment                                 | An <i>establishment</i> is an enterprise, or part of an enterprise, that is situated in a single location and in which only a single (non-ancillary) productive activity is carried out or in which the principal productive activity accounts for most of the value added.  |

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| Expenditures  | <i>Expenditures</i> are the values of the amounts that buyers pay, or agree to pay, to sellers in exchange for goods or services that sellers provide to them or to other institutional units designated by the buyers.   |
| Exports of goods  | <i>Exports of goods</i> consist of exports of the following items from residents to non-residents, generally with a change of ownership being involved: general merchandise, goods for processing, goods procured in domestic ports by non-resident carriers, and non-monetary gold.  |
| Exports of services   | <i>Exports of services</i> consist of the following services provided by residents to non-residents: transportation; travel; communications; construction; insurance; financial; computer and information; royalties and licence fees; other business services; personal, cultural, and recreational services; and government services n.i.e. |
| Factor cost   | Gross value added at <i>factor cost</i> is not a concept used explicitly in the System but it can easily be derived by subtracting the value of any taxes, less subsidies, on production payable out of gross value added.  |
| Final consumption   | <i>Final consumption</i> consists of goods and services used up by individual households or the community to satisfy their individual or collective needs or wants.   |
| Final consumption expenditure of government                   | <i>Government final consumption expenditure</i> consists of expenditure, including imputed expenditure, incurred by general government on both individual consumption goods and services and collective consumption services.   |
| Final consumption expenditure of households                   | <i>Household final consumption expenditure</i> consists of the expenditure, including imputed expenditure, incurred by resident households on individual consumption goods and services, including those sold at prices that are not economically significant.  |
| Final consumption expenditure of NPISHs                       | <i>Final consumption expenditure of NPISHs</i> consists of the expenditure, including imputed expenditure, incurred by resident NPISHs on individual consumption goods and services.  |
| Financial auxiliaries   | The <i>financial auxiliaries</i> sub-sector consists of all resident corporations and quasi-corporations engaged primarily in activities closely related to financial intermediation but which do not themselves perform an intermediation role.  |
| Financial corporations  | The <i>financial corporations</i> sector consists of all resident corporations or quasi-corporations principally engaged in financial intermediation or in auxiliary financial activities which are closely related to financial intermediation.  |
| Financial enterprises   | <i>Financial enterprises</i> are enterprises that are principally engaged in financial intermediation or in auxiliary financial activities which are closely related to financial intermediation.   |
| Financial intermediaries                                      | <i>Financial intermediaries</i> are units which incur liabilities on their own account on financial markets by borrowing funds which they lend on different terms and conditions to other institutional units.  |
| Financial intermediation                                      | <i>Financial intermediation</i> is a productive activity in which an institutional unit incurs liabilities on its own account for the purpose of acquiring financial assets by engaging in financial transactions on the market.  |
| Financial intermediation services indirectly measured (FISIM) | <i>Financial intermediation services indirectly measured (FISIM)</i> is an indirect measure of the value of financial intermediation services provided but for which financial institutions do not charge explicitly.   |

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| Fixed assets                       |        | <i>Fixed assets</i> are tangible or intangible assets produced as outputs from processes of production that are they used repeatedly or continuously in other processes of production for more than one year.   |
| Foreign investment                 | direct | <i>Foreign direct investment</i> is the category of international investment that reflects the objective of a resident entity in one economy to obtain a lasting interest in an enterprise resident in another economy; foreign direct investment is defined as ownership of 10 per cent or more of the ordinary shares or voting power (for an incorporated enterprise) or the equivalent (for an unincorporated enterprise).  |
| Functional classifications         |        | <i>Functional classifications</i> provide a means of classifying, by purpose or socio-economic objective, certain transactions of producers and of three institutional sectors - namely households, general government and non-profit institutions serving households (NPISH)s.   |
| GDP - expenditure based            |        | <i>Expenditure-based GDP</i> is total final expenditures at purchasers' prices (including the f.o.b. value of exports of goods and services), less the f.o.b. value of imports of goods and services.   |
| GDP - income based                 |        | <i>Income-based GDP</i> is compensation of employees, plus taxes less subsidies on production and imports, plus gross mixed income, plus gross operating surplus.   |
| GDP - output based                 |        | <i>Output-based GDP</i> is the sum of the gross values added of all resident producers at producers' prices, plus taxes less subsidies on imports, plus all non-deductible VAT (or similar taxes).  |
| GDP at market prices               |        | <i>GDP at market prices</i> is the sum of the gross values added of all resident producers at producers' prices, plus taxes less subsidies on imports, plus all non-deductible VAT (or similar taxes).  |
| GNI (gross national income)        |        | <i>GNI (gross national income)</i> is GDP less net taxes on production and imports, less compensation of employees less property income payable to the rest of the world plus the corresponding items receivable from the rest of the world (in other words, GDP less primary incomes payable to non-resident units plus primary incomes receivable from non-resident units); an alternative approach to measuring GNI at market prices is as the aggregate value of the balances of gross primary incomes for all sectors; (note that GNI is identical to gross national product (GNP) as previously used in national accounts generally). |
| Goods                              |        | <i>Goods</i> are physical objects for which a demand exists, over which ownership rights can be established and whose ownership can be transferred from one institutional unit to another by engaging in transactions on markets.   |
| Goods and services account         |        | The <i>goods and services account</i> shows for the economy as a whole and for groups of products, the total resources in terms of output and imports, and the uses of goods and services in terms of intermediate consumption, final consumption, gross capital formation and exports.   |
| Government consumption expenditure | final  | <i>Government final consumption expenditure</i> consists of expenditure, including imputed expenditure, incurred by general government on both individual consumption goods and services and collective consumption services.   |
| Gross                              |        | The term " <i>gross</i> " is a common means of referring to values before deducting consumption of fixed capital (generally used as in "gross capital stock" or "gross domestic product").  |
| Gross capital formation            |        | <i>Gross capital formation</i> is measured by the total value of the gross fixed capital formation, changes in inventories and acquisitions less disposals of valuables for a unit or sector.   |

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| Gross fixed capital formation          | <i>Gross fixed capital formation</i> is measured by the total value of a producer's acquisitions, less disposals, of fixed assets during the accounting period plus certain additions to the value of non-produced assets (such as subsoil assets or major improvements in the quantity, quality or productivity of land) realised by the productive activity of institutional units.   |
| Gross national disposable income       | <i>Gross national disposable income</i> may be derived from gross national income by adding all current transfers in cash or in kind receivable by resident institutional units from non-resident units and subtracting all current transfers in cash or in kind payable by resident institutional units to non-resident units.   |
| Gross national income (GNI)            | <i>Gross national income (GNI)</i> is GDP less net taxes on production and imports, less compensation of employees less property income payable to the rest of the world plus the corresponding items receivable from the rest of the world (in other words, GDP less primary incomes payable to non-resident units plus primary incomes receivable from non-resident units); an alternative approach to measuring GNI at market prices is as the aggregate value of the balances of gross primary incomes for all sectors; (note that gross national income is identical to gross national product (GNP) as previously used in national accounts generally). |
| Gross saving                           | <i>Gross saving</i> is gross disposable income less final consumption expenditure.  |
| Gross value added                      | <i>Gross value added</i> is the value of output less the value of intermediate consumption; it is a measure of the contribution to GDP made by an individual producer, industry or sector.  |
| Gross value added at basic prices      | <i>Gross value added at basic prices</i> is output valued at basic prices less intermediate consumption valued at purchasers' prices.   |
| Gross value added at producers' prices | <i>Gross value added at producers' prices</i> is output valued at producers' prices less intermediate consumption valued at purchasers' prices.   |
| Historic cost accounting               | <i>Historic cost accounting</i> is a valuation method which requires goods or assets used in production to be valued by the expenditures actually incurred to acquire those goods or assets, however far back in the past those expenditures took place.  |
| Holding gains                          | Positive or negative <i>holding gains</i> may accrue during the accounting period to the owners of financial and non-financial assets and liabilities as a result of a change in their prices (holding gains are sometimes referred to as "capital gains").   |
| Household consumption expenditure      | <i>Household final consumption expenditure</i> consists of the expenditure, including imputed expenditure, incurred by resident households on individual consumption goods and services, including those sold at prices that are not economically significant.  |
| Illegal production                     | <i>Illegal production</i> is the production of goods or services whose sale, distribution or possession is forbidden by law; and production activities which are usually legal but which become illegal when carried out by unauthorised producers; the scope of illegal production varies depending on the laws in place in individual countries (e.g., prostitution is legal in some countries but illegal in others).  |
| Income                                 | <i>Income</i> is the maximum amount that a household, or other unit, can consume without reducing its real net worth.   |
| Income from abroad - net               | <i>Net income from abroad</i> is the difference between the total values of the primary incomes receivable from, and payable to, non-residents.   |

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| Industry  |           | An <i>industry</i> consists of a group of establishments engaged on the same, or similar, kinds of production activity; the classification of productive activities used in the System is ISIC (Rev.3).   |
| Institutional sectors                                 |           | Institutional units are grouped together to form <i>institutional sectors</i> , on the basis of their principal functions, behaviour, and objectives.   |
| Institutional unit                                    |           | An <i>institutional unit</i> is an economic entity that is capable, in its own right, of owning assets, incurring liabilities and engaging in economic activities and in transactions with other entities.  |
| Insurance   |           | The activity of <i>insurance</i> is intended to provide individual institutional units exposed to certain risks with financial protection against the consequences of the occurrence of specified events; it is also a form of financial intermediation in which funds are collected from policyholders and invested in financial or other assets which are held as technical reserves to meet future claims arising from the occurrence of the events specified in the insurance policies. |
| Insurance corporations                                |           | <i>Insurance corporations</i> consist of incorporated, mutual and other entities whose principal function is to provide life, accident, sickness, fire or other forms of insurance to individual institutional units or groups of units.  |
| Insurance reserves                                    | technical | The <i>technical reserves</i> held by <i>insurance</i> enterprises consist of the actuarial reserves against outstanding risks in respect of life insurance policies, including reserves for with-profit policies which add to the value on maturity of with-profit endowments or similar policies, prepayments of premiums and reserves against outstanding claims.  |
| Intangible fixed assets                               |           | <i>Intangible fixed assets</i> are non-financial produced fixed assets that mainly consist of mineral exploration, computer software, entertainment, literary or artistic originals intended to be used for more than one year.   |
| Intangible non-produced assets                        |           | <i>Intangible non-produced assets</i> are assets that entitle their owners to engage in certain specific activities or to produce certain specific goods or services and to exclude other institutional units from doing so except with the permission of the owner (e.g., patented entities or purchased goodwill).  |
| Integrated accounts                                   | economic  | The <i>integrated economic accounts</i> comprise the full set of accounts of institutional sectors and the rest of the world, together with the accounts for transactions (and other flows) and the accounts for assets and liabilities.  |
| Interest  |           | <i>Interest</i> is the amount that the debtor becomes liable to pay to the creditor over a given period of time without reducing the amount of principal outstanding, under the terms of the financial instrument agreed between them.  |
| Intermediate consumption                              |           | <i>Intermediate consumption</i> consists of the value of the goods and services consumed as inputs by a process of production, excluding fixed assets whose consumption is recorded as consumption of fixed capital; the goods or services may be either transformed or used up by the production process.  |
| Inventories   |           | <i>Inventories</i> consist of stocks of outputs that are still held by the units that produced them prior to their being further processed, sold, delivered to other units or used in other ways and stocks of products acquired from other units that are intended to be used for intermediate consumption or for resale without further processing.   |
| Inventories - changes in (including work-in-progress) |           | <i>Changes in inventories (including work-in-progress)</i> are measured by the value of the entries into inventories less the value of withdrawals and the value of any recurrent losses of goods held in inventories.  |

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| Inventories of work-in-progress on cultivated assets | <i>Inventories of work-in-progress on cultivated assets</i> consist of livestock raised for products yielded only on slaughter, such as fowl and fish raised commercially, trees and other vegetation yielding once-only products on destruction and immature cultivated assets yielding repeat products.   |
| ISIC   | <i>ISIC</i> is the United Nations International Standard Industrial Classification of All Economic Activities; the third revision of ISIC is used in the 1993 SNA.  |
| Kind-of-activity unit                                | A <i>kind-of-activity unit</i> is an enterprise, or a part of an enterprise, which engages in only one kind of (non-ancillary) productive activity or in which the principal productive activity accounts for most of the value added.  |
| Land   | <i>Land</i> is the ground, including the soil covering and any associated surface waters, over which ownership rights are enforced.   |
| Machinery and equipment (assets)                     | <i>Machinery and equipment (assets)</i> consist of transport equipment and other machinery and equipment other than that acquired by households for final consumption.  |
| Maintenance and repairs (of fixed assets)            | Ordinary <i>maintenance and repairs</i> of fixed assets are activities that owners or users of fixed assets are obliged to undertake periodically in order to be able to utilise assets over their expected service lives (they are current costs that cannot be avoided if the fixed assets are to continue to be used); maintenance and repairs do not change the fixed asset or its performance, but simply maintain it in good working order or restore it to its previous condition in the event of a breakdown (note the contrast between this item and “major renovations or enlargements”). |
| Major renovations or enlargements (of fixed assets)  | <i>Major renovations or enlargements</i> of fixed assets are activities which increase the performance or capacity of existing fixed assets or significantly extend their previously expected service lives; the decision to renovate, reconstruct or enlarge a fixed asset is a deliberate investment decision which may be undertaken at any time and is not dictated by the condition of the asset (note the contrast between this item and “maintenance and repairs”).  |
| Margin (trade)                                       | A <i>trade margin</i> is the difference between the actual or imputed price realised on a good purchased for resale (either wholesale or retail) and the price that would have to be paid by the distributor to replace the good at the time it is sold or otherwise disposed of.   |
| Margin (transport)                                   | A <i>transport margin</i> consists of those transport charges paid separately by the purchaser in taking delivery of the goods at the required time and place.  |
| Market output  | <i>Market output</i> is output that is sold at prices that are economically significant or otherwise disposed of on the market, or intended for sale or disposal on the market.   |
| Market prices  | <i>Market prices</i> for transactions are the amounts of money willing buyers pay to acquire something from willing sellers.  |
| Mineral exploration                                  | <i>Mineral exploration</i> consists of the value of expenditures on exploration for petroleum and natural gas and for non-petroleum deposits.   |
| Mixed income   | <i>Mixed income</i> is the surplus or deficit accruing from production by unincorporated enterprises owned by households; it implicitly contains an element of remuneration for work done by the owner, or other members of the household, that cannot be separately identified from the return to the owner as entrepreneur but it excludes the operating surplus coming from owner-occupied dwellings.  |

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| Monetary gold                    | <i>Monetary gold</i> is gold owned by the monetary authorities or others subject to their effective control that is held as a financial asset and as a component of foreign reserves.   |
| National income                  | <i>National income</i> is the total value of the primary incomes receivable within an economy less the total of the primary incomes payable by resident units.  |
| Net                              | The term “ <i>net</i> ” is a common means of referring to values after deducting consumption of fixed capital (generally used as in “net capital stock” or “net domestic product”); it should be noted, however, that the term “net” can be used in different contexts in the national accounts, such as “net income from abroad” which is the difference between two income flows.                             |
| Net domestic product (NDP)       | <i>Net domestic product (NDP)</i> is obtained by deducting the consumption of fixed capital from gross domestic product.  |
| Net fixed capital formation.     | <i>Net fixed capital formation</i> consists of gross fixed capital formation less consumption of fixed capital.   |
| Net income from abroad           | The difference between the total values of the primary incomes receivable from, and payable to, non-residents is often described as <i>net income from abroad</i> .   |
| Net national income              | The aggregate value of the balances of net primary incomes summed over all sectors is described as <i>net national income</i> .   |
| Net saving                       | <i>Net saving</i> is net disposable income less final consumption expenditure.  |
| Net value added                  | <i>Net value added</i> is the value of output less the values of both intermediate consumption and consumption of fixed capital.  |
| Net worth                        | <i>Net worth</i> is the value of all the non-financial and financial assets owned by an institutional unit or sector less the value of all its outstanding liabilities; it is a measure of the wealth of a unit or sector at a point in time.   |
| Non-financial assets             | <i>Non-financial assets</i> are entities, over which ownership rights are enforced by institutional units, individually or collectively, and from which economic benefits may be derived by their owners by holding them, or using them over a period of time, that consist of tangible assets, both produced and non-produced, and most intangible assets for which no corresponding liabilities are recorded. |
| Non-financial corporations       | <i>Non-financial corporations</i> are corporations whose principal activity is the production of market goods or non-financial services.  |
| Non-financial quasi-corporations | <i>Non-financial quasi-corporations</i> are quasi-corporations whose principal activity is the production of market goods or non-financial services.  |
| Non-life insurance premiums      | <i>Non-life insurance premiums</i> comprise both the actual premiums payable by policyholders to obtain insurance cover during the accounting period (premiums earned) and the premium supplements payable out of the property income attributed to insurance policyholders, but excluding social contributions.  |
| Non-market producers             | <i>Non-market producers</i> are producers that provide most of their output to others free or at prices which are not economically significant.   |
| Non-profit institutions (NPIs)   | <i>Non-profit institutions (NPIs)</i> are legal or social entities created for the purpose of producing goods and services whose status does not permit them to be a source of income, profit or other financial gain for the units that establish, control or finance them.  |

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| Non-profit institutions controlled and mainly financed by government | <i>Non-profit institutions controlled and mainly financed by government</i> are properly constituted legal entities which exist separately from government but which are financed mainly by government and over which government exercises control.  |
| Non-profit institutions engaged in market production                 | <i>Non-profit institutions engaged in market production</i> consist of those NPIs which charge fees determined by their costs of production and which are sufficiently high to have a significant influence on the demand for their services, but any surpluses such institutions make must be retained within those institutions as their status as “Non-profit institutions (NPIs)” prevents them from distributing them to others   |
| Non-profit institutions engaged in non-market production             | <i>Non-profit institutions engaged in non-market production</i> are NPIs that are incapable of providing financial gain to the units which control or manage them, and which must rely principally on funds other than receipts from sales to cover their costs of production or other activities.   |
| Non-profit institutions serving households (NPISHs)                  | <i>Non-profit institutions serving households (NPISHs)</i> consist of NPIs which are not financed and controlled by government and which provide goods or services to households free or at prices that are not economically significant.  |
| Non-residential buildings  | <i>Non-residential buildings</i> are buildings other than dwellings, including fixtures, facilities and equipment that are integral parts of the structures and costs of site clearance and preparation.   |
| Operating surplus  | The <i>operating surplus</i> measures the surplus or deficit accruing from production before taking account of any interest, rent or similar charges payable on financial or tangible non-produced assets borrowed or rented by the enterprise, or any interest, rent or similar receipts receivable on financial or tangible non-produced assets owned by the enterprise; (note: for unincorporated enterprises owned by households, this component is called “mixed income”).              |
| Output   | <i>Output</i> consists of those goods or services that are produced within an establishment that become available for use outside that establishment, plus any goods and services produced for own final use.  |
| Perpetual inventory method (PIM)                                     | The <i>perpetual inventory method (PIM)</i> is a method of constructing estimates of capital stock and consumption of fixed capital from time series of gross fixed capital formation; it allows an estimate to be made of the stock of fixed assets in existence and in the hands of producers which is generally based on estimating how many of the fixed assets installed as a result of gross fixed capital formation undertaken in previous years have survived to the current period. |
| PPP (purchasing power parity)  | A <i>PPP (purchasing power parity)</i> is a price relative which measures the number of units of country B’s currency that are needed in country B to purchase the same quantity of an individual good or service as 1 unit of country A’s currency will purchase in country A.  |
| Primary incomes  | <i>Primary incomes</i> are incomes that accrue to institutional units as a consequence of their involvement in processes of production or ownership of assets that may be needed for purposes of production.   |
| Produced assets  | <i>Produced assets</i> are non-financial assets that have come into existence as outputs from processes that fall within the production boundary of the SNA.   |
| Producer’s price   | The <i>producer’s price</i> is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any VAT, or similar deductible tax, invoiced to the purchaser; it excludes any transport charges invoiced separately by the producer.   |

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| Production  | <i>Production</i> is an activity, carried out under the responsibility, control and management of an institutional unit that uses inputs of labour, capital and goods and services to produce outputs of other goods and services.  |
| Production account                                    | The <i>production account</i> records the activity of producing goods and services as defined within the SNA; its balancing item, gross value added, is a measure of the contribution to GDP made by an individual producer, industry or sector.  |
| Production boundary                                   | The <i>production boundary</i> includes all production actually destined for the market, whether for sale or barter, all goods or services provided free to individual households or collectively to the community by government units or NPISHs, all goods produced for own final use, own-account production of housing services by owner occupiers and services produced by employing paid domestic staff.   |
| Property income                                       | <i>Property income</i> is the income receivable by the owner of a financial asset or a tangible non-produced asset in return for providing funds to or putting the tangible non-produced asset at the disposal of, another institutional unit; it consists of interest, the distributed income of corporations (i.e., dividends and withdrawals from income of quasi-corporations), reinvested earnings on direct foreign investment, property income attributed to insurance policy holders, and rent. |
| Property income attributed to insurance policyholders | The <i>property income attributed to insurance policyholders</i> is the investment income receivable by insurance enterprises on insurance technical reserves; it is shown in the accounts as being paid by the insurance enterprises to the insurance policyholders because the technical reserves are assets of the policyholders.  |
| Purchaser's price                                     | The <i>purchaser's price</i> is the amount paid by the purchaser, excluding any deductible VAT or similar deductible tax, in order to take delivery of a unit of a good or service at the time and place required by the purchaser; the purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place.  |
| Quasi-corporations                                    | <i>Quasi-corporations</i> are unincorporated enterprises that function as if they were corporations, and which have complete sets of accounts, including balance sheets.  |
| Reference rate (of interest)                          | The <i>reference rate (of interest)</i> is the pure cost of borrowing funds (i.e. a rate from which the risk premium has been eliminated to the greatest extent possible and which does not include any intermediation services).   |
| Reinvested earnings on direct foreign investment      | <i>Reinvested earnings on direct foreign investment</i> consist of the retained earnings of a direct foreign investment enterprise and which are treated as if they were distributed and remitted to foreign direct investors in proportion to their ownership of the equity of the enterprise and then reinvested by them in the enterprise.   |
| Rent  | <i>Rent</i> is the sum of rents on land and rents on subsoil assets.  |
| Research and development                              | <i>Research and development</i> by a market producer is an activity undertaken for the purpose of discovering or developing new products, including improved versions or qualities of existing products, or discovering or developing new or more efficient processes of production.  |

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| SAM (social accounting matrix)                          | A <i>SAM (social accounting matrix)</i> is a means of presenting the SNA accounts in a matrix which elaborates the linkages between a supply and use table and institutional sector accounts; a typical focus of a SAM on the role of people in the economy may be reflected by, among other things, extra breakdowns of the household sector and a disaggregated representation of labour markets (i.e., distinguishing various categories of employed persons).                 |
| Satellite accounts                                      | <i>Satellite accounts</i> provide a framework linked to the central accounts and which enables attention to be focused on a certain field or aspect of economic and social life in the context of national accounts; common examples are satellite accounts for the environment, or tourism, or unpaid household work.  |
| Saving  | <i>Saving</i> is disposable income less final consumption expenditure (or adjusted disposable income less actual final consumption, after taking account of an adjustment for pension funds); saving is an important aggregate which can be calculated for each institutional sector.   |
| Services  | <i>Services</i> are outputs produced to order and typically consist of changes in the conditions of the consuming units realised by the activities of producers at the demand of the consumers; by the time their production is completed they must have been provided to the consumers.  |
| Single indicator method of deflation                    | A <i>single indicator method of deflation</i> is a means of estimating the volume movements of value added directly using only one time series instead of double deflation.   |
| SNA (System of National Accounts)                       | The System of National Accounts ( <i>SNA</i> ) consists of a coherent, consistent and integrated set of macroeconomic accounts, balance sheets and tables based on a set of internationally agreed concepts, definitions, classifications and accounting rules.   |
| Stocks  | <i>Stocks</i> are a position in, or holdings of, assets and liabilities at a point in time and the System records stocks in accounts, usually referred to as balance sheets, and tables at the beginning and end of the accounting period; stocks result from the accumulation of prior transactions and other flows, and they are changed by transactions and other flows in the period (note that stocks of goods are referred to as "inventories" in the System).              |
| Straight-line depreciation                              | <i>Straight-line depreciation</i> is a depreciation profile based on a constant annual amount of capital consumption over the life of the asset.  |
| Subsidies   | <i>Subsidies</i> are current unrequited payments that government units, including non-resident government units, make to enterprises on the basis of the levels of their production activities or the quantities or values of the goods or services which they produce, sell or import.   |
| Subsidies on losses of government trading organisations | <i>Subsidies on losses of government trading organisations</i> consist of the losses incurred by government trading organisations whose function is to buy and sell the products of resident enterprises; when such organisations incur losses as a matter of deliberate government economic or social policy by selling at lower prices than those at which they purchased the goods, the difference between the purchase and the selling prices should be treated as a subsidy. |
| Tangible fixed assets                                   | <i>Tangible fixed assets</i> are non-financial produced assets that consist of dwellings; other buildings and structures; machinery and equipment and cultivated assets.  |
| Tangible non-produced assets                            | <i>Tangible non-produced assets</i> are natural assets - land, subsoil assets, non-cultivated biological resources and water resources - over which ownership may be established and transferred  |

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| Total economy                                  | The <i>total economy</i> consists of all the institutional units which are resident in the economic territory of a country.  |
| Trade margin                                   | A <i>trade margin</i> is the difference between the actual or imputed price realised on a good purchased for resale (either wholesale or retail) and the price that would have to be paid by the distributor to replace the good at the time it is sold or otherwise disposed of.  |
| Unit value index                               | A <i>unit value index</i> is a “price” index which measures the change in the average value of units that are not homogeneous and which may therefore be affected by changes in the mix of items as well as by changes in their prices.  |
| Valuables                                      | <i>Valuables</i> are produced assets that are not used primarily for production or consumption, that are expected to appreciate or at least not to decline in real value, that do not deteriorate over time under normal conditions and that are acquired and held primarily as stores of value.   |
| Volume index                                   | A <i>volume index</i> (also called a “quantity index”) is most commonly presented as an average of the proportionate changes in the quantities of a specified set of goods or services between two periods of time; volume indices may also compare the relative levels of activity in different countries (e.g., those calculated using PPPs).  |
| Wages and salaries                             | <i>Wages and salaries</i> consist of the sum of wages and salaries in cash and wages and salaries in kind.   |
| Wages and salaries in cash                     | <i>Wages and salaries in cash</i> consist of wages or salaries payable at regular weekly, monthly or other intervals, including payments by results and piecework payments; plus allowances such as those for working overtime; plus amounts paid to employees away from work for on holiday; plus ad hoc bonuses and similar payments; plus commissions, gratuities and tips received by employees. |
| Wages and salaries in kind                     | <i>Wages and salaries in kind</i> consist of remuneration in the form of goods and/or services that are not necessary for work and can be used by employees in their own time, and at their own discretion, for the satisfaction of their own needs or wants or those of other members of their households.  |
| Work-in-progress inventories                   | - <i>Inventories of work-in-progress</i> consist of goods and services that are partially completed but that are not usually turned over to other units without further processing or that are not mature and whose production process will be continued in a subsequent period by the same producer.  |
| Work-in-progress cultivated assets inventories | on - <i>Inventories of work-in-progress on cultivated assets</i> consist of livestock raised for products yielded only on slaughter, including fowl and fish raised commercially, trees and other vegetation yielding once-only products on destruction and immature cultivated assets yielding repeat products.   |

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