



Statistics
Canada

Statistique
Canada

Canada

PRASC



**Project for the Regional
Advancement of Statistics
in the Caribbean**

**Projet régional pour
l'avancement de la statistique
dans les Caraïbes**



In partnership with

Canada



Statistics
Canada

Statistique
Canada

Delivering insight through data for a better Canada

Canada



Statistics Canada
www.statcan.gc.ca



CARIBBEAN NATIONAL ACCOUNT TRAINING PROGRAM

Project for the Advancement of Statistics in the Caribbean Region (PRASC)
National Accounts Training
Session 5 – Essential Concepts (3)

January 2018



National Accounts

Essential Concepts – Where do they do it?

National Accounts - Overview



➤ Course Objective

- ✓ Provide national account compilers with an introduction into the concept of residency.

The basic national accounts question



*“Who does what, **where**, by what means, for what purpose, with whom, in exchange for what, with what change in stocks.”*

*John, a Canadian (**where**) buys a coffee, while on vacation in the Caribbean (**where**) from a coffee shop in exchange for cash, by having the coffee shop prepare him his favourite coffee to satisfy his need for a coffee, reducing John’s cash and increasing the coffee shop’s cash.*

The national accounts



Where?
Residency

Economic territory



- Economic territory has the dimension of physical location as well as legal jurisdiction. Economic territory includes the land area, airspace, territorial waters, including jurisdiction over fishing rights, fuels and minerals, islands that belong to the territory, enclaves in the rest of the world (embassies, consulates, military bases, scientific stations, immigrations offices, aid agencies).

Economic territory



- Economic territory can change due to:
 - Passing of control from one government to another by mutual consent.
 - Passing of control from one government to another through seizure.
 - Merger of two or more economic territories
 - The split of a single economic territory into two or more territories.

Example: In or Out?

The economic territory of Canada



- The US embassy situated in Ottawa, Ontario.

Example: In or Out?

The economic territory of Canada



- The Canadian embassy situated in Washington, DC.

Example: In or Out?

The economic territory of Canada



- The Canadian military base in Germany

Example: In or Out?

The economic territory of Canada



- The coastline off of Newfoundland

Residence



- The residence of each institutional unit is the economic territory with which it has the strongest connection, in other words, its centre of predominant economic interest.
- An institutional unit can only be resident in one economic territory.

Total economy



- The total economy is defined as the entire set of resident institutional units.

National Accounts - Overview



➤ Key takeaways

- ✓ Residency is determined by economic interest and not nationality or citizenry.
- ✓ Institutional Units can only be resident of one economic territory.
- ✓ Economic Territory is not defined by geographic boundaries.

National Accounts - Overview



➤ Activity

- ✓ What is the economic territory of your country?



Thank you!