

GENERAL GOVERNMENT DELIMITATION

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Institutional Sectors

Institutional units are economic units that can own goods and assets, incur liabilities, engage in economic activity with other units and have their own set of accounts.

ESA groups similar corporate units in five corporate sectors for analysis together. In general, these sectors divide the economy into market and non-market units.

Institutional Sectors

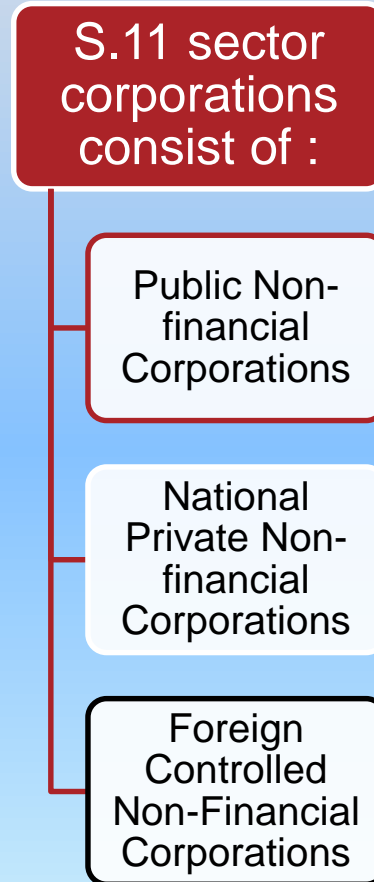
Institutional sectors are the following:

- Non-financial corporations (S.11),
- Financial corporations (S.12),
- General government (S.13),
- Households (S.14),
- Non-profit institutions serving households (S.15) and
- Rest of the World (S.2)

Institutional Sectors

The non-financial corporations sector (S.11) consists of institutional units which are independent legal entities and market producers, and whose principal activity is the production of goods and non-financial services.

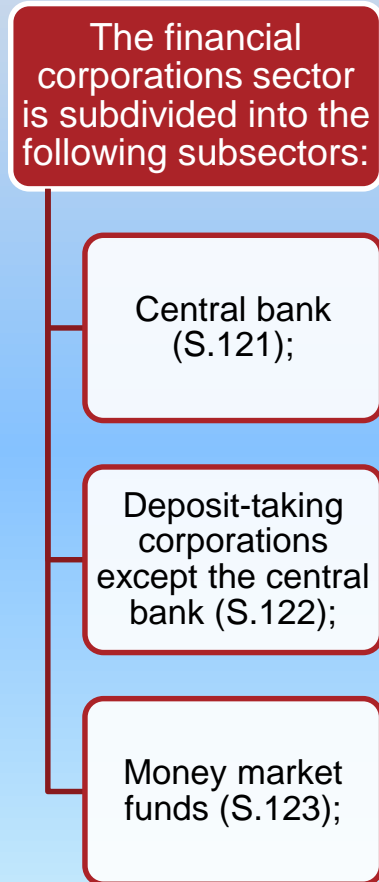
Institutional Sectors



Institutional Sectors

The financial corporations sector (S.12) consists of institutional units which are independent legal entities and market producers, and whose principal activity is the production of financial services.

Institutional Sectors



Institutional Sectors

Non-MMF investment funds (S.124);

Other financial intermediaries, except insurance corporations and pension funds (S.125);

Financial auxiliaries (S.126);

Captive financial institutions and money lenders (S.127);

Insurance corporations (S.128);

Pension funds (S.129).

Institutional Sectors

The general government sector (S.13) consists of institutional units which are non-market producers whose output is intended for individual and collective consumption, and are financed by compulsory payments made by units belonging to other sectors, and institutional units principally engaged in the redistribution of national income and wealth.

Institutional Sectors

Central government (S.1311);

State government (S.1312);

The general government sector is divided into four subsectors:

Local government (S.1313);

Social security funds (S.1314).

Institutional Sectors

The households sector (S.14) consists of individuals or groups of individuals as consumers and as entrepreneurs producing market goods and non-financial and financial services (market producers) provided that the production of goods and services is not by separate entities treated as quasi-corporations. It also includes individuals or groups of individuals as producers of goods and non-financial services for exclusively own final use.

Institutional Sectors

The households sector is subdivided into the following subsectors:

- Employers (S.141) and own-account workers (S.142);
- Employees (S.143);
- Recipients of property income (S.1441);
- Recipients of pensions (S.1442);
- Recipients of other transfers (S.1443).

Institutional Sectors

The non-profit institutions serving households (NPISHs) sector (S.15) consists of non-profit institutions which are separate legal entities, which serve households and which are private non-market producers. Their principal resources are voluntary contributions in cash or in kind from households in their capacity as consumers, from payments made by general government and from property income.

Institutional Sectors

The NPISHs sector includes the following main kinds of NPISHs:

- trade unions, professional or learned societies, consumers' associations, political parties, churches or religious societies (including those financed but not controlled by governments), and social, cultural, recreational and sports clubs; and
- charities, relief and aid organisations financed by voluntary transfers in cash or in kind from other institutional units.

Sectors		Public	National Private	Foreign Controlled
Non-financial corporations	S.11	S.11001	S.11002	S.11003
Financial Corporations	S.12			
Central Bank	S.121			
Deposit-taking Corporations Except the Central Bank	S.122	S.12201	S.12202	S.12203
Money Market Funds (MMFs)	S.123	S.12301	S.12302	S.12303
Non-MMF Investment Funds	S.124	S.12401	S.12402	S.12403
Other Financial Intermediaries, Except Insurance Corporations and Pension Funds	S.125	S.12501	S.12502	S.12503
Financial Auxiliaries	S.126	S.12601	S.12602	S.12603
Captive Financial Institutions and Money Lenders	S.127	S.12701	S.12702	S.12703
Insurance Corporations	S.128	S.12801	S.12802	S.12803
Pension Funds	S.129	S.12901	S.12902	S.12903
General Government (Excluding Social Security Funds)	S.13			
Central Government (Excluding Social Security Funds)	S.1311			
State Government (Excluding Social Security Funds)	S.1312			
Local Government (Excluding Social Security Funds)	S.1313			
Social Security Funds	S.1314			
Households	S.14			
Employers and Own-account Workers	S.141+S.142			
Employees	S.143			
Recipients of Property and Transfer Income	S.1441			
Recipients of Pensions	S.1442			
Recipients of Other Transfers	S.1443			
Non Profit Institutions Serving Households (NPISHs)	S.15			
Rest of the World	S.2			

List of General Government Units

- Government units are unique kinds of legal entities established by political processes that have legislative, judicial or executive authority over other institutional units within a given area.

List of General Government Units

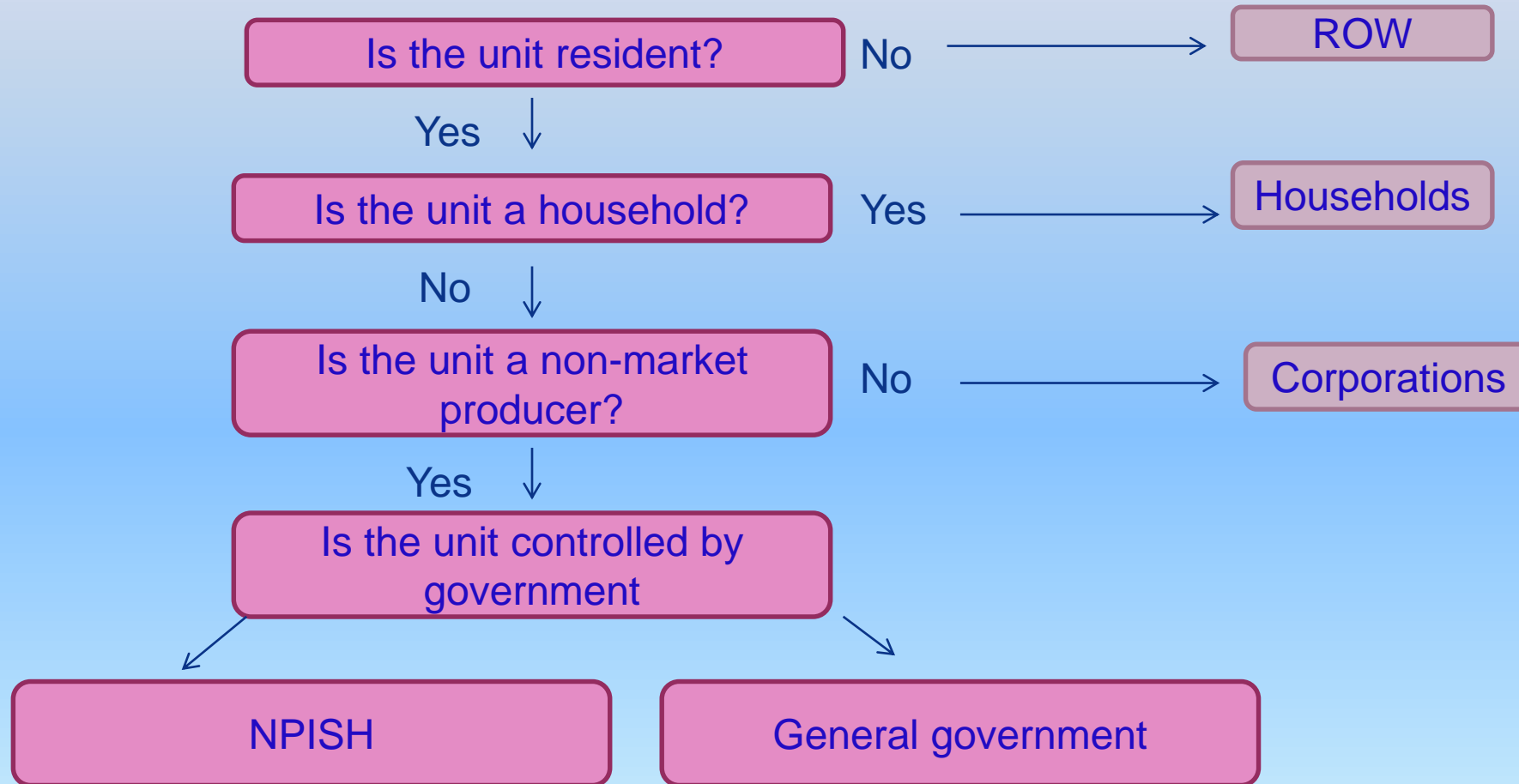
- Viewed as institutional units, the principal functions of government are:
 - to assume responsibility for the provision of goods and services to the community or to individual households,

List of General Government Units

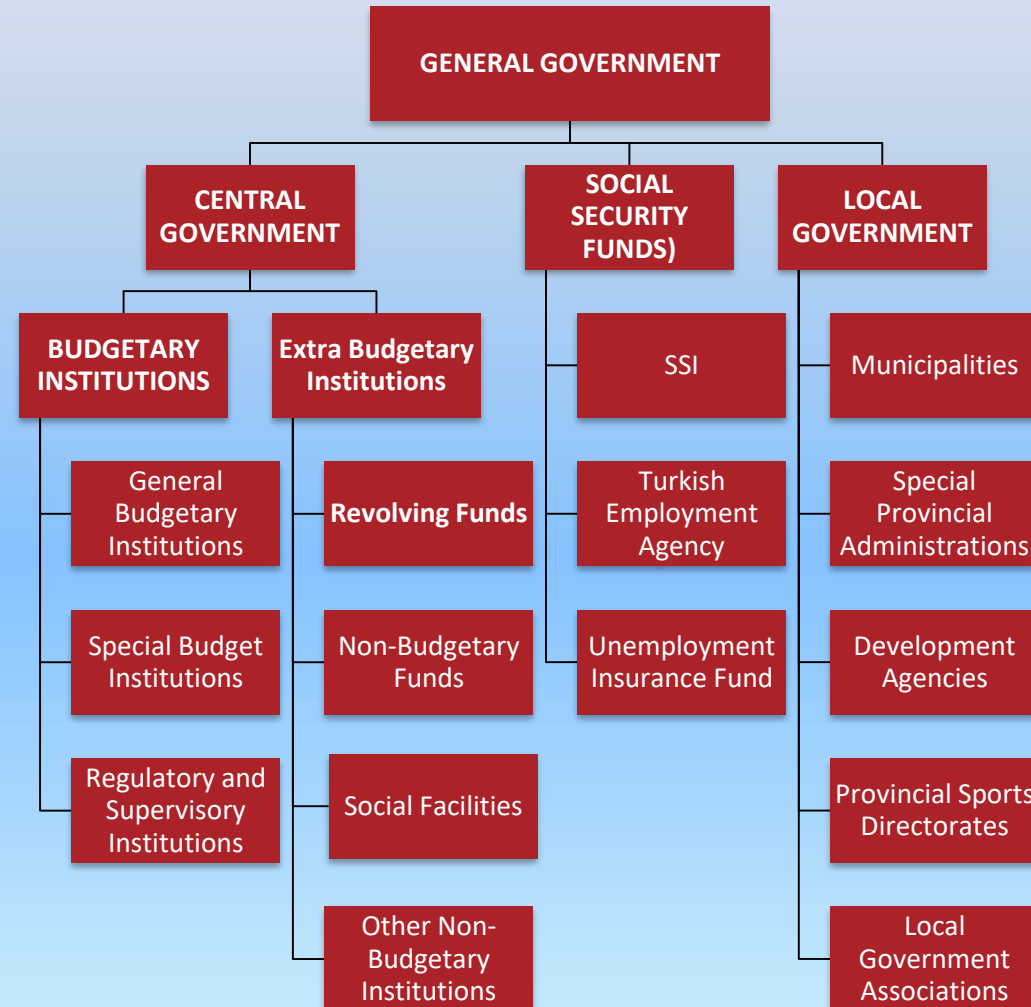
- to finance their provision out of taxation or other incomes,
- to redistribute income and wealth by means of transfers,
- to engage in non-market production. In general terms:

A government unit usually has the authority to raise funds by collecting taxes or compulsory transfers from other institutional units.

List of General Government Units



List of General Government Units



International Criteria

General government (S.13) classification criteria in national accounts are as follows:

- Is it an institutional unit?
- Who is in control?
- Is production market or non-market?

International Criteria

Institutional units are characterized by three main elements;

- Uniform behavior (activities) within the sector,
- Making decisions in the center of "decision autonomy",
- Having its own set of accounts.

International Criteria

Control according to ESA 2010; To have the authority to determine the general policy and program (operation) of an institutional unit.

A single indicator may be sufficient to decide that the control is in the state, or it may be necessary to consider several indicators.

International Criteria

The control criteria are as follows:

- The majority of the voting rights are held by the government
- The board of directors is under government control,
- The appointment or dismissal of key personnel is carried out by the government,
- Key committee members in the organization are under government control,

International Criteria

- The government's "golden share" ownership,
- Special arrangements,
- Key committee members in the organization are under government control,
- Government being the dominant customer-“price taker”,
- Borrowing from the government.

Public Sector

The public sector consists of general government and public corporations

- Public Sector



General Government

+

Public Corporations

- (Financial and Non-financial)

Public Sector

The general government sector consists of all government departments and non-market non-profit organizations controlled by government departments, while the public sector consists of all companies controlled by government departments.

A market producer is an institutional unit that provides all or most of its output to others at economically meaningful prices. The non-market producer provides all or most of his output to others for free or at prices that are not economically meaningful.

Public Sector

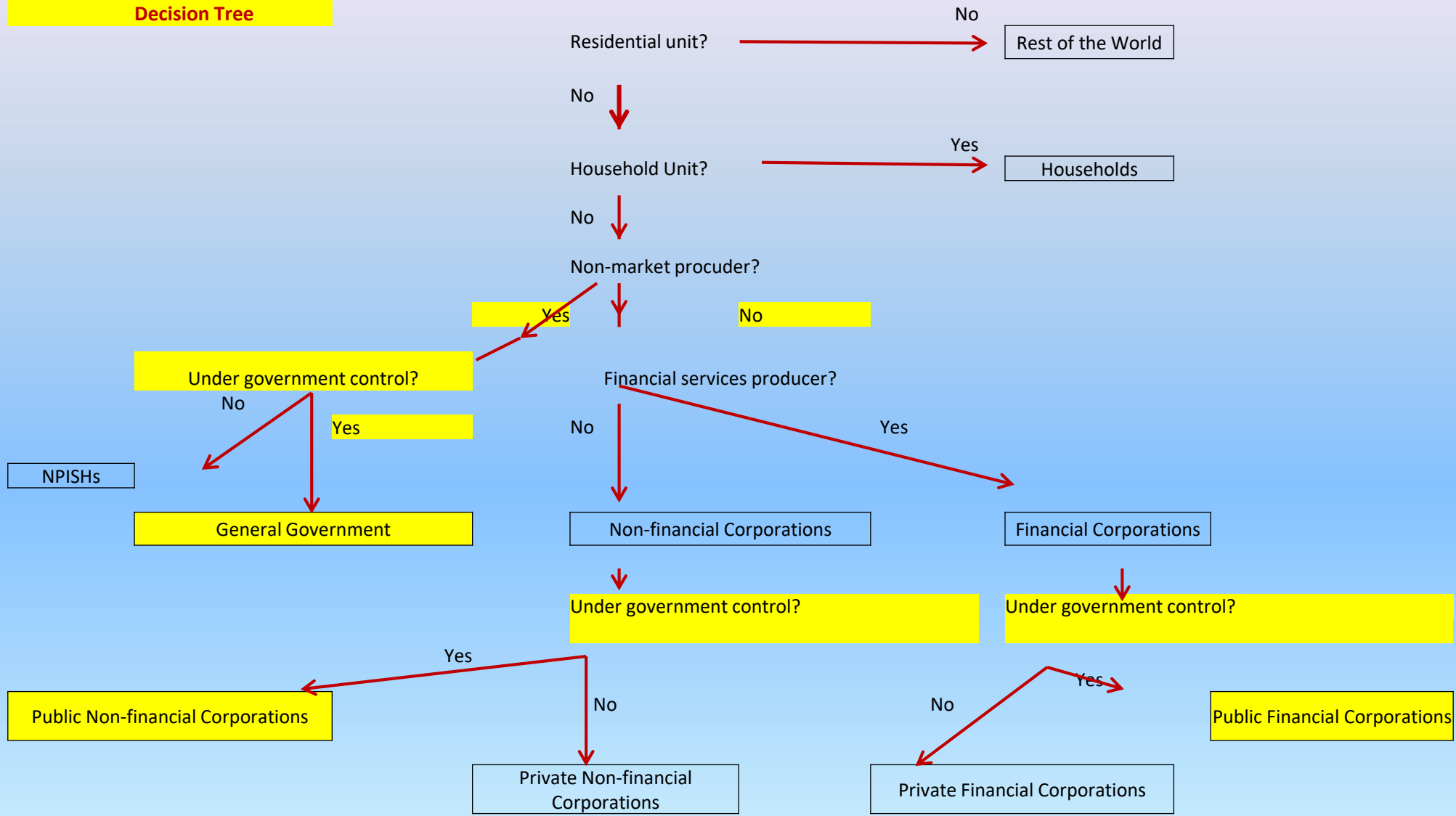
One of the questions that arise is whether state-owned entities that provide goods and services to the state should be treated as market producers or non-market producers.

Public corporations are created to generate profits for the general government, protect essential resources, compete in areas where barriers to entry are high, and provide essential services in areas where costs are prohibitive.

PUBLIC SECTOR AND INSTITUTIONAL SECTORS

General Government Sector	Non-financial Corporations Sector	Financial Corporations Sector	Household Sector	Non-profit Institutions Serving Households
Central Government	Public Corporations	Public Corporations	Private	Private
Local Government Social Security Institution	Private Corporations	Private Corporations		

Public Sector



Revision Works

The Public Sector Working Group has been established in order to resolve differences and to standardize published statistics on the public sector.

The working group is composed of authorized experts of;

- Ministry of Treasury and Finance,
- The Central Bank of the Republic of Turkey (CBRT),
- Presidency of Strategy and Budget,
- Banking Regulation and Supervision Agency
- Turkish Statistical Institute (TURKSTAT)

Revision Works

- General Government Sector is updated every three years under the coordination of Ministry of Treasury and Finance
- Public Sector List is updated twice in a year (January and July) under the coordination of TURKSTAT.

Revision Works

https://biruni.tuik.gov.tr/DIESS/DosyaListeleAction.do?turlId=1&tanimlayan_id=1337&adi=Kamu%20Sekt%C3%B6r%C3%BC%20S%C4%B1n%C4%B1flamas%C4%B1,%202022/1

Thank you for your attention...