

Clarification Memorandum No. 2

NAICS Alternate Aggregation Structure for Use By U.S. Statistical Agencies

Introduction – One of the benefits of NAICS is the more detailed sector levels that are part of the hierarchical structure. The expansion from 11 divisions in the SIC to 20 sectors in NAICS provides groupings that are meaningful and useful for economic analysis. Various statistical programs that previously sampled or published at the SIC division level face problems with coverage for 20 sectors instead of 11 divisions. These programs have requested an alternative aggregation structure for publication purposes.

Background – The ECPC and participating agencies discussed various strategies for an alternate aggregation structure. Some involved aggregating portions of sectors to create alternate groupings, others involved a straight roll-up of the existing sectors in NAICS. The over-riding concern was comparability of statistics across agencies and programs. NAICS does not include an alternative aggregation structure above the sector level. This aggregation structure listed below is the suggested alternative for use by statistical agencies in the United States. The structure will allow comparability across agencies, and will allow data presented at lower levels to be rolled up to a comparable level easily. Agencies may choose to further breakdown these 10 groupings or modify titles as needed for publication purposes. The ECPC recommends tabulation at the sector level of NAICS and offers this alternative grouping for use only when necessary.

This structure has been reviewed by the Office of Management and Budget and recommended by the ECPC for use in cases where more detailed publication is not possible.

GUIDELINES FOR ALTERNATIVE NAICS GROUPING

Goods-Producing

1. Natural Resources and Mining
Sector 11 (Agriculture, Forestry, Fishing and Hunting), Sector 21 (Mining)
2. Goods Production
Sector 23 (Construction), Sector 31-33 (Manufacturing)

Service-Providing

3. Trade, Transportation, and Utilities
Sector 42 (Wholesale Trade)
Sector 44-45 (Retail Trade)
Sector 48-49 (Transportation and Warehousing)
Sector 22 (Utilities)
4. Information

Sector 51 (Information)

5. Financial Activities

Sector 52 (Finance and Insurance)

Sector 53 (Real Estate and Rental and Leasing)

6. Professional and Business Services

Sector 54 (Professional, Scientific, and Technical Services)

Sector 55 (Management of Companies and Enterprises)

Sector 56 (Administrative and Support and Waste Management and Remediation Services)

7. Education and Health Services

Sector 61 (Educational Services)

Sector 62 (Health Care and Social Assistance)

8. Leisure and Hospitality

Sector 71 (Arts, Entertainment, and Recreation)

Sector 72 (Accommodation and Food Services)

9. Other Services

Sector 81 (Other Services, except Public Administration)

10. Public Administration

Sector 92 (Public Administration)