

BALANCE OF PAYMENTS TECHNICAL EXPERT GROUP (BOPTTEG)

OUTCOME PAPER (BOPTTEG) # 8

JUNE 2004

(1) Topic: Residence of Households

(2) Issues – see BOPTTEG Issues Papers #8 and #8A

(3) Recommendations:

(i) The group agreed that investigations be undertaken to consider harmonization of residence concepts with definitions used in demographic, immigration, and tourism statistics. However, most members felt strongly that harmonization should not be considered if the results would undermine the frameworks of macroeconomic statistics.

(ii) The group agreed that the term “predominant center of interest” should be adopted as the elaboration of the concept of residence.

(iii) The group had a range of views on whether a one year presence be adopted as a single criterion (supplemented by predominance for cases where no one place is dwelled in for a full year), or as one factor among a range of factors to be considered (such as location of family members, payments, saving and investment, visa status, and taxation). Several group members wished to continue the present exceptions for students, patients, and ship’s crew.

(iv) The group agreed that nonpermanent workers were a particularly difficult case where further work was needed. It supported the supplementary presentation approach proposed in the *Annotated Outline* and bilateral cooperation to enhance consistency of treatments. The group indicated that work on this topic should be coordinated with the recommendations of the UN Technical Sub-Group on the Movement of Natural Persons - Mode 4.

(4) Rejected Alternatives:

None.

(5) Questions for the Committee:

(i) Does the Committee agree with the approach to harmonization of residence concepts? See 3(i) above.

(ii) Does the Committee agree that “predominant center of interest” be adopted? See 3(ii) above.

(iii) Does the Committee prefer the continuation of the existing exceptions for students, patients and ship's crew? Does the Committee prefer a one-year criterion or a discretionary approach in other cases? See 3(iii) above.

(iv) Does the Committee agree with the supplementary presentation approach proposed in the Annotated Outline and bilateral cooperation to enhance consistency of treatments.? Does it have any other specific proposals? See 3(iv) above.