

# federal register

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## Part II

### Office of Management and Budget

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**Economic Classification Policy  
Committee: Standard Industrial  
Classification Replacement—The North  
American Industry Classification System  
Proposed Industry Classification  
Structure; Notice**

## OFFICE OF MANAGEMENT AND BUDGET

### Economic Classification Policy Committee: Standard Industrial Classification Replacement—The North American Industry Classification System Proposed Industry Classification Structure

**AGENCY:** Office of Management and Budget, Executive Office of the President.

**ACTION:** Notice of solicitation of comments for North American Industry Classification System industries.

**SUMMARY:** Under Title 44 U.S.C. 3504, the Office of Management and Budget (OMB) is seeking public comment on a series of notices documenting the development of the new North American Industry Classification System (NAICS), the industry classification system being proposed to replace the current Standard Industrial Classification (SIC) system. All Federal agencies that collect establishment-based data are expected to utilize the new system.

This notice, the fourth related to preparation of NAICS and the second in a series seeking comment on proposed industry structures, presents the proposed industry structure for the NAICS subsectors listed in the Supplementary Information section below.

OMB is seeking comments on the usefulness and advisability of the proposed new NAICS subsectors submitted by the Economic Classification Policy Committee (ECPC), an interagency committee established by OMB. Subsequent Federal Register notices will seek comment on other industry sector and subsector proposals. A final Federal Register notice will include the entire NAICS structure for public comment. NAICS is being developed in cooperation with Statistics Canada and Mexico's Instituto Nacional de Estadística, Geografía e Informática (INEGI). The new NAICS system provides common industry definitions for Canada, Mexico, and the United States to facilitate economic analyses that cover the economies of the three North American countries. The three country collaboration on an industry classification system for North America was announced for public comment in the Federal Register, July 26, 1994, pp. 38092-38096.

The July 26, 1994, Federal Register notice includes the concepts for the new system, as developed by Statistics Canada, Mexico's INEGI, and ECPC. It also includes a copy of the joint

statement of the three countries' statistical agencies regarding the development of NAICS. That agreement includes the following principles:

(1) NAICS will be erected on a production-oriented, or supply-based, conceptual framework. This means that producing units that use identical or similar production processes will be grouped together in NAICS.

(2) The system will give special attention to developing production-oriented classifications for (a) new and emerging industries, (b) service industries in general, and (c) industries engaged in the production of advanced technologies.

(3) Time series continuity will be maintained to the extent possible. However, changes in the economy and proposals from data users must be considered. In addition, adjustments will be required for sectors where the United States, Canada, and Mexico presently have incompatible industry classification definitions in order to produce a common industry system for all three North American countries.

(4) The system will strive for compatibility with the 2-digit level of the International Standard Industrial Classification of All Economic Activities (ISIC, Rev. 3) of the United Nations.

ECPC Report No. 3—Summary of Public Responses to the Proposed New North American Industry Classification System provides a summary of public comments received in response to the July 26, 1994, Federal Register notice.

A notice was published in the Federal Register, July 26, 1995, pp.38436-38452, requesting comment on proposed industry structures for petroleum and coal product manufacturing, chemical manufacturing, and rubber and plastic manufacturing; for broadcasting and telecommunications; and for food services and drinking places and accommodations.

**DATES:** To ensure consideration and response to all comments on the proposals set forth in this notice, comments must be in writing and should be submitted as soon as possible, but no later than April 8, 1996. The proposed industry system would become effective in the U.S. on January 1, 1997.

**ADDRESSES:** Correspondence about the industry proposals of the NAICS structure announced in this Federal Register notice should be sent to: Carole A. Ambler, Coordinator, Economic Classification Policy Committee, Bureau of the Census, U.S. Department of Commerce, Room 2633-3, Washington, DC 20233, telephone number: (301)

457-2668, FAX number: (301) 457-1343.

Copies of all ECPC issues papers and ECPC reports are available by contacting Jack E. Triplett, Chairman, Economic Classification Policy Committee, Bureau of Economic Analysis (BE-42), U.S. Department of Commerce, Washington, DC 20230, telephone number: (202) 606-9615, FAX number: (202) 606-5311.

**ELECTRONIC AVAILABILITY AND COMMENTS:** This document is available on the Internet from the Census Bureau via WWW browser, ftp, and E-mail.

To obtain this document via WWW browser, connect to "http://www.census.gov" then select "Economy," then select "Economy-Wide Programs," then select "NAICS Documents."

To obtain this document via ftp, log in to ftp.census.gov as anonymous, and retrieve the file "prop01.txt" from the "/pub/epcd/naics" directory. (That directory also contains previous NAICS Federal Register Notices and related documents.)

To obtain this document via Internet E-mail, send a message to majordomo@census.gov with the body text as follows: "get gatekeeper prop01.txt". The document will be delivered as a message attachment.

Comments may be sent via Internet E-mail to the Census Bureau at naics@census.gov (do not include any capital letters in the address). Comments received at this address by the date specified above will be included as part of the official record.

**FOR FURTHER INFORMATION CONTACT:** Carole A. Ambler, Coordinator, Economic Classification Policy Committee, Bureau of the Census, U.S. Department of Commerce, Room 2633-3, Washington, DC 20233, telephone number: (301) 457-2668, FAX number: (301) 457-1343.

#### SUPPLEMENTARY INFORMATION: Structure of Notice

There are seven parts to this notice. PART I includes the proposals for crop production, animal production, forestry and logging, fishing, hunting and trapping, and support activities for agriculture; PART II includes textile mills, textile product mills, apparel manufacturing, and leather and allied product manufacturing; PART III includes food and kindred product manufacturing and beverage and tobacco product manufacturing; PART IV includes fabricated metal product manufacturing; PART V includes machinery manufacturing; PART VI includes electrical equipment,

appliance, and component manufacturing; PART VII includes transportation equipment manufacturing.

Each of the seven parts of the notice is organized into two sections. The first section includes a copy of the proposed agreement signed by ECPC, Statistics Canada, and INEGI; the structure of NAICS; and an explanation of the structure. For a number of reasons, NAICS industries do not always provide as much industry detail as has been present in the U.S. SIC. Each country may add additional detailed industries, below the 4-digit level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to a 4-digit NAICS level in order to ensure full comparability among the three countries. The second section of the notice includes the U.S. detailed industries within NAICS and two comparison tables showing the differences between the 1987 SIC and the 1997 NAICS with United States detail.

NAICS is organized in a hierarchical structure much like the existing SIC. The first digit of a NAICS code designates the sector. The code also designates 2-digit subsectors, 3-digit industry groups, and 4-digit industries. Each country may add additional detailed industries, below the 4-digit level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to a 4-digit NAICS level in order to ensure full comparability among the three countries. The proposed United States NAICS system, for example, would include 5-digit industries. These represent important industries in the U.S. that cannot be recognized in the statistical systems of either Canada or Mexico because of size restrictions, confidentiality or other reasons.

The NAICS numbering system is still under development; therefore the hierarchical structure is displayed in this document with X's representing the following:

X Industry Sector  
 XX Industry Subsector  
 XXX Industry Group  
 XXXX Industry  
 XXXXX U.S. National Industry

The terms "Industry Sector" and "Industry Subsector" are changes from the terms "Division" and "Major Group" used in the 1987 SIC manual.

#### Time Series Summary

The standard approach to preserving time series continuity after classification revisions is to create linkages where the series break. This is accomplished by

producing the data series using both the old and new classifications for a given period of transition. With the dual classifications of data, the full impact of the revision can be assessed. Data producers then may measure the reallocation of the data at aggregate industry levels and develop a concordance between the new and old series for that given point in time. The concordance creates a crosswalk between the old and new classification systems. This link between the 1987 U.S. SIC and NAICS (with U.S. national detail) will be developed by the statistical agencies in the U.S.

#### Outreach Activities

OMB and the Economic Classification Policy Committee (ECPC) are seeking comments on the proposed NAICS structure for the industries described in this notice.

In carrying out its mandate to ensure maximum public participation in the process of constructing NAICS, the ECPC has already discussed many of these industry proposals with industry and user groups and will continue to do so. In addition, the ECPC is replying on a flow basis as soon as the work is completed for industry subsectors to previous Federal Register notices. Thus, this Federal Register notice supplements other ECPC public outreach activities in the development of NAICS.

Part I—Proposed New Industry Structure for Crop Production; Animal Production; Forestry and Logging; Fishing, Hunting, and Trapping; and Support Activities for Agriculture and Forestry

#### Section A—NAICS Structure

North American Industry Classification System (NAICS)  
 Agreement Number 4

This Document represents the proposed agreement on the structure of the North American Industry Classification System (NAICS) for the following industries:

Crop Production  
 Animal Production  
 Forestry and Logging  
 Fishing, Hunting, and Trapping  
 Support Activities for Agriculture and Forestry

The detailed NAICS structure along with a brief description of the structure is attached (Attachments 1 and 2). Each country agrees to release a copy of the proposed NAICS structure to interested data users. Comments received will be shared among the countries and additional discussions will be held

before a final decision on the structure is made. Each country may add additional detailed industries, below the 4-digit level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to a 4-digit NAICS level in order to ensure full comparability among the three countries. This NAICS structure was presented and provisionally accepted at the NAICS Committee meeting held on August 30, 1995—September 1, 1995 in Washington, DC.

Accepted:	Signature	Date
Canada .....	/S/ Jacob Ryten.	9/1/95
Mexico .....	/S/ Enrique Ordaz.	9/1/95
United States ..	/S/ Jack E. Triplett.	9/1/95

#### Attachment 1—NAICS Structure

XX Crop Production  
 XXX Grain and Oilseed Farming  
 XXXX Wheat Farming  
 XXXX Corn Farming  
 XXXX Rice Farming  
 XXXX Other Grain Farming  
 XXXX Soybean Farming  
 XXXX Oilseed Farming, except Soybean Farming  
 XXXX Dry Pea and Bean Farming  
 XXX Root, Tuber, and Peanut Farming  
 XXXX Potato Farming  
 XXXX Peanut and Other Root and Tuber Farming  
 XXX Vegetable and Melon Farming  
 XXXX Vegetable and Melon Farming  
 XXX Tree Nut and Fruit Farming  
 XXXX Orange Groves  
 XXXX Other Citrus Groves  
 XXXX Tree Nut and Noncitrus Fruit Farming  
 XXX Greenhouse, Nursery, and Floriculture Production  
 XXXX Food Crops Grown Under Cover  
 XXXX Nursery and Floriculture Production  
 XXX Other Crop Farming  
 XXXX Tobacco Farming  
 XXXX Cotton Farming  
 XXXX Sugarcane Farming  
 XXXX Hay Farming  
 XXXX All Other Crop Farming  
 XX Animal Production  
 XXX Cattle Ranching and Farming  
 XXXX Beef Cattle Ranching and Farming, Including Feedlots  
 XXXX Dairy Cattle and Milk Production  
 XXXX Dual-Purpose Cattle Ranching and Farming  
 XXX Hog and Pig Farming  
 XXXX Hog and Pig Farming  
 XXX Poultry Production  
 XXXX Chicken Egg Production  
 XXXX Broiler and Other Meat-Type Chicken Production  
 XXXX Turkey Production  
 XXXX Poultry Hatcheries and Other Poultry Production  
 XXX Sheep and Goat Farming  
 XXXX Sheep Farming  
 XXXX Goat Farming

XXX Animal Aquaculture  
 XXXX Animal Aquaculture  
 XXX Other Animal Production  
 XXXX Apiculture  
 XXXX Horses and Other Equine Production  
 XXXX Fur-Bearing Animal and Rabbit  
 Production  
 XXXX All Other Animal Production  
 XX Forestry and Logging  
 XXX Timber Tract Operations  
 XXXX Timber Tract Operations  
 XXX Forest Nurseries and Gathering of  
 Forest Products  
 XXXX Forest Nurseries and Gathering of  
 Forest Products  
 XXX Logging  
 XXXX Logging  
 XX Fishing, Hunting, and Trapping  
 XXX Fishing  
 XXXX Fishing  
 XXX Hunting and Trapping  
 XXXX Hunting and Trapping  
 XX Support Activities for Agriculture And  
 Forestry  
 XXX Support Activities for Crop  
 Production  
 XXXX Support Activities for Crop  
 Production  
 XXX Support Activities for Animal  
 Production  
 XXXX Support Activities for Animal  
 Production  
 XXX Support Activities for Forestry  
 XXXX Support Activities for Forestry

#### Attachment 2—North American Industry Classification System

Draft Classification for:

Crop Production  
 Animal Production  
 Forestry and Logging  
 Fishing, Hunting, and Trapping  
 Support Activities for Agriculture and  
 Forestry

Representatives of the statistical  
 agencies of Canada, Mexico, and the  
 United States agree to a draft industry  
 classification for these industries.

The draft classification applies to the  
 five subsectors, Crop Production;  
 Animal Production; Forestry and  
 Logging; Fishing, Hunting, and  
 Trapping; and Support Activities for  
 Agriculture and Forestry. These  
 subsectors are sub-divided into twenty  
 industry groups and forty-three  
 industries. The subsectors are part of the  
 Agriculture, Forestry, Fishing, Hunting,  
 and Trapping sector of the  
 classification.

#### A General Outline

The Crop Production industries  
 involve growing crops mainly for food  
 and fiber. The industries are grouped by  
 similarity of production activity,  
 biological and physiological  
 characteristics, and economic  
 requirements. The length of growing  
 season, degree of crop rotation, extent of  
 input specialization, labor requirements,  
 and capital demands were taken into

account when developing the industry  
 structure. The production process is  
 typically completed when the raw  
 product or commodity grown reaches  
 the "farm gate" for market or point of  
 first sale or price determination.

The subsector Animal Production  
 involves raising animals. These animals  
 are kept for eventual sale and gain in  
 product value. The animals may be  
 raised in various environments, from  
 total confinement or captivity to  
 controlled grazing on open range  
 pasture.

The Forestry and Logging subsector  
 involves timber tract and other forest  
 operations. A distinction has been made  
 for the length of the production cycle for  
 wood products. The production of short  
 rotation woody crops such as cut  
 Christmas trees and cottonwoods for  
 pulpwood are considered to be  
 agricultural crop production, and so  
 have been placed in Nursery and  
 Floriculture Production. The typical life  
 cycle of this process is ten years or less.  
 On the other hand, timber production  
 often requires fifty years.

The Fishing, Hunting, and Trapping  
 subsector includes establishments  
 engaged in the harvesting of animals in  
 a natural habitat. Activities involving  
 the raising of animals in captivity for  
 eventual sale or market are classified in  
 Animal Production, e.g., Animal  
 Aquaculture, Fur-bearing Animal and  
 Rabbit Production, and so forth.

The Support Activities for Agriculture  
 and Forestry include activities that  
 support growing crops, raising animals  
 and producing forest products. These  
 activities are in a separate agricultural,  
 forestry, fishing, hunting, and trapping  
 subsector. These establishments provide  
 an alternative source of inputs required  
 for the production process for a given  
 crop, animal, or forestry industry.

#### Limitations and Constraints of the Classification

There are some analytical needs that  
 cannot be met by an industry  
 classification. There are needs for  
 information on the total production of  
 various agriculture commodities.  
 However, because of vertical integration  
 and multiple activities occurring at a  
 single farm, an industry classification  
 system will not provide this  
 information. For example, wine- making  
 establishments that produce their own  
 grapes will be included in the Wines,  
 Brandy and Brandy Spirits industry not  
 the Tree Nut and Noncitrus Fruit  
 Farming industry.

Though the industries are defined by  
 similarities in the types and quantities  
 of inputs per unit of output used in  
 production, data users should be aware

that certain differences in technologies  
 and cultivating or production practices  
 exist within industries.

There are a few factors that  
 constrained the structure and detail of  
 the classification in the area under  
 consideration. In the Crop and Animal  
 Production subsectors, most activities  
 present in one country exist in the  
 others. However, often an activity is not  
 economically significant to the same  
 degree in all countries due to factors  
 such as climate and soil conditions. For  
 example, cotton cannot be grown in  
 Canada. Further, data for some  
 significant activities cannot be  
 published for a particular country for  
 reasons of confidentiality. Finally, the  
 way activities are combined in  
 establishments differs to some extent in  
 the different countries.

Economic significance in each  
 country also influenced the  
 development of the classification  
 structure. For example, apple  
 production is significant in the three  
 countries but fruit production,  
 excluding apples in Canada, is too small  
 for separate publication at the industry  
 level. Each country will publish  
 additional categories that comprise  
 subdivisions of the NAICS industries to  
 present data for activities that are  
 nationally significant.

#### Relationship with ISIC

Most 4-digit NAICS industries in  
 these subsectors are contained within  
 Division 01, Agriculture, Hunting and  
 Related Service Activities of the current  
 International Standard Industrial  
 Classification of all Economic Activities  
 (ISIC, Revision 3) of the United Nations.  
 Data tabulated using NAICS can be  
 retabulated according to ISIC with one  
 exception: Tree Nut and Noncitrus Fruit  
 Farming cannot be assigned to an ISIC  
 division without being sub-divided  
 since integrated grape growing and wine  
 manufacturing are classified in ISIC as  
 an agricultural activity and in NAICS as  
 a manufacturing activity.

#### Some Changes to the National Classifications

For Canada, Mexico, and the United  
 States, an industry group is created for  
 root, tuber, and peanut farming. The  
 grouping includes industry activities for  
 potatoes, sugar beets, peanuts, and other  
 root-type crops, except vegetables.  
 Canada previously classified these  
 establishments in field crops and the  
 U.S. in field crops, except cash grains.  
 In Mexico, the industries were classified  
 in CMAP 111102 or 111103 as short-  
 cycle crops.

Support Activities for Agriculture and  
 Forestry is redefined for Canada,

Mexico, and the United States. This subsector contains the following industry groups: Support Activities for Crop Production, Support Activities for Animal Production, and Support Activities for Forestry. The CSIC Major Group 02, Service Industries Incidental to Agriculture, is included in the NAICS Support Activities subsector with some exceptions, namely veterinary services, companion animal services except breeding, certain research activities, and selected activities related to ornamental plants. For Mexico, the activities included in this subsector are moved from CMAP 971010. For the United States, support activities include 1987 SIC Industry Group 085, Forestry Services, and 1987 SIC Major Group 07, Agricultural Services, with the exception of veterinary services, landscape and horticultural services, animal specialty services, except breeding and equine support activities.

For the United States, cotton ginning has been moved to Miscellaneous Manufacturing as a separate 4-digit NAICS industry. Cotton ginning is the mechanical process of removing the seed from the cotton lint. The activity generally takes place "off the farm" at a cotton gin.

For Canada and the U.S., the new industry group Grain and Oilseed Farming constitutes a change in the crop production structure. It essentially replaces the CSIC industry group Field Crop Farms and the 1987 SIC Industry Group 011, Cash Grains.

Orange Groves are a separate crop farming industry for Mexico and the United States. Historically, Mexico and the U.S. classified these establishments in Growing of Fruit Trees and Citrus Fruits, respectively.

Canadian Poultry and Egg Farms and Mexican Poultry Farms are disaggregated into Chicken Egg Production, Broiler and Other Meat-type Chicken Production, and Turkey Production. These NAICS industries plus Poultry Hatcheries and Other Poultry Production form the industry group Poultry Production. The new industries reflect the structure and

current production practices within each country.

Animal Aquaculture is a new industry for both Canada and Mexico. The Canadian industry, Services Incidental to Fishing, has been deleted since the other activities within the industry were either identified as non-existent or were more appropriately classified elsewhere. In Mexico, aquaculture has been moved from the fishing subsector 13 to Animal Production to be consistent with the production oriented principle. In the U.S., Fish Hatcheries and Preserves classified in 1987 SIC 0921 and fish propagation in captivity are included in this industry group.

For Mexico, the CMAP class 111212 for hunting is moved to the NAICS subsector Fishing, Hunting, and Trapping.

For the U.S., a new industry will exist for apiculture.

The subsector Forestry and Logging includes logging, formerly in the U.S. Manufacturing 1987 SIC 2411. As a production activity, the harvesting of standing timber or logging is more similar to the harvesting of agricultural crops than the processing of harvested wood products, the primary activity of the 1987 SIC Major Group 24, Lumber and Wood Products, except Furniture. The production activity for the forestry industry is narrowly defined to be long-term timber growth. Short rotation timber growth and its harvesting is placed in the NAICS industry for Nursery and Floriculture Production.

*Achievement of Objectives*

The classification meets the objectives for the North American Industry Classification System. It is comprised of industries that group establishments with similar production processes, that is, it applies the production-oriented economic concept. In the main, the hierarchical structure of the classification also follows the production concept.

The classification achieves comparability for the three participating countries. Based on existing data, all three countries expect to be able to publish data regularly at the industry,

(4-digit) level of the structure. All countries agree on the definitions of the industries.

Other objectives of the NAICS project such as the inclusion of new and emerging industries, service industries, and advanced technology producing industries were not as relevant in this area of the classification as in others. This is due to the relatively well established and technological stable nature of the agricultural and related subsectors.

The industries have high specialization ratios, and with the exception of citrus and cotton farming in Canada and dual purpose cattle farming in Canada and the United States, they are economically significant. Smaller industries are present because comparability is given priority over size. Finally, disruptions to time series have been kept to a minimum. Most of the changes to existing classifications are marginal. The major changes have been identified and can be taken into account in linking time series.

*Section B-Annex: United States National Industry Detail*

As explained in the Structure presentation of this notice, for a number of reasons 4-digit industries in the three NAICS industry subsectors presented in Part 1, Section A—Attachment 1, contain less detail than is currently in the U.S. SIC system, and less detail than is required to meet important analytical requirements in the U.S. The three country agreement on NAICS envisions that each country may develop national detailed industries below the NAICS industry level, so long as the national detail can be aggregated to the NAICS classification, thus assuring full North American comparability.

The ECPC is proposing U.S. 5-digit industry detail for the five NAICS industry subsectors covered in Part I of this notice. For cases where no 5-digit detail is shown, the ECPC is proposing that the NAICS 4-digit industries will also represent the most detailed U.S. industries.

Table 1

	1997 NAICS and U.S. description	Status code	1987 SIC code	1987 SIC description
XX .....	Crop Production;			
XXX .....	Grain and Oilseed Farming:			
XXXX ...	Wheat Farming .....	E	0111	Wheat General Farms, Primarily Crop (Wheat Farming).
XXXX ...	Corn Farming .....	R	0115	Corn.
			*0119	Cash Grain, NEC (Popcorn Farming).
XXXX ...	Rice Farming .....	E	0112	Rice.
XXXX ...	Other Grain Farming .....	R	*0119	Cash Grains, NEC (Except Popcorn, Barley, Soybean, and Dry Pea and Bean).

Table 1—Continued

	1997 NAICS and U.S. description	Status code	1987 SIC code	1987 SIC description
XXXX ...	Soybean Farming .....	E	0116	Soybeans.
XXXX ...	Oilseed Farming, Except Soybean Farming .....	N	*0119	Cash Grains, NEC (Oilseed, Except Soybean).
XXXX ...	Dry Pea and Bean Farming .....	N	*0119	Cash grains, NEC (Dry Pea and Bean).
XXX .....	Root, Tuber, and Peanut Farming		.....	
XXXX ...	Potato Farming .....	E	0134	Irish Potatoes.
XXXX ...	Peanut and Other Root and Tuber Farming		.....	
XXXXX	Sugarbeet Farming .....	N	*0133	Sugar Cane and Sugar Beets (Sugarbeet Farming).
XXXXX	Peanut Farming .....	N	*0139	Field crops, Except Cash Grains, NEC (Peanut Farming).
XXXXX	Other Root and Tuber Farming .....	N	*0139	Field Crops, Except Cash Grains, NEC (Root and Tuber, Except Potato and Sugarbeet).
XXX .....	Vegetable and Melon Farming:			
XXXX ...	Vegetable and Melon Farming	E	0161	Vegetables and Melons.
XXX .....	Tree Nut and Fruit Farming		.....	
XXXX ...	Orange Groves .....	N	*0174	Citrus Fruits (Orange Groves).
XXXX ...	Other Citrus Groves .....	R	*0174	Citrus Fruits (Except, Orange Groves).
XXXX ...	Tree Nut and Noncitrus Fruit Farming		.....	
XXXXX	Apple Orchards .....	N	*0175	Deciduous Tree Fruits (Apple).
XXXXX	Grape Vineyards .....	E	0172	Grapes.
XXXXX	Strawberry Farming .....	N	*0171	Berry Crops (Strawberry).
XXXXX	Other Berry Farming .....	R	*0171	Berry Crops (Except Strawberry).
XXXXX	Tree Nut Farming .....	E	0173	Tree Nuts.
XXXXX	Other Noncitrus Fruit Farming .....	R	*0175	Deciduous Fruits (Except Apple) 0179 Fruit and Tree Nuts, NEC.
XXX .....	Greenhouse, Nursery and Floriculture Production:			
XXXX ...	Food Crops Grown Under Cover:			
XXXXX	Mushroom Production .....	N	*0182	Food Crop Grown Under Cover (Mushroom).
XXXXX	Other Food Crops Grown Under Cover .....	R	*0182	Food Crops Grown Under Cover (Except Mushroom).
XXXX ...	Nursery and Floriculture Production		.....	
XXXXX	Nursery and Tree Production .....	N	*0181	Ornamental Nursery Products (Nursery Farming).
XXXXX	Floriculture Production .....	N	*0811	Timber Tracts (Short Rotation Woody Crops).
XXX .....	Other Crop Farming		*0181	Ornamental Nursery Products Farms (Floriculture Farming).
XXXX ...	Tobacco Farming .....	E	0132	Tobacco.
XXXX ...	Cotton Farming .....	E	0131	Cotton.
XXXX ...	Sugarcane Farming .....	N	*0133	Sugarcane and Sugar Beets (Sugarcane).
XXXX ...	Hay Farming .....	N	*0139	Field Crops, Except Cash Grains, NEC (Hay, Farming).
XXXX ...	All Other Crop Farming .....	R	*0139	Field Crops, Except Cash Grains, NEC (Except Root, Tuber, Peanut, and Hay).
			0191	General Farms, Primary Crop.
			*0831	Forest Products (Maple Sap).
XX .....	Animal Production:			
XXX .....	Cattle Ranching and Farming:			
XXXX ...	Beef Cattle Ranching and Farming, Including:			
	Feedlots			
XXXXX	Beef Cattle Ranching and Farming .....	E	0212	Beef Cattle, Except Feedlots (Cattle Farming).
XXXXX	Cattle Feedlots	E	0211	Beef Cattle Feedlots (Cattle Farming).
XXXX ...	Dairy Cattle and Milk Production .....	E	0241	Dairy Farms.
XXXX ...	Dual Purpose Cattle Ranching and Farming	L	.....	
XXX .....	Hog and Pig Farming		.....	
XXXX ...	Hog and Pig Farming	E	0213	Hogs.
XXX .....	Poultry Production		.....	
XXXX ...	Chicken Egg Production	E	0252	Chicken Eggs.
XXXX ...	Broilers and Other Meat Type Chicken Production.	E	0251	Broiler, Fryer, and Roaster Chickens.
XXXX ...	Turkey Production .....	E	0253	Turkeys and Turkey Eggs.
XXXX ...	Poultry Hatcheries and Other Poultry Production		.....	
XXXXX	Poultry Hatcheries .....	E	0254	Poultry Hatcheries.
XXXXX	Other Poultry Production .....	E	0259	Poultry and Eggs, NEC.
XXX .....	Sheep and Goat Farming		.....	
XXXX ...	Sheep Farming .....	N	*0214	Sheep and Goats (Sheep).
XXXX ...	Goat Farming .....	N	*0214	Sheep and Goats (Goat).
XXX .....	Animal Aquaculture		.....	
XXXX ...	Animal Aquaculture		.....	
XXXXX	Finfish Production .....	N	*0273	Animal Aquaculture (Finfish).
.....	.....		*0921	Fish Hatcheries and Preserve (Finfish Hatcheries).
XXXXX	Shellfish Production .....	N	*0273	Animal Aquaculture (Shellfish).
.....	.....		*0921	Fish Hatcheries and Preserve (Shellfish Hatcheries).

Table 1—Continued

	1997 NAICS and U.S. description	Status code	1987 SIC code	1987 SIC description
XXXXX	Other Animal Aquaculture .....	R	*0273	Animal Aquaculture (Except Finfish and Shellfish).
XXX .....	Other Animal Production		.....	
XXXX .....	Apiculture .....	N	*0279	Animal Specialties, NEC (Apiculture).
XXXX .....	Horse and Other Equine Production .....	E	0272	Horse and Other Equine.
XXXX .....	Fur-Bearing Animal and Rabbit Production ..	E	0271	Fur-Bearing Animals and Rabbits.
XXXX .....	All Other Animal Production .....	R	0219	General Livestock NEC.
			*0279	Animal Specialties, NEC (Except Apiculture).
			0291	General Farms, Primarily Animals.
XX .....	Forestry and Logging:			
XXX .....	Timber Tract Operations:			
XXXX .....	Timber Tract Operations .....	R	*0811	Timber Tracts (Long Term Timber Farming).
XXX .....	Forest Nurseries and Gathering of Forest Products		.....	
XXXX .....	Forest Nurseries and Gathering of Forest Products.	E	*0831	Forest Products (Forest Products, Except Maple Sap).
XXX .....	Logging		.....	
XXXX .....	Logging .....	E	2411	Logging.
XX .....	Fishing, Hunting, and Trapping:			
XXX .....	Fishing:			
XXXX .....	Fishing		.....	
XXXXX .....	Finfish Fishing .....	E	0912	Finfish.
XXXXX .....	Shellfish Fishing .....	E	0913	Shellfish.
XXXXX .....	Other Marine Fishing .....	E	0919	Miscellaneous Marine Products.
XXX .....	Hunting and Trapping		.....	
XXXX .....	Hunting and Trapping .....	E	0971	Hunting and Trapping, and Game Propagation.
XX .....	Support Activities for Agriculture and Forestry:			
XXX .....	Support Activities For Crop Production:			
XXXX .....	Support Activities For Crop Production		.....	
XXXXX .....	Soil Preparation, Planting, and Cultivating	R	0711	Soil Preparation Services.
			0721	Crop Planting, Cultivating, and Protecting.
XXXXX .....	Crop Harvesting, Primarily by Machine .....	E	0722	Crop Harvesting, Primarily by Machine.
XXXXX .....	Postharvest Crop Activities .....	E	0723	Crop Preparation Services For Market.
XXXXX .....	Farm Labor Contractors and Crew Leaders .....	E	0761	Farm Labor Contractors.
XXX .....	Support Activities For Animal Production:			
XXXX .....	Support Activities For Animal Production	N	*0751	Livestock Services, Except Veterinary.
			*0752	Animal Specialty Services, Except Veterinary.
			*7699	Repair Services, NEC (Farriers).
XXX .....	Support Activities for Forestry:		.....	
XXXX .....	Support Activities for Forestry .....	E	0851	Forestry Services.

The definitions of status codes are as follows: E-existing industry; L-null industry for the U.S.; N-new industry R-revised industry; and \* means "part of". The abbreviation NEC is used for Not Elsewhere Classified.

TABLE 2

1987 SIC code	1987 SIC description	1997 U.S. description
0111 .....	Wheat .....	Wheat Farming.
0112 .....	Rice .....	Rice Farming.
0115 .....	Corn .....	Corn Farming.
0116 .....	Soybeans .....	Soybean Farming.
0119 .....	Cash Grains, NEC	
	Dry Pea and Bean Farms .....	Dry Pea and Bean Farming.
	Oilseed, Except Soybean Farms .....	Oilseed Farming, Except Soybean Farming.
	Popcorn Farms .....	Corn Farming.
	Other Farms .....	All Other Grain Farming.
0131 .....	Cotton .....	Cotton farming.
0132 .....	Tobacco .....	Tobacco Farming.
0133 .....	Sugarcane and Sugar Beets	
	Sugarbeet .....	Sugarbeet Farming.
	Sugarcane .....	Sugarcane Farming.
0134 .....	Irish Potatoes .....	Potato Farming.
0139 .....	Field Crops, Except Cash Grains, NEC	
	Hay, Farms .....	Other Hay Farming.
	Peanut Farming .....	Peanut Farming.
	Root and Tuber, Except Potato, Farms .....	Other Root and Tuber Farming.
	Other Field Crop Farms .....	All Other Crop Farming.
0161 .....	Vegetables and Melons .....	Vegetable and Melon Farming.
0171 .....	Berry Crops	
	Strawberry Farms .....	Strawberry Farming.
	Other Berry Farms .....	Other Berry Farming.

TABLE 2—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
0172 .....	Grapes .....	Grape Vineyards.
0173 .....	Tree Nuts .....	Tree Nut Farming.
0174@ .....	Citrus Fruits	
	Orange Groves and Farms .....	Orange Groves.
	Other Citrus Groves and Farms .....	Other Citrus Groves.
0175 .....	Deciduous Tree Fruits .....	
	Apple Orchard and Farms .....	Apple Orchards.
	Other Farms .....	Other Noncitrus Fruit Farming (pt).
0179@ .....	Fruits and Tree Nuts, NEC .....	Other Noncitrus Fruit Farming (pt).
0181@ .....	Ornamental Nursery Products	
	Floriculture Farming .....	Floriculture Production.
	Nursery Farming .....	Nursery and Tree Production (pt).
0182 .....	Food Crops Grown Under Cover	
	Mushroom, Growing Of .....	Mushroom Production.
	Other Food Crops Grown Under Cover .....	Other Food Crops Grown Under Cover.
0191@ .....	General Farms, Primarily Crop .....	All Other Crop Farming (pt).
0211 .....	Beef Cattle Feed Lots .....	Cattle Feedlots.
0212 .....	Beef Cattle, Except Feedlots .....	Beef Cattle Ranching and Farming.
0213 .....	Hogs .....	Hog and Pig Farming.
0214 .....	Sheep and Goats	
	Sheep Farms .....	Sheep Farming.
	Goat Farms .....	Goat Farming.
0219@ .....	General Livestock, NEC .....	All Other Animal Production (pt).
0241 .....	Dairy Farms .....	Dairy Cattle and Milk Production.
0251 .....	Broiler, Fryers, and Roaster Chickens .....	Broilers and Other Meat-Type Chicken Production.
0252 .....	Chicken Eggs .....	Chicken Egg Production.
0253 .....	Turkey and Turkey Eggs .....	Turkey Production.
0254 .....	Poultry Hatcheries .....	Poultry Hatcheries.
0259 .....	Poultry and Eggs, NEC .....	Other Poultry Production.
0271 .....	Fur-Bearing Animals and Rabbits .....	Fur-Bearing Animal and Rabbit Production.
0272 .....	Horses and Other Equines .....	Horses and Other Equine Production.
0273 .....	Animal Aquaculture	
	Finfish Farming .....	Finfish Production.
	Shellfish Farming .....	Shellfish Production.
	Other Animal Aquaculture .....	Other Animal Aquaculture (pt).
0279@ .....	Animal Specialities, NEC .....	
	Apiculture .....	Apiculture.
	Other .....	All Other Animal Production (pt).
0291@ .....	General Farms, Primarily Animal .....	All Other Animal Production (pt).
0711 .....	Soil Preparation Services .....	Soil Preparation, Planting and Cultivating (pt).
0721 .....	Crop Planting and Protecting .....	Soil Preparation, Planting and Cultivating (pt).
0722 .....	Crop Harvesting .....	Crop Harvesting, Primarily By Machine.
0723 .....	Crop Preparation Services For Market .....	Postharvest Crop Activities.
0724 .....	Cotton Ginning .....	Cotton Ginning (Included in Miscellaneous Manufacturing subsector).
0741 .....	Veterinary Service For Livestock .....	Veterinary Services(pt) (Included in Services to be shown later).
0742 .....	Veterinary Services, Specialties .....	Veterinary Service (pt) (Included in Services to be shown later).
0751@ .....	Livestock Services, Except Veterinary	
	Custom Slaughtering .....	Animal Slaughtering and Processing (pt) (Included in Food Manufacturing subsector).
	Other Livestock Service, Except Veterinary .....	Support Activities For Animal Production (pt).
0752@ .....	Animal Specialty Service	
	Horses and Equines Services and Animal Production Breeding.	Support Activities For Animal Production (pt).
	Breeding	
	Other Specialty Animal Services .....	Animal Specialty Services, Except Veterinary (pt) (Included in Services to be shown later).
0761 .....	Farm Labor Contractors .....	Farm Labor Contractors and Crew Leaders.
0762@ .....	Farm Management Services	
	Animal Production Management Services .....	Support Activities For Animal Production (pt).
	Crop Production Management Services .....	Included with the particular crop production industries they serve.
0781 .....	Landscape Counseling and Planning .....	Included in Services and Construction Industries to be shown later.
0782 .....	Lawn and Garden Services .....	Included in Services and Construction Industries to be shown later.
0783 .....	Ornamental Shrub and Tree Services .....	Included in Services and Construction Industries to be shown later.
0811@ .....	Timber Tracts	
	Short Rotation Woody Crops .....	Nursery and Tree Production (pt).

TABLE 2—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
0831@	Long Term Crops .....	Timber Tract Operations.
	Forest Products	
	Maple Sap .....	All Other Crop Production (pt).
	Other Forest Products .....	Forest Nurseries and Gathering of Forest Products.
0851	Forestry Services .....	Support Activities For Forestry.
0912	Finfish .....	Finfish Production.
0913	Shellfish .....	Shellfish Production.
0919	Miscellaneous Marine Products .....	Other Animal Aquaculture.
0921@	Fish Hatcheries and Preserves	
	Finfish Hatcheries .....	Finfish Production (pt).
	Shellfish Hatcheries .....	Shellfish Production (pt).
	Fish Preserves .....	Nature Parks and Similar Institutions (pt) (Included in Museums, Historical Sites and Similar Institutions subsector to be shown later).
0971	Hunting, Trapping, Game Propagation .....	Hunting and Trapping.

The abbreviation "pt" means "part of". @ means time series break has been created that is greater than 3% of the 1992 revenues for the 1987 SIC industry.

### Description of Changes to the U. S. System

A number of the changes listed in this section were made for reasons of international comparability. Where one or more of the three North American countries had different definitions of an industry classification, adjustments to the definitions in one or more countries were required. In constructing NAICS, the three countries agreed to move, where change was required to attain international comparability, in the direction of the country or countries whose existing classification definitions most closely corresponded to the production-oriented concept adopted for NAICS. Cases where the U.S. changed are listed below; other cases where Canada or Mexico moved toward the U.S. classification are not, of course, listed in this section.

**Crop Production**—There were 13 new industries added to the 1997 industry structure in this industry subsector. New industries were created for:

Oilseed Farming, Except Soybean Farming and Dry Pea and Bean Farming from part of 1987 SIC 0119, Cash Grains, NEC, in response to a proposal and to achieve international comparability.

Sugarbeet Farming and Sugarcane Farming from 1987 SIC 0133, Sugar Cane and Sugar Beets, to recognize significant industries with unique production processes and to achieve international comparability.

Peanut Farming, Other Root and Tuber Farming, and Hay Farming from part of 1987 SIC 0139, Field Crops, Except Cash Grains, NEC, to recognize industries with unique production processes and to achieve international comparability.

Orange Groves from part of 1987 SIC 0174, Citrus Fruits, to recognize an

existing large industry with a unique production process.

Apple Orchards from part of 1987 SIC 0175, Deciduous Tree Fruits, to recognize an existing large industry with a unique production process.

Strawberry Farming from part of 1987 SIC 0171, Berry Crops, to recognize an existing large berry industry.

Mushroom Production from part of 1987 SIC 0182, Food Crop Grown Under Cover, in response to a data user's proposal and to achieve international comparability.

Nursery and Tree Production from part of 1987 SIC 0181, Ornamental Nursery Product, and part of 1987 SIC 0811, Timber Tract Operations, to achieve international comparability.

Floriculture Production from part of 1987 SIC 0181, Ornamental Nursery Products, to recognize an existing large industry with a unique production process.

Two activities were transferred into the 1997 Crop Production subsector.

Short rotation woody crops (e.g., Christmas trees) farming was transferred from part of 1987 SIC 0811, Timber Tracts, into Nursery and Tree Production, in response to a proposal and because of similar production processes. Christmas trees and other woody products life cycle is typically less than ten years in contrast to trees growing in forests with a much longer growth cycle.

Maple sap gathering was transferred from part of 1987 SIC 0831, Forest Products, into All Other Crop Production in response to an industry proposal. The production of maple syrup at the site where maple sap is gathered is included in All Other Crop Production while the production of maple syrup at a separate location is in the Manufacturing sector of NAICS.

Also, there were several activities that transferred within the crop production industry group. The number of crop production industries increased from 20 in 1987 to 29 in 1997. For time series linkage, 16 of the 20 1987 industries are comparable within three percent of the 1997 industries.

**Animal Production**—There were five new industries added to the 1997 industry structure for this industry subsector. New industries were created for:

Sheep Farming and Goat Farming from 1987 SIC 0214, Sheep and Goats, to achieve international comparability with Mexico.

Finfish Production and Shellfish Production from part of 1987 SIC 0273, Animal Aquaculture, to recognize emerging industries with unique production processes.

Apiculture from part of 1987 SIC 0279, Animal Specialties, NEC, to achieve international comparability.

Dual Purpose Cattle Ranching and Farming will be a null industry for the United States.

One activity transferred into the 1997 Animal Production industry subsector.

Fish Hatcheries were transferred from 1987 SIC 0921, Fish Hatcheries and Preserves, into Animal Aquaculture, to reflect a production process for fish propagated in captivity.

A few activities were transferred within the animal production industry group. The number of animal production industries increased from 16 in 1987 to 19 in 1997. For time series linkage, 13 of the 16 1987 industries are comparable within three percent of the 1997 industries.

**Forestry and Logging**—Three activities were transferred out of the 1987 Major Group 08, Forestry.

Short rotation woody crops (e.g., Christmas trees) were transferred from

part of 1987 SIC 0811, Timber Tracts, into Nursery and Tree Production to reflect similar production processes based on the length of the commodities growth cycle.

Maple sap gathering was transferred from part of 1987 SIC 0831, Forest Products, into part of All Other Crop Production in response to an industry proposal.

1987 SIC 0851, Forestry Services, was transferred into the 1997 Support Activities for Crop and Animal Production and Forestry subsector, to reflect similar production support processes.

One activity was transferred into 1997 Forestry and Logging Industry subsector.

1987 SIC 2411, Logging, was transferred into this subsector because the production process is more clearly aligned to forestry and for international comparability.

The number of 1997 forestry and logging industries remained unchanged at three from 1987. For time series linkage, only one of the three 1987 industries are comparable within three percent of the 1997 industries.

Fishing, Hunting, and Trapping—Two activities were transferred out of the 1987 Major Group 09, Fishing, Hunting, and Trapping.

Fish hatcheries were transferred from part of 1987 SIC 0921, Fish Hatcheries and Preserves, into Finfish Hatcheries and Shellfish Hatcheries, to reflect production processes for fish propagated in captivity.

Fish preserves were transferred from part of 1987 SIC 0921, Fish Hatcheries and Preserves, into 1997 NAICS Museums, Historical Sites and Similar Institutions subsector, to reflect similar production processes.

Also, there were several activities that transferred within the fishing, hunting and trapping industries. The number of fishing, hunting, and trapping industries decreased from five in 1987 to four in 1997. For time series linkage, four of the 1987 industries are comparable within three percent of the 1997 industries.

Support Activities for Agriculture and Forestry—There was one new industry added to the industry structure for this subsector. An industry was created for:

Support Activities for Animal Production from part of 1987 SIC 0751, Livestock Services, Except Veterinary; 0752, Animal Specialty Services, Except Veterinary; and 7699, Repair Services, NEC, to reflect similar production processes.

Eight activities were transferred out of 1987 SIC Major Group 07, Agriculture Services.

Cotton Ginning was transferred into the NAICS Miscellaneous Manufacturing subsector, to achieve international comparability with Mexico.

Veterinary Services for Livestock, 1987 SIC 0741, and Veterinary Services for Animal Specialties, 1987 SIC 0742, will be combined and transferred into one of the 1997 services industry subsectors, to achieve international comparability. Also, the services require very specialized input and highly skilled workers not found in other support activities for animal production.

Custom slaughtering was transferred from part of 1987 SIC 0751, Livestock Services, Except Veterinary, into the 1997 manufacturing industry subsector Food Product Manufacturing, to reflect a similar production process.

Animal Specialty Services, Except Veterinary were transferred from part of 1987 SIC 0752, Animal Specialty Services, Except Veterinary, into one of the new service industry subsectors, to reflect unique production processes. Services for horses and equines and activities related to breeding of animals will be in Support Activities for Animal Production.

Farm Management Services, 1987 SIC 0762, will be integrated with the particular crop production industries they serve. For example, "citrus grove management and maintenance" will be classified with Orange Groves or Other Citrus Groves, depending on the crop managed. If there is not a dominant cropping activity, crop farm management services will be placed with the 4-digit NAICS industry, All Other Crop Farming. Activities are grouped together that have similar production processes.

Landscape architects and landscape planning was transferred from part of 1987 SIC 0781, Landscape Counseling and Planning, into 1997 NAICS subsector, Professional, Technical, and Scientific Services, to reflect similar production processes involving similar inputs and particularly skills in architecture and planning.

Garden planning horticulture advisory and counseling services were transferred from part of 1987 SIC 0781, Landscape Counseling and Planning, into one of the 1997 services industries, to achieve international comparability and separate out non-crop production activities.

Lawn and garden care services, excluding installation and initial planting activities were transferred from part of 1987 SIC 0782, Lawn and Garden Services, and 1987 SIC 0783, Ornamental Shrub and Tree Service, was transferred partly into one of the

new 1997 services industries. Lawn and garden installation and initial planting of materials were transferred into the Construction Industries sector, to reflect similar production processes. Also, this achieves international comparability with Canada that now divides these industries between construction and services.

Two activities were transferred into the NAICS Support Activities for Agriculture and Forestry subsector.

1987 SIC 0851, Forestry Services, were transferred into the industry group, Support Activities for Forestry, to reflect similar production processes, i.e., support activities for agriculture and forestry.

Farriers (Blacksmith Shops) were transferred from part of 1987 SIC 7699, Repair Services, NEC, into the industry group, Support Activities for Animal Production, to achieve international comparability. This activity provides direct support to the animal production subsector.

Also, there were several activities that transferred within the support activities for crop and animal production and forestry industries. The number of support activities for crop and animal production and forestry industry decreased from 14 in 1987 to 6 in 1997. For time series linkage, 11 of the 14 1987 industries are comparable within three percent of the 1997 industries.

Part II—Proposed New Industry Structure for Textile Mills, Textile Product Mills, Apparel Manufacturing, Leather and Allied Product Manufacturing

#### Section A—NAICS Structure

North American Industry Classification System (NAICS)

Agreement Number 5

This Document represents the proposed agreement on the structure of the North American Industry Classification System (NAICS) for the following industries:

Textile Mills  
Textile Product Mills  
Apparel Manufacturing  
Leather and Allied Product Manufacturing

The detailed NAICS structure along with a brief description of the structure is attached (Attachments 1 and 2). Each country agrees to release a copy of the proposed NAICS structure to interested data users. For the apparel industries only, each country may develop a different national structure. These structures must, however, permit each country to aggregate to the NAICS structure in Attachment 1. Each

country's detailed apparel structure is shown in Attachment 3. Comments received will be shared among the countries and discussions held before a final decision on the structure is made. This NAICS structure was presented and provisionally accepted at the NAICS Committee meeting held June 22 and 23, 1995 in Ottawa, Canada.

Accepted	Signature	Date
Canada .....	/S/ Jacob Ryten .....	6/23/95
Mexico .....	/S/ Enrique Ordaz ...	6/23/95
United States.	/S/ Jack E. Triplett ..	6/23/95

#### Attachment 1—NAICS Structure

XX Textile Mills  
 XXX Fiber, Yarn and Thread Mills  
 XXXX Fiber, Yarn and Thread Mills  
 XXX Fabric Mills  
 XXXX Broadwoven Fabric Mills  
 XXXX Narrow Fabric Mills and Schiffli Machine Embroidery  
 XXXX Nonwoven Fabric Mills  
 XXXX Knit Fabric Mills  
 XXX Textile and Fabric Finishing and Fabric Coating Mills  
 XXXX Textile and Fabric Finishing Mills  
 XXXX Fabric Coating Mills  
 XX Textile Product Mills  
 XXX Textile Furnishings Mills  
 XXXX Carpet and Rug Mills  
 XXXX Curtain and Linens Mills  
 XXX Miscellaneous Textile Product Mills  
 XXXX Textile Bags and Canvas Mills  
 XXXX Other Miscellaneous Textile Product Mills  
 XX Apparel Manufacturing  
 XXX Cut and Sew Apparel Manufacturing  
 XXXX Outerwear Manufacturers and Jobbers  
 XXXX Underwear and Nightwear Manufacturers and Jobbers  
 XXXX Cut and Sew Apparel Contractors  
 XXX Apparel Knitting Mills  
 XXXX Hosiery and Socks Mills  
 XXXX Other Apparel Knitting Mills  
 XXX Apparel Accessories and Other Apparel Manufacturing  
 XXXX Apparel Accessories and Other Apparel Manufacturing  
 XX Leather And Allied Product Manufacturing  
 XXX Leather and Hide Tanning and Finishing  
 XXXX Leather and Hide Tanning and Finishing  
 XXX Footwear Manufacturing  
 XXXX Footwear Manufacturing  
 XXX Miscellaneous Leather and Allied Product Manufacturing  
 XXXX Miscellaneous Leather and Allied Product Manufacturing

#### Attachment 2—North American Industry Classification System

Draft Classification for:  
 Textile Mills  
 Textile Product Mills  
 Apparel Manufacturing  
 Leather and Allied Product Manufacturing

Representatives of the statistical agencies of Canada, Mexico and the United States agree to a draft industry classification for these industries.

The draft classification provides for four subsectors; Textile Mills; Textile Product Mills; Apparel Manufacturing; and Leather and Allied Product Manufacturing. These groups are further sub-divided into eleven industry groups and twenty industries. The subsectors will be part of the Manufacturing sector of the NAICS classification.

#### A General Outline

Textile Mills comprise a group of industries that transform a basic fiber (natural or synthetic) into a product that is further manufactured into usable items such as apparel, sheets and towels, and textile bags for individual or industrial consumption. The main processes in this subsector include preparation and spinning of fiber, knitting or weaving of fabric, and finally the finishing of the textile. The NAICS structure follows and captures this process flow. Major industries in this flow such as preparation of fibers, weaving of fabric, knitting of fabric, and fiber and fabric finishing are uniquely identified. Texturizing, throwing, twisting, and winding of yarn contains aspects of both fiber preparation and fiber finishing. In the end, the decision was to class these with preparation of fibers rather than with finishing of fiber.

The subsector Textile Product Mills includes the production of textile products, except apparel. With a few exceptions, processes used in these industries are generally "cut and sew," i.e., purchasing fabric and cutting and sewing to make a non-apparel textile product such as sheets and towels. By creating a separate subsector, the classification more accurately reflects both the production aspect and the strong desire for a separate identification for these activities by many data users.

The Apparel Manufacturing subsector consists of establishments with two distinct manufacturing processes: (1) "cut and sew" as described above and (2) the manufacture of garments in establishments that first knit fabric and then cut and sew the fabric into a garment. Knitting, when done alone, is classified in the Textile Mills subsector, but when knitting is combined with the production of complete garments, the production processes are similar to those in Apparel Manufacturing. The three countries agreed to establish separate subsectors for Textile Product Mills and Apparel Manufacturing. These groupings allow for the unique identification at a high classification

level for Apparel Manufacturing, an extremely important international trade grouping.

The subsector Leather and Allied Product Manufacturing consists of transforming hides into leather by tanning or curing, and fabricating the leather into products for final consumption. It also includes the manufacture of certain other, similar products from other materials, including products other than apparel made from "leather substitutes", such as rubber, plastic, or textiles. Rubber footwear, textile luggage, and plastic purses or wallets are examples of "leather substitute" products included in this group. The products made from leather substitutes are produced in similar ways as are the leather products (luggage, for example) and they are made in the same establishments so it is not practical to separate them. The inclusion of leather production in this subsector is partly because leather tanning is a relatively small industry that has few close neighbors as a production process, partly because leather is an input to some of the other products classified in this subsector, and partly for historical reasons.

#### Limitations and Constraints of the Classification

There are some analytical needs that cannot be met by this industry classification. For example, there is a need in the U.S. and Canada for data for separate statistics for men's and women's apparel, even though overlap of production exists for many specific clothing items. This cannot be accommodated by NAICS because of differences in the way apparel production is organized in Canada, Mexico, and the U.S. Specifically, in Mexico, producers of children's wear are not specialized according to gender as they are in the U.S. and Canada. It is therefore, not possible for Mexico to create separate industries for men's and boys' versus women's and girls'. Canada and the U.S., on the other hand, can recognize this distinction and in the national detail of the two countries, these groupings are recognized. Moreover, Mexico requires that uniforms be grouped together in a single industry; in the U.S. and Canada, production of men's uniforms is usually separate from production of women's uniforms. Additionally, size constraints prohibit separation of some activities in Canada. For example, Canada cannot support a separate men's work clothing industry.

These differences in the way apparel production is organized in the three countries also greatly limits the number

of NAICS industries that can be defined in this subsector. As a result, NAICS industries have been defined at a rather highly aggregated level (e.g., outerwear) because only at these levels of aggregation will it be possible to publish comparable data across all three countries. Therefore, the three countries agreed that each country will publish more detailed national industries that meet their respective national needs for data on apparel. For the apparel industries only, each country may develop a different national structure. These structures must, however, permit each country to aggregate to the NAICS structure shown in Attachment 1. Attachment 3 shows each country's detailed national structure for apparel.

For users requiring detailed commodity information, each country will publish information on products of these industries. Efforts also are underway to harmonize the commodity classifications to allow comparability of these statistics.

An issue related to the coding structure is the ability to publish, and the economic significance of the items defined in the classification. In the apparel industry, most activities that were identified in one country exist in the others. However, often an activity is not economically significant to the same degree in all countries. Further, data for some significant activities cannot be published for a particular country because of confidentiality rules. Finally, the way activities are combined in establishments differs to some extent in the different countries. A structure could have been developed that specified such activities in NAICS, but the resulting statistical tables for any given country would have numerous insignificant or suppressed entries. For example, Canada cannot support a separate men's work clothing industry because of size. It was preferable to adopt an operating rule for this industry subsector that the NAICS industries must be economically significant and publishable. It is anticipated that each country will publish additional categories that comprise sub-divisions of NAICS industries to present data for activities that are nationally significant.

#### *Relationship to ISIC*

The new NAICS structure for textiles, apparel, and leather does not match the current International Standard Industrial Classification of all Economic Activities (ISIC, Revision 3). The ISIC divisions covered by these NAICS subsectors are: Division 17, Manufacture of Textiles; Division 18, Manufacture of Wearing Apparel: Dressing and Dyeing of Fur; and Division 19, Tanning and

Dressing of Leather; Manufacture of Luggage, Handbags, Saddlery, Harness and Footwear. Within ISIC, apparel made from fabric made in the same establishment is classified in one division and that made from fabric made by another establishment is classified in a different division. Within ISIC, both manufacturing of primary textiles and made-up textile products are classified in the same division while in NAICS these functions have been separated into two subsectors.

However, of the twenty one NAICS 4-digit industries in these subsectors, only four do not fall within a single ISIC Division. The four that do not, cross two ISIC divisions. Moreover, the majority of the NAICS industries created fall within a single 4-digit ISIC industry.

#### *Some Changes to the National Classifications*

This section highlights some of the significant changes to existing national classifications.

In Textile Mills, the NAICS structure following the production flow resulted in a major restructuring for Canada. Every new national industry in Canada will have some change. For the United States, the main industry change involves moving finishing of fiber, yarn, thread, and wool fabric into separate classifications. The United States converters of non knit (woven) fabric also were moved to manufacturing. In Mexico, the changes were minor.

The subsector Textile Product Mills contains no major changes for any of the three countries. In NAICS, all three countries moved curtains and draperies made from purchased materials to this grouping.

The major change for Mexico and the U. S. for all NAICS industries in Apparel Manufacturing was the classification of cut and sew contracting into a separate NAICS industry group. The fact that cut and sew apparel contractors make women's dresses one week and women's blouses the next or make men's shirts one week and men's pants the next results in difficulties in classifying establishments. In addition, these contractors are typically small, thus causing additional difficulties in classifying these establishments. Classifying all contractors together eases the data collection process. Creating a separate contracting industry for apparel results in a change in virtually every U.S. (13) and Mexican (6) apparel manufacturing industry. Canada already recognizes apparel contracting in its current structure. It should be noted that Mexico will continue to collect and publish a combined industry (including contractors) for the cut and sew area,

but will publish separate NAICS for this industry. The U.S. Census Bureau has published information in the past on cut and sew contractors. This information will be used as a bridge to link the 1997 Economic Census data based on NAICS to data that would have been published on the 1987 SIC basis. This link will provide data users essential information for time series comparability.

#### *Achievement of Objectives*

The classification meets the objectives for the NAICS. It is comprised of industries that group establishments with similar production processes, that is, it applies the production-oriented economic concept. In the main, the hierarchical structure of the classification also follows the production concept.

The classification achieves comparability for the three participating countries. Based on existing data, all three countries expect to be able to publish data regularly at the industry level of the structure. All countries agree on the detailed definitions of the industries.

Other objectives of the NAICS project are not as relevant in this area of the classification as in others. These objectives are the delineation of new and emerging industries, service industries, and industries engaged in the production of advanced technologies. The industry subsector in question is relatively mature, generally produces goods, and has employed relatively stable technology. Therefore, the emphasis was on the objectives listed above.

The industries have high specialization ratios, and they are economically significant. The detail and structure of the classification are balanced in size. This enhances the classification's suitability for sampling, data-publishing and other aspects of survey operations. For Textile Mills and Textile Product Mills, disruptions to time series have been kept to a minimum. In Apparel Manufacturing, however, the establishment of a separate industry for cut and sew contractors results in a change for the U.S. to nearly all of the existing apparel industries. A link between the old and new industries will be provided where possible.

#### *Attachment 3—Individual Country Structure for Apparel Manufacturing—NAICS Description*

##### *Canada*

XX Apparel Manufacturing  
XXX Men's and Boys' Cut and Sew Apparel  
Manufacturers and Jobbers

- XXXX Men's and Boys' Cut and Sew Shirt, including Work Shirt Manufacturers and Jobbers
- XXXX Men's and Boys' Cut and Sew Trouser, Slack and Jean, including Work Clothing Manufacturers and Jobbers
- XXXX Men's and Boys' Cut and Sew Suit, Coat, and Overcoat Manufacturers and Jobbers
- XXXX Men's and Boys' Cut and Sew Other Outerwear Manufacturers and Jobbers
- XXXX Men's and Boys' Cut and Sew Underwear and Nightwear Manufacturers and Jobbers
- XXX Women's and Girls' Cut and Sew Apparel Manufacturers and Jobbers
- XXXX Women's and Girls' Cut and Sew Blouse and Shirt Manufacturers and Jobbers
- XXXX Women's and Girls' Cut and Sew Dress Manufacturers and Jobbers
- XXXX Women's and Girls' Cut and Sew Suit, Coat, Tailored Jacket and Skirt Manufacturers and Jobbers
- XXXX Women's and Girls' Cut and Sew Other Outerwear Manufacturers and Jobbers
- XXXX Women's and Girls' Cut and Sew Lingerie, Loungewear and Nightwear Manufacturers and Jobbers
- XXX Other Cut and Sew Apparel Manufacturers and Jobbers
- XXXX Infants' Cut and Sew Apparel Manufacturers and Jobbers
- XXXX Fur and Leather Apparel Manufacturers and Jobbers
- XXXX All Other Cut and Sew Apparel Manufacturers and Jobbers
- XXX Cut and Sew Apparel Contractors
- XXX Apparel Knitting Mills
- XXXX Hosiery and Socks Mills
- XXX Other Apparel Knitting Mills
- XXX Apparel Accessories and Other Apparel Manufacturing
- XXXX Apparel Accessories and Other Apparel Manufacturing
- Mexico*
- XX Apparel Manufacturing
- XXXXXX Making up of mass-produced men's outerwear
- XXXXXX Making up of made-to-measure men's outerwear
- XXXXXX Making up of mass-produced women's outerwear
- XXXXXX Making up of women's made-to-measure outerwear
- XXXXXX Making up of shirts
- XXXXXX Making up of uniforms
- XXXXXX Making up of men's wear from leather, hides and synthetics
- XXXXXX Making up of women's wear from leather, hides and synthetics
- XXXXXX Making up of children's outerwear
- XXXXXX Making up of other outerwear garments
- XXXXXX Making up of other innerwear
- XXXXXX Manufacture of hats, caps, etc.
- XXXXXX Manufacture of hats, caps, etc., from palm and other hard fibers
- XXXXXX Manufacture of gloves, ties, scarves, etc.
- United States*
- XX Apparel Manufacturing
- XXX Men's and Boys' Cut and Sew Apparel Manufacturers and Jobbers
- XXXX Men's and Boys' Cut and Sew Shirt, except Work Shirt Manufacturers and Jobbers
- XXXX Men's and Boys' Cut and Sew Trouser, Slack, and Jean Manufacturers and Jobbers
- XXXX Men's and Boys' Cut and Sew Work Clothing Manufacturers and Jobbers
- XXXX Men's and Boys' Cut and Sew Suit, Coat, and Overcoat Manufacturers and Jobbers
- XXXX Men's and Boys' Cut and Sew Other Outerwear Manufacturers and Jobbers
- XXXX Men's and Boys' Cut and Sew Underwear and Nightwear Manufacturers and Jobbers
- XXX Women's and Girls' Cut and Sew Apparel Manufacturers and Jobbers
- XXXX Women's and Girls' Cut and Sew Blouse and Shirt Manufacturers and Jobbers
- XXXX Women's and Girls' Cut and Sew Dress Manufacturers and Jobbers
- XXXX Women's and Girls' Cut and Sew Suit, Coat, Tailored Jacket and Skirt Manufacturers and Jobbers
- XXXX Women's and Girls' Cut and Sew Other Outerwear Manufacturers and Jobbers
- XXXX Women's and Girls' Cut and Sew Lingerie, Loungewear, and Nightwear Manufacturers and Jobbers
- XXX Other Cut and Sew Apparel Manufacturers and Jobbers
- XXXX Infants' Cut and Sew Apparel Manufacturers and Jobbers
- XXXX Fur and Leather Apparel Manufacturers and Jobbers
- XXXX All Other Cut and Sew Apparel Manufacturers and Jobbers
- XXX Cut and Sew Apparel Contractors
- XXX Apparel Knitting Mills
- XXXX Hosiery and Socks Mills
- XXX Other Apparel Knitting Mills
- XXX Apparel Accessories and Other Apparel Manufacturing
- XXXX Apparel Accessories and Other Apparel Manufacturing
- XXXX Fur and Leather Apparel Manufacturers and Jobbers
- XXXX All Other Cut and Sew Apparel Manufacturers and Jobbers
- XXX Cut and Sew Apparel Contractors
- XXX Apparel Knitting Mills
- XXXX Hosiery and Socks Mills
- XXX Other Apparel Knitting Mills
- XXXX Outerwear Knitting Mills
- XXXX Underwear and Nightwear Knitting Mills
- XXX Apparel Accessories and Other Apparel Manufacturing
- XXXX Hat, Cap, and Millinery Manufacturing
- XXXX Glove and Mitten Manufacturing
- XXXX Men's and Boys' Neckwear Manufacturing
- XXXX Apparel Belt, Apparel Accessories, and Other Apparel Manufacturing

*Section B-Annex: United States National Industry Detail*

As explained in the *Structure* presentation of this notice, for a number of reasons 4-digit industries in the three NAICS industry subsectors presented in Part 1, Section A—Attachment 1, contain less detail than is currently in the U.S. SIC system, and less detail than is required to meet important analytical requirements in the U.S. The three country agreement on NAICS envisions that each country may develop national detailed industries below the NAICS industry level, so long as the national detail can be aggregated to the NAICS classification, thus assuring full North American comparability.

The ECPC is proposing U.S. 5-digit industry detail for the three NAICS industry subsectors covered in Part I of this notice. For cases where no 5-digit detail is shown, the ECPC is proposing that the NAICS 4-digit industries will also represent the most detailed U.S. industries.

TABLE 1

	1997 NAICS and U.S. description	Status code	1987 SIC code	1987 SIC description
XX .....	Textile Mills:			
XXX .....	Fiber, Yarn and Thread Mills:			
XXXX ...	Fiber, Yarn and Thread Mills:			
XXXXX	Yarn Spinning Mills .....	R	2281	Yarn Spinning Mills.
			2299	Textile goods, NEC (Yarn of Hard Fiber).
			3999	Manufacturing Industries NEC (Yarn of Animal Hair).
XXXXX	Yarn Texturing, Throwing, and Twisting Mills.	R	2282	Throwing and Winding Mills (Except Spooling Purchased Yarns).
XXXXX	Thread Mills .....	R	*2284	Thread Mills (Except Finishing).
			*2299	Textile Goods, NEC (Thread of Hard Fiber).
			*3999	Manufacturing Industries NEC (Thread of Animal Hair).
XXX .....	Fabric Mills:			

TABLE 1—Continued

	1997 NAICS and U.S. description	Status code	1987 SIC code	1987 SIC description
XXXX ...	Broadwoven Fabric Mills .....	N	2211 2221 *2231 *2299	Broadwoven Fabric Mills, Cotton. Broadwoven Fabric Mills, Manmade. Broadwoven Fabric Mills, Wool (Except Wool Finishing). Textile Goods, NEC (Broadwoven Fabrics of Hard Fiber).
XXXX ...	Narrow Fabric Mills and Schiffl Machine Embroideries:			
XXXXX	Narrow Fabric Mills .....	R	2241 *2299	Narrow Fabric Mills. Textile Goods, NEC (Narrow Fabric of Hard Fiber).
XXXXX	Schiffl Machine Embroideries .....	E	2397	Schiffl Machine Embroideries.
XXXX ...	Nonwoven Fabric Mills .....	R	2297 *2299	Nonwoven Fabrics. Textile Goods, NEC (Nonwoven Felt).
XXXX ...	Knit Fabric Mills:			
XXXXX	Weft Knit Fabric Mills .....	R	*2257 *2259	Weft Knit Fabric Mills (Except Finishing). Knitting Mills NEC (Finished Articles).
XXXXX	Other Knit Fabric and Lace Mills .....	R	*2258 *2259	Lace and Warp Knit Fabric Mills (Except Finishing). Knitting Mills NEC (Finished Articles).
XXX .....	Textile and Fabric Finishing and Fabric Coating Mills:			
XXXX ...	Textile and Fabric Finishing Mills:			
XXXXX	Broadwoven Fabric Finishing Mills .....	N	*2231	Broadwoven Fabric Mills, Wool (Wool Broadwoven Fabric Finishing).
XXXXX	Textile and Fabric Finishing Mills, except Broadwoven Fabric.	N	2261 2262 *2269 *5131 *2231	Finishing Plants, Cotton. Finishing Plants, Manmade. Finishing Plants, NEC (Linen Fabric Finishing). Piece Goods and Notions (Broadwoven Converters). Broadwoven Fabric Mills, Wool (Wool Finishing except Broadwoven Fabric).
XXXX ...	Fabric Coating Mills .....	R	2257 *2258 *2269 *2282 *2284 *2299 *5131	Weft Knit Fabric Mills (Finishing). Lace and Warp Knit Fabric Mills (Finishing). Finishing Plants, NEC (Except Linen Fabric Finishing). Throwing and Winding Mills (Yarn Finishing). Thread Mills (Thread Finishing). Textile Goods, NEC (Finishing Yarn/Thread of Hard Fibers). Piece Goods and Notions (Converters, Except Broadwoven and Knit).
XXXX ...	Fabric Coating Mills .....	R	2295 *3069	Coated Fabrics, Not Rubberized. Fabricated Rubber Products, NEC (Rubberized Fabric).
XX .....	Textile Product Mills:			
XXX .....	Textile Furnishings Mills:			
XXXX ...	Carpet and Rug Mills .....	E	2273	Carpets and Rugs.
XXXX ...	Curtain and Linen Mills .....	E	2391	Curtains and Draperies.
XXXXX	Other Household Textile Product Mills	R	*2392	Housefurnishings, NEC (Except Mops and Bags).
XXX .....	Miscellaneous Textile Product Mills:			
XXXX ...	Textile Bags and Canvas Mills:			
XXXXX	Textile Bag Mills .....	R	*2392 2393 2394	Housefurnishings, NEC (Blanket and Laundry Bags). Textile Bags. Canvas and Related Products.
XXXXX	Canvas and Related Product Mills .....	E	2298	Cordage and Twine.
XXXX ...	Other Miscellaneous Textile Product Mills:			
XXXXX	Rope, Cordage and Twine Mills .....	E	2296	Tire Cord and Fabrics.
XXXXX	Tire Cord and Tire Fabric Mills .....	E	*2259	Knitting Mills, NEC (Except Apparel).
XXXXX	All Other Miscellaneous Textile Product Mills.	R	*2299 *2395 *2396 *2399	Textile Goods, NEC (Other Textile Products). Pleating and Stitching (Except Apparel Contractors). Automotive and Apparel Trimmings (Textile Products Except Automotive Trim and Printing on Apparel). Fabricated Textile Products, NEC (Except Apparel, Automotive Seat Belts, and Seat Covers).
XX .....	Apparel Manufacturing:			
XXX .....	Men's and Boys' Cut and Sew Apparel Manufacturers and Jobbers:			
XXXX ...	Men's and Boy's Cut and Sew Shirt, except Work Shirt Manufacturers and Jobbers.	R	*2321 *2361	Men's and Boys' Shirts (Except Contractors). Girls' and Children's Dresses, Blouses (Boys' Except Contractors).
XXXX ...	Men's and Boy's Cut and Sew Trouser, Slack, and Jean Manufacturers and Jobbers.	R	*2325	Men's and Boys' Trousers and Slacks (Except Contractors).

TABLE 1—Continued

	1997 NAICS and U.S. description	Status code	1987 SIC code	1987 SIC description
XXXX ...	Men's and Boy's Cut and Sew Work Clothing Manufacturers and Jobbers.	R	*2369	Girls' and Children's Outerwear, NEC (Boys' Except Contractors).
XXXX ...	Men's and Boys' Cut and Sew Suit, Coat, and Overcoat Manufacturers and Jobbers.	R	*2326	Men's and Boys' Work Clothing (Except Contractors).
			*2311	Men's and Boys' Suits and Coats (Except Contractors).
XXXX ...	Men's and Boys' Cut and Sew Other Outerwear Manufacturers and Jobbers.	R	*2369	Girls' and Children's Outerwear, NEC (Boys' Except Contractors).
			*2385	Waterproof Outerwear (Men and Boys' Except Contractors).
			*2329	Men's and Boys' Clothing, NEC (Except Contractors).
XXXX ...	Men's and Boys' Cut and Sew Underwear and Nightwear Manufacturers and Jobbers.	R	*2369	Girls' and Children's Outerwear, NEC (Boys' Except Contractors).
			*2385	Waterproof Outerwear (Except Contractors).
			*2322	Men's and Boys' Underwear and Nightwear (Except Contractors).
			*2341	Women's and Children's Underwear (Boys' Except Contractors).
			*2369	Girls' and Children's Outerwear, NEC (Boys' Robes Except Contractors).
			*2384	Robes and Dressing Gowns (Men's Except Contractors).
XXX .....	Women's and Girls' Cut and Sew Apparel Manufacturers and Jobbers.			
XXXX ...	Women's and Girls' Cut and Sew Blouse and Shirt Manufacturers and Jobbers.	R	*2331	Women's and Misses' Blouses and Shirts (Except Contractors).
			*2361	Girls' and Children's Dresses, Blouses (Girls' Except Contractors).
XXXX ...	Women's and Girls' Cut and Sew Dress Manufacturers and Jobbers	R	*2335	Women's, Juniors', and Misses' Dresses (Except Contractors).
			*2361	Girls' and Children's Dresses, Blouses (Girls' Except Contractors).
XXXX ...	Women's and Girls' Cut and Sew Suit, Coat, Tailored Jacket and Skirt Manufacturers and Jobbers.	R	*2337	Women's and Misses' Suits and Coats (Except Contractors).
			*2369	Girls' and Children's Outerwear, NEC (Girls' Except Contractors).
			*2385	Waterproof Outerwear (Except Contractors).
XXXX ...	Women's and Girls' Cut and Sew Other Outerwear Manufacturers and Jobbers.	R	*2339	Women's and Misses' Outerwear, NEC (Except Contractors).
			*2369	Girls' and Children's Outerwear, NEC (Girls' Except Contractors).
			*2385	Waterproof Outerwear (Women's and Girls' Except Contractors).
XXXX ...	Women's and Girls' Cut and Sew Lingerie, Loungewear, and Nightwear.	R	*2341	Women's and Children's Underwear (Women and Girls' Except Contractors).
			2342	Bras, Girdles, and Allied Garments (Except Contractors).
			*2369	Girls' and Children's Outerwear, NEC (Girls' Except Contractors).
			*2384	Robes and Dressing Gowns (Women's Except Contractors).
			*2389	Apparel and Accessories, NEC (Garter Belts).
XXX .....	Other Cut and Sew Apparel Manufacturers and Jobbers:			
XXXX ...	Infants' Cut and Sew Apparel Manufacturers and Jobbers.	R	*2341	Women's and Children's Underwear (Infants' Except Contractors).
			*2361	Girls' and Children's Dresses, Blouses (Infants' Except Contractors).
			*2369	Girls' and Children's Outerwear, NEC (Infants' Except Contractors).
			*2385	Waterproof Outerwear (Infants' Except Contractors).
XXXX ...	Fur and Leather Apparel Manufacturers and Jobbers.	N	2371	Fur Goods.
			2386	Leather and Sheep-lined Clothing.
XXXX ...	All Other Cut and Sew Apparel Manufacturers and Jobbers.	R	*2329	Men's and Boys' Outerwear, NEC (Athletic Uniforms Except Contractors).
			*2339	Women's and Misses' Outerwear, NEC (Athletic Uniforms Except Contractors).
			*2385	Waterproof Outerwear (Except Contractors).
XXX .....	Cut and Sew Apparel Contractors:		*2389	Apparel and Accessories, NEC (Garments).

TABLE 1—Continued

	1997 NAICS and U.S. description	Status code	1987 SIC code	1987 SIC description
XXXX ...	Men's and Boys' Cut and Sew Apparel Contractors.	N	*2311	Men's and Boys' Suits and Coats (Contractors).
			*2321	Men's and Boys' Shirts (Contractors).
			*2322	Men's and Boys' Underwear and Nightwear (Contractors).
			*2325	Men's and Boys' Trousers and Slacks (Contractors).
			*2326	Men's and Boys' Work Clothing (Contractors).
			*2329	Men's and Boys' Clothing, NEC (Contractors).
			*2341	Women's and Children's Underwear (Boys' Contractors).
			*2361	Girls' and Children's Dresses, Blouses (Boys' Contractors).
			*2369	Girls' and Children's Outerwear, NEC (Boys' Contractors).
			*2384	Robes and Dressing Gowns (Men's Contractors).
			*2385	Waterproof Outerwear (Men's and Boy's Contractors).
			*2395	Pleating and Stitching (Men's and Boy's Contractors).
XXXX ...	Women's and Girls' Cut and Sew Apparel Contractors.	N	*2331	Women's and Misses' Blouses and Shirts (Contractors).
			*2335	Women's Juniors', and Misses' Dresses (Contractors).
			*2337	Women's and Misses' Suits and Coats (Contractors).
			*2339	Women's and Misses' Outerwear, NEC (Contractors).
			*2341	Women's and Children's Underwear (Women's and Girls' Contractors).
			*2342	Bras, Girdles, and Allied Garments (Contractors).
			*2361	Girls' and Children's Dresses, Blouses (Girls' Contractors).
			*2369	Girls' and Children's Outerwear, NEC (Girls' Contractors).
			*2384	Robes and Dressing Gowns (Women's Contractors).
			*2385	Waterproof Outerwear (Women's and Girls' Contractors).
			*2389	Apparel and Accessories, NEC (Contractors).
			*2395	Pleating and Stitching (Contractors).
XXX .....	Apparel Knitting Mills:			
XXXX ...	Hosiery and Socks Mills:			
XXXXX	Sheer Hosiery Mills .....	R	2251	Women's Hosiery, except Socks.
XXXXX	Other Hosiery and Socks Mills .....	R	*2252	Hosiery, NEC (Girls' Hosiery).
XXXX ...	Other Apparel Knitting Mills:			
XXXXX	Outerwear Knitting Mills .....	R	2253	Knit Outerwear Mills.
			*2259	Knitting Mills, NEC (Gloves and Mittens).
XXXXX	Underwear and Nightwear Knitting Mills .....	E	2254	Knit Underwear Mills.
			*2259	Knitting Mills, NEC (Girdles).
XXX .....	Apparel Accessories and Other Apparel Manufacturing:			
XXXX ...	Hat, Cap, and Millinery Manufacturing .....	E	2353	Hats, Caps, and Millinery.
XXXX ...	Glove and Mitten Manufacturing .....	R	2381	Fabric Dress and Work Gloves.
			3151	Leather Gloves and Mittens.
XXXX ...	Men's and Boys' Neckwear Manufacturing .....	E	2323	Men's and Boys' Neckwear.
XXXX ...	Apparel Belt, Apparel Accessories and Other Apparel Manufacturing.	N	*2339	Women's and Misses' Outerwear, NEC (Scarves).
			*2385	Waterproof Outerwear (Except Raincoats).
			2387	Apparel Belts.
			*2389	Apparel and Accessories, NEC (Handkerchiefs, Arm Bands, etc.).
			*2396	Automotive and Apparel Trimmings (Apparel Findings and Trimming).
			*2399	Fabricated Textile Products, NEC (Except Automotive Seat Belts, Seat Covers, and Textile Products).
XX .....	Leather and Allied Product Manufacturing:			
XXX .....	Leather and Hide Tanning and Finishing:			
XXXX ...	Leather and Hide Tanning and Finishing .....	R	3111	Leather Tanning and Finishing.
			*3999	Manufacturing Industries, NEC (Fur Dressing and Finishing).
XXX .....	Footwear Manufacturing:			
XXXX ...	Footwear Manufacturing:			
XXXXX	Rubber and Plastic Footwear Manufacturing.	E	3021	Rubber and Plastics Footwear.
XXXXX	House Slipper Manufacturing .....	E	3142	House Slippers.
XXXXX	Men's Footwear Manufacturing, except Athletic.	E	3143	Men's Footwear, except Athletic.
XXXXX	Women's Footwear Manufacturing except Athletic.	E	3144	Women's Footwear, except Athletic.
XXXXX	Other Footwear Manufacturing .....	E	3149	Footwear except Rubber, NEC.
XXX .....	Miscellaneous Leather and Allied Product Manufacturing:			
XXXX ...	Miscellaneous Leather and Allied Product Manufacturing:			

TABLE 1—Continued

	1997 NAICS and U.S. description	Status code	1987 SIC code	1987 SIC description
XXXXX	Luggage Manufacturing .....	E	3161	Luggage.
XXXXX	Women's Handbag and Purse Manufacturing.	E	3171	Women's Handbags and Purses.
XXXXX	Other Miscellaneous Leather Good Manufacturing.	R	*3131	Boot and Shoe Cut Stock and Findings (Except Wood Heels and Metal Buckles).
			3172	Personal Leather Goods, except Women's Handbags and Purses.
			3199	Leather Goods, NEC.

The definitions of status codes are as follows: E—existing industry, N—new industry, R—revised industry; and \* means "part of." The abbreviation NEC is for Not Elsewhere Classified.

TABLE 2.

1987 SIC Code	1987 SIC Description	1997 U.S. Description
2211@ .....	Broadwoven Fabric Mills, Cotton.	Broadwoven Fabric Mills (pt).
2221@ .....	Broadwoven Fabric Mills, Manmade.	Broadwoven Fabric Mills (pt).
2231@ .....	Broadwoven Fabric Mills, Wool Except Finishing.	Broadwoven Fabric Mills (pt).
	Except Finishing .....	Broadwoven Fabric Mills (pt).
	Finishing .....	Broadwoven Fabric Finishing Mills (pt).
2241 .....	Narrow Woven Fabric Mills .....	Narrow Fabric Mills (pt).
2251@ .....	Women's Hosiery, Except Socks.	Sheer Hosiery Mills (pt).
2252@ .....	Hosiery, NEC:	
	Girls' Hosiery .....	Sheer Hosiery Mills (pt).
	Socks .....	Other Hosiery and Socks Mills.
2253@ .....	Knit Outerwear Mills .....	Outerwear Knitting Mills (pt).
2254 .....	Knit Underwear Mills .....	Underwear and Nightwear Knitting Mills.
2257@ .....	Weft Knit Fabric Mills .....	Weft Knit Fabric Mills.
	Except Finishing .....	Weft Knit Fabric Mills.
	Finishing .....	Textile and Fabric Finishing Mills Except Broadwoven Fabric (pt).
2258@ .....	Lace and Warp Knit Fabric Mills:	
	Except Finishing .....	Other Knit Fabric and Lace Mills.
	Finishing .....	Textile and Fabric Finishing Mills, except Broadwoven Fabric (pt).
2259@ .....	Knitting Mills, NEC:	
	Knit Gloves and Mittens .....	Outerwear Knitting Mills (pt).
	Girdles .....	Underwear and Nightwear Knitting Mills (pt).
	Finished Articles of Weft Knit Fabric.	Weft Knit Fabric Mills (pt).
	Finished Articles of Warp Knit Fabric.	Other Knit Fabric and Lace Mills (pt).
2261@ .....	Finishing Plants, Cotton .....	Broadwoven Fabric Finishing Mills (pt).
2262@ .....	Finishing Plants, Manmade .....	Broadwoven Fabric Finishing Mills (pt).
2269@ .....	Finishing Plants, NEC:	
	Broadwoven Finishing .....	Broadwoven Fabric Finishing Mills (pt).
	Except Broadwoven Finishing.	Textile and Fabric Finishing Mills, except Broadwoven Fabric (pt).
2273 .....	Carpets and Rugs .....	Carpet and Rug Mills.
2281@ .....	Yarn Spinning Mills .....	Yarn Spinning Mills (pt).
2282@ .....	Throwing and Winding Mills:	
	Except Spooling Purchased Yarn.	Yarn Texturing, Throwing and Twisting Mills.
	Spooling Purchased Yarn ...	Textile and Fabric Finishing Mills, except Broadwoven Fabric (pt).
2284@ .....	Thread Mills:	
	Except Finishing .....	Thread Mills (pt).
	Finishing .....	Textile and Fabric Finishing Mills, Except Broadwoven Fabric (pt).
2295@ .....	Coated Fabrics, Not Rubberized.	Fabric Coating Mills (pt).
2296 .....	Tire Cord and Fabrics .....	Tire Cord and Tire Fabric Mills.
2297@ .....	Nonwoven Fabrics .....	Nonwoven Fabric Mills (pt).
2298 .....	Cordage and Twine .....	Rope, Cordage and Twine Mills.
2299@ .....	Textile Goods, NEC:	
	Broadwoven Fabric of Hard Fibers.	Broadwoven Fabric Mills (pt).
	Nonwoven Felt .....	Nonwoven Fabric Mills (pt).

TABLE 2.—Continued

1987 SIC Code	1987 SIC Description	1997 U.S. Description
	Finishing Hard Fiber Thread and Yarn.	Textile and Fabric Finishing Mills, except Broadwoven Fabric (pt).
	Narrow Woven Fabric of Hard Fibers.	Narrow Fabric Mills (pt).
	Thread of Hard Fibers .....	Thread Mills (pt).
	Yarn of Hard Fibers .....	Yarn Spinning Mills (pt).
	Other Textile Goods .....	All Other Miscellaneous Textile Product Mills (pt).
2311@ .....	Men's and Boys' Suits and Coats:	
	Contractors .....	Men's and Boys' Cut and Sew Suit, Coat, and Overcoat Manufacturers and Jobbers (pt).
	Except Contractors .....	Men's and Boys' Cut and Sew Apparel Contractors (pt).
2321@ .....	Men's and Boys' Shirts:	
	Contractors .....	Men's and Boys' Cut and Sew Apparel Contractors (pt).
	Except Contractors .....	Men's and Boys' Cut and Sew Shirt, except Work Shirt Manufacturers and Jobbers (pt).
2322@ .....	Men's and Boys' Underwear and Nightwear:	
	Contractors .....	Men's and Boys' Cut and Sew Apparel Contractors (pt).
	Except Contractors .....	Men's and Boys' Cut and Sew Underwear and Nightwear Manufacturers and Jobbers (pt).
2323 .....	Men's and Boys' Neckwear .	Men's and Boys' Neckwear.
2325@ .....	Men's and Boys' Trousers and Slacks:	
	Contractors .....	Men's and Boys' Cut and Sew Apparel Contractors (pt).
	Except Contractors .....	Men's and Boys' Cut And Sew Trouser, Slack, And Jean Manufacturers and Jobbers (pt).
2326@ .....	Men's and Boys' Work Clothing:	
	Contractors .....	Men's and Boys' Cut and Sew Apparel Contractors (pt).
	Except Contractors .....	Men's and Boys' Cut and Sew Work Clothing Manufacturers and Jobbers.
2329@ .....	Men's and Boys' Clothing, NEC:	
	Contractors .....	Men's and Boys' Cut and Sew Apparel Contractors (pt).
	Except Contractors .....	Other Men's and Boys' Cut and Sew Outerwear Manufacturers and Jobbers (pt).
	Athletic Uniforms .....	All Other Cut and Sew Apparel (pt).
2331@ .....	Women's and Misses' Blouses and Shirts:	
	Contractors .....	Women's and Girls' Cut and Sew Apparel Contractors (pt).
	Except Contractors .....	Women's and Girls' Cut and Sew Blouse and Shirt Manufacturers and Jobbers (pt).
2335@ .....	Women's, Junior's, and Misses' Dresses:	
	Contractors .....	Women's and Girls' Cut and Sew Apparel Contractors (pt).
	Except Contractors .....	Women's and Girls' Cut and Sew Dress Manufacturers and Jobbers (pt).
2337@ .....	Women's and Misses' Suits and Coats:	
	Contractors .....	Women's and Girls' Cut and Sew Apparel Contractors (pt).
	Except Contractors .....	Women's and Girls' Cut and Sew Suit, Coat, Tailored Jacket, and Skirt Manufacturers and Jobbers (pt).
2339@ .....	Women's and Misses' Outerwear, NEC:	
	Scarves .....	Apparel Belt, Apparel Accessories and Other Apparel Manufacturing (pt).
	Contractors .....	Women's and Girls' Cut and Sew Apparel Contractors (pt).
	Except Contractors .....	Women's and Girls' Cut and Sew Outerwear Manufacturers and Jobbers (pt).
	Athletic Uniforms .....	All Other Cut and Sew Apparel Manufacturers and Jobbers (pt).
2341@ .....	Women's Underwear:	
	Women and Girls' Contractors.	Women's and Girls' Cut and Sew Apparel Contractors (pt).
	Boys' Contractors .....	Men's and Boys' Cut and Sew Apparel Contractors (pt).
	Women's and Girls', Except Contractors.	Women's and Girls' Cut and Sew Lingerie, Loungewear, and Nightwear Manufacturers and Jobbers (pt).
	Boys' Except Contractors ....	Men's and Boys' Cut and Sew Underwear and Nightwear Manufacturers and Jobbers (pt).
	Infants' .....	Infants' Cut and Sew Apparel Manufacturers and Jobbers (pt).
2342@ .....	Bras, Girdles, and Allied Garments:	
	Contractors .....	Women's and Girls' Cut and Sew Apparel Contractors (pt).
	Except Contractors .....	Women's and Girls' Cut and Sew Lingerie, Loungewear, and Nightwear Manufacturers and Jobbers (pt).
2353 .....	Hats, Caps, and Millinery .....	Hat, Cap, and Millinery Manufacturing.
2361@ .....	Girls' and Children's Dresses, Blouses:	
	Infants' Dresses, Blouses, and Shirts.	Infants' Cut and Sew Apparel Manufacturers and Jobbers (pt).
	Boys' Shirts .....	Men's and Boys' Cut and Sew Shirt, except Work Shirt Manufacturers and Jobbers (pt).
	Girls' Blouses and Shirts .....	Women's and Girls' Cut and Sew Blouse and Shirt Manufacturers and Jobbers (pt).
	Girls' Dresses .....	Women's and Girls' Cut and Sew Dress Manufacturers and Jobbers (pt).

TABLE 2.—Continued

1987 SIC Code	1987 SIC Description	1997 U.S. Description
2369@	Girls' Contractors .....	Women's and Girls' Cut and Sew Apparel Contractors (pt).
	Girls' and Children's Outerwear, NEC:	
	Infants' Outerwear, NEC .....	Infants' Cut and Sew Apparel Manufacturers and Jobbers (pt).
	Boys' Suits and Coats .....	Men's and Boys' Cut and Sew Suit, Coat, and Overcoat Manufacturers and Jobbers (pt).
	Boys' Trousers and Slacks .....	Men's and Boys' Cut and Sew Trouser, Slack, and Jean Manufacturers and Jobbers (pt).
	Boys' Outerwear, NEC .....	Other Men's and Boys' Cut and Sew Outerwear Manufacturers and Jobbers (pt).
	Boys' Robes .....	Men's and Boys' Cut and Sew Underwear and Nightwear Manufacturers and Jobbers (pt).
	Boys' Contractors .....	Men's and Boys' Cut and Sew Apparel Contractors (pt).
	Girls' Suits, Coats, Skirts, Etc..	Women's and Girls' Cut and Sew Suit, Coat, Tailored Jacket, and Skirt Manufacturers and Jobbers (pt).
	Girls' Outerwear, NEC .....	Women's and Girls' Cut and Sew Outerwear Manufacturers and Jobbers (pt).
	Girls' Robes .....	Women's and Girls' Cut and Sew Lingerie, Loungewear, and Nightwear Manufacturers and Jobbers (pt).
	Girls' Contractors .....	Women's and Girls' Cut and Sew Apparel Contractors (pt).
2371	Fur Goods .....	Fur and Leather Apparel Manufacturing (pt).
2381@	Fabric Dress and Work Gloves	Glove and Mitten Manufacturing (pt).
2384@	Robes and Dressing Gowns:	
	Women's Except Contractors.	Women's and Girls' Cut and Sew Lingerie, Loungewear, and Nightwear Manufacturers and Jobbers (pt).
	Men's Except Contractors ...	Men's and Boys' Cut and Sew Underwear and Nightwear Manufacturers and Jobbers (pt).
	Men's and Boys' Contractors.	Men's and Boys' Cut and Sew Apparel Contractors.
	Women's and Girls' Contractors.	Women's and Girls' Cut and Sew Apparel Contractors.
2385@	Waterproof Outerwear:	
	Raincoats (Men's and Boys')	Men's and Boys' Cut and Sew Suit, Coat, and Overcoat Manufacturers and Jobbers (pt).
	Raincoats (Women's and Girls').	Women's and Girls' Cut and Sew Suit, Coat, Tailored Jacket, and Skirt Manufacturers and Jobbers (pt).
	Other Men's and Boys' Outerwear.	Men's and Boys' Cut and Sew Outerwear Manufacturers and Jobbers.
	Other Women's and Girls' Outerwear.	Women's and Girls' Cut and Sew Outerwear Manufacturers and Jobbers.
	Infants' Waterproof Outerwear Except Contractors.	Infants' Cut and Sew Apparel Manufacturers and Jobbers.
	Aprons, Bibs, and Other Miscellaneous Waterproof Items.	Apparel Belt, Apparel Accessories, and Other Apparel Manufacturing (pt).
	Contractors (Men's and Boys').	Men's and Boys' Cut and Sew Apparel Contractors (pt).
	Contractors (Women's and Girls').	Women's and Girls' Cut and Sew Apparel Contractors (pt).
2386@	Leather and Sheep-Lined Clothing.	Fur and Leather Apparel Manufacturing (pt).
2387@	Apparel Belts .....	Apparel Belt, Apparel Accessories, and Other Apparel Manufacturing (pt).
2389@	Apparel and Accessories, NEC:	
	Handkerchiefs, Arm bands, etc.	Apparel Belt, Apparel Accessories, and Other Apparel Manufacturing (pt).
	Academic/Clerical Outerwear.	All Other Cut and Sew Outerwear Manufacturers and Jobbers (pt).
	Garters and Garter Belts .....	Women's and Girls' Cut and Sew Lingerie, Loungewear, and Nightwear Manufacturers and Jobbers (pt).
	Women's Contractors .....	Women's and Girls' Cut and Sew Apparel Contractors (pt).
	Men's Contractors .....	Men's and Boys' Cut and Sew Apparel Contractors (pt).
2391	Curtains and Draperies .....	Curtain and Drapery Mills.
2392@	Housefurnishings, NEC:	
	Blanket and Laundry Bags ..	Textile Bag Mills (pt).
	Mops .....	Broom and Brush Manufacturing (pt).
	Other Housefurnishings .....	Other Household Textile Product Mills (pt).
2393@	Textile Bags .....	Textile Bag Mills (pt).
2394	Canvas and Related Product Mills.	Canvas and Related Product Mills.
2395@	Pleating and Stitching:	
	Pleating and Stitching, Except Apparel Contractors.	All Other Miscellaneous Textile Product Mills (pt).
	Apparel Contractors (Men's)	Men's and Boys' Cut and Sew Apparel Contractors (pt).
	Apparel Contractors (Women's).	Women's and Girls' Cut and Sew Apparel Contractors (pt).
2396@	Automotive and Apparel Trimmings:	

TABLE 2.—Continued

1987 SIC Code	1987 SIC Description	1997 U.S. Description
	Apparel Findings and Trimmings.	Motor Vehicle Fabric Accessory and Seat Manufacturing (pt) (Included in the Transportation Equipment Manufacturing subsector).
	Automotive Trimmings .....	Motor Vehicle Fabric Accessory and Seat Manufacturing (pt) (Included in the Transportation Equipment Manufacturing subsector).
	Printing On Apparel .....	Other Commercial Printing (Included in the Printing and Related Support Activities subsector).
	Other Trimmings and Findings.	All Other Miscellaneous Textile Product Mills (pt).
2397 .....	Schiffli Machine Embroideries	Schiffli Machine Embroideries.
2399@ .....	Fabricated Textile Products, NEC:	
	Aprons, Money Belts, and Diapers.	Apparel Belt, Apparel Accessories, and Other Apparel Manufacturing (pt).
	Seat Belts and Seat and Tire Covers.	Motor Vehicle Fabric Accessory and Seat Manufacturing (pt) (Included in the Transportation Equipment Manufacturing subsector).
	Other Fabricated Textile Products.	All Other Miscellaneous Textile Product Mills (pt).
3111 .....	Leather Tanning and Finishing	Leather and Hide Tanning and Finishing.
3131@ .....	Footwear Cut Stock:	
	Wood Heels .....	All Other Miscellaneous Wood Product Manufacturing (Included in the Wood Product Manufacturing, except Furniture subsector).
	Metal Buckles .....	Fastener, Button, Needle and Pin Manufacturing (Included in Miscellaneous Manufacturing subsector) (pt).
	Other Footwear Cut Stock ..	Other Miscellaneous Leather and Allied Product Manufacturing (pt).
3142 .....	House Slippers .....	House Slipper Manufacturing.
3143 .....	Men's Footwear, Except Athletic.	Men's Footwear Manufacturing, Except Athletic.
3144 .....	Women's Footwear, Except Athletic.	Women's Footwear Manufacturing, Except Athletic.
3149 .....	Footwear, Except Rubber, NEC.	Other Footwear Manufacturing.
3161 .....	Luggage .....	Luggage Manufacturing.
3171 .....	Women's Handbags and Purses.	Women's Handbag and Purse Manufacturing.
3172@ .....	Personal Leather Goods, NEC	Other Miscellaneous Leather Good Manufacturing (pt).
3199@ .....	Leather Goods, NEC .....	Other Miscellaneous Leather Good Manufacturing (pt).

The abbreviation "pt" means "part of"; @ means time series break has been created that is greater than 3% of the 1992 value of shipments for the 1987 SIC industry. The abbreviation NEC is used for Not Elsewhere Classified.

### Description of Changes to the U.S. System

1. *Subsector Structure*—Three industry subsectors replace 1987 Major Groups 22, Textile Mill Products and 23, Apparel and Other Textile Products.

The Textile Mills subsector includes the activities of fiber and yarn preparation and finishing, fabric forming, and fabric finishing. It includes 1987 SIC Industry Groups 221, Broadwoven Fabric Mills, Cotton; 222, Broadwoven Fabric Mills, Manmade Fiber and Silk; 223, Broadwoven Fabric Mills, Wool; 224, Narrow Fabric Mills; 226, Textile Finishing, except Wool; and 228, Yarn and Thread Mills. It also includes 1987 SIC codes 2257, Weft Knit Fabric Mills; 2258, Lace and Warp Knit Fabric Mills; 2295, Coated Fabrics; 2297, Nonwoven Fabrics; and 2397, Schiffli Machine Embroideries.

The Textile Product Mills subsector includes the activities of manufacturing finished textile products other than apparel. It includes 1987 SIC Industry Groups 227, Carpets and Rugs; 1987 SIC industries 2296, Tire Cord and Tire

Fabric; 2298, Cordage and Twine; 2391, Curtains and Draperies; 2392, Housefurnishings, NEC; 2393, Textile Bags; 2394, Canvas and Related Products; and 2399, Fabricated Textile Products, NEC.

The Apparel Manufacturing subsector includes the activities of manufacturing apparel. It includes the 1987 SIC Industry Groups 231, Men's and Boys' Suits and Coats; 232, Men's and Boys' Furnishings; 233, Women's and Misses' Outerwear; 234, Women's and Children's Undergarments; 235, Hats, Caps and Millinery; 236, Girls' and Children's Outerwear; 237, Fur Goods; and 238, Miscellaneous Apparel and Accessories. It also includes 1987 SIC industries 2251, Women's Hosiery, except Socks; 2252, Hosiery, NEC; 2253, Knit Outerwear Mills; and 2254, Knit Underwear Mills.

This structure represents the flow of activities through the various textile and apparel industries. It was strongly supported by several segments of the industry and agreed to by both Canada and Mexico.

The total number of industries for these subsectors is 44 and unchanged from 1987 to 1997. There are six new industries for these subsectors. For time series linkage, eleven of the 1987 industries are comparable within three percent of the 1997 industries.

2. *Textile Mills*—Two new industries were added to the 1997 national industry structure for this subsector. New industries were created for:

Broadwoven Fabric Mills from 1987 SIC 2211, Broadwoven Fabric Mills, Cotton; 1987 SIC 2221, Broadwoven Fabric Mills, Manmade; part of 1987 SIC 2231, Broadwoven Fabric Mills, Wool; and part of 1987 SIC 2299, Textile Goods, NEC. These industries include establishments that weave yarn into fabric. In the past, the weaving industries were separated by type of yarn used, e.g., cotton, manmade, etc. and this resulted in substantial industry switching and classification problems.

Broadwoven Fabric Finishing Mills from 1987 SIC 2261, Finishing Plants, Cotton; 1987 SIC 2262, Finishing Plants, Manmade; and part of 1987 SIC 2231,

Broadwoven Fabric Mills, Wool. As with weaving above, these industries are made up of establishments that perform the same activity, finishing of textile fabric.

Three activities were transferred into the 1997 Textile Mills subsector.

Broadwoven converters were transferred from part of 1987 Wholesale Trade SIC 5131, Piece Goods and Notions, into part of NAICS industry Broadwoven Fabric Finishing. This entrepreneurial function is more closely related to manufacturing than wholesaling.

Converters, except broadwoven were transferred from part of 1987 Wholesale Trade SIC 5131, Piece Goods and Notions, into the new industry Finishing, Except Broadwoven Fabric Finishing. This entrepreneurial function is more closely related to manufacturing than wholesaling.

Rubberized fabric was transferred from part of 1987 SIC 3069, Fabricated Rubber Products, NEC, into Fabric Coating Mills because coating fabric is the same activity regardless of the material used.

Five activities included in this 1997 subsector were transferred from one industry to another within the Textile Mills subsector.

Yarn of hard fiber was transferred from part of 1987 SIC 2299, Textile Goods, NEC, into Yarn Spinning Mills because there is no difference in the spinning activity.

Thread of hard fiber was transferred from part of 1987 SIC 2299, Textile Goods, NEC, into Thread Mills because the production of thread does not vary by type of fiber.

Broadwoven fabric of hard fiber was transferred from part of 1987 SIC 2299, Textile Goods, NEC, into Broadwoven Fabric Mills because there is no difference in the weaving activity.

Narrow fabric of hard fiber was transferred from part of 1987 SIC 2299, Textile Goods, NEC, into Narrow Fabric Mills because of the same reason shown above.

Felt transferred from part of 1987 SIC 2299, Textile Goods, NEC, into Nonwoven Fabric Mills because it is one of several ways to manufacture nonwoven fabric.

The number of textile mills industries for 1997 is 12. For time series linkage, only one of the 1987 industries is comparable within three percent of 1997 industries.

3. *Textile Product Mills*—There were no new industries created for this subsector. One activity transferred out of this subsector.

Mops were transferred from part of 1987 SIC 2392, House Furnishings,

into Broom and Brush Manufacturing in the Miscellaneous Manufacturing subsector to achieve international comparability.

One activity included in the 1997 Textile Product Mills subsector was transferred between industries.

Knit gloves and girdles were transferred from part of 1987 SIC 2259, Knitting Mills, NEC, into All Other Miscellaneous Textile Product Mills as a function of a textile product mill rather than a basic textile mill.

There are eight industries in the 1997 Textile Product Mills subsector. For time series linkage, six of the 1987 industries are comparable within three percent of the 1997 industries.

4. *Apparel Manufacturing*—Four new industries were created for this 1997 industry subsector.

Men's and Boys' Cut and Sew Apparel Contractors from parts of the 1987 Men's and Boys', Children's and Miscellaneous Apparel industries. This industry was created because the production function of contractors is so different than that of manufacturers and jobbers.

Women's and Girls' Cut and Sew Apparel Contractors from parts of the 1987 Women's, Girls', Children's, and Miscellaneous Apparel industries. This industry was created because the production function of contractors is so different than that of manufacturers and jobbers.

Fur and leather clothing from the 1987 SIC 2386, Leather and Sheep Lined Clothing, and fur apparel from part of 1987 SIC 2371, Fur Goods. Both of these industries are very small and somewhat similar in function.

Apparel Belt, Accessories and Other Apparel Manufacturing from 1987 SIC 2387, Apparel Belts; 1987 SIC 2396, Automotive and Apparel Trimmings; and 1987 SIC 2399, Fabricated Textile Products, NEC. This is essentially a new all other category that was created from pieces left from several industries.

Three activities were transferred from 1987 Major Group, Apparel and Other Textile Products.

Seat belts and seat and tire covers were transferred from part of 1987 SIC 2399, Fabricated Textile Products, NEC, into Motor Vehicle Fabric Accessory and Seat Manufacturing in the Transportation Equipment Manufacturing subsector to achieve international comparability. Canada and Mexico already have these activities associated with motor vehicle manufacturing.

Automotive trimmings were transferred from part of 1987 SIC 2396, Automotive and Apparel Trimmings, into Motor Vehicle Fabric Accessory

and Seat Manufacturing in the Transportation Equipment Manufacturing subsector to achieve international comparability. Canada and Mexico already have these activities associated with motor vehicle manufacturing.

Printing on apparel was transferred from part of 1987 SIC 2396, Automotive and Apparel Trimming, into Other Commercial Printing in the Printing and Related Support Activities subsector to be shown later. This was done to achieve international comparability. Mexico's establishments do printing without regard to the material.

One activity was transferred into this subsector.

Leather gloves and mittens were transferred from 1987 Major Group 31, Leather and Leather Products, into Glove and Mitten Manufacturing to achieve international comparability. Canada cannot separate the production of leather gloves and mittens from fabric gloves and mittens because the leather activity is too small.

Also there were a large number of activities that transferred to other industries within the textiles and apparel subsectors. Some of the more significant of these are:

Little boys' apparel was transferred from parts of 1987 SIC codes 2341, Women's and Children's Underwear; 2361, Girls' and Children's Dresses, Blouses, and Shirts; and 2369, Girls' and Children's Outerwear, NEC, to parts of various industries for men's and boys' apparel because of the overlap with manufacturers of men's and boys' clothing.

Cut and sew contractors were transferred from each of the 1987 SIC codes for outerwear and underwear into the two new industries for contractors. This industry was created because the production function of contractors is so different than that of manufacturers and jobbers.

There are 24 industries included in Apparel Manufacturing. For time series comparability, four 1987 industries are comparable within three percent of 1997.

5. *Leather and Allied Product Manufacturing*—Three activities were transferred out of the subsector.

Wood heels were transferred from part of 1987 SIC 3131, Footwear Cut Stock, into All Other Miscellaneous Wood Product Manufacturing to be published separately to achieve international comparability. Canada and Mexico had these classified elsewhere.

Metal buckles were transferred from part of the 1987 SIC 3131, Footwear Cut Stock, into Fastener, Button, Needle, and Pin Manufacturing in the

Miscellaneous Manufacturing subsector to be published separately, to achieve international comparability. Canada and Mexico had these classified elsewhere.

Leather gloves and mittens were transferred into Glove and Mitten Manufacturing for international comparability.

Two activities were transferred into NAICS Leather and Allied Product Manufacturing.

Fur dressing and finishing was transferred from part of 1987 SIC 3999 Manufacturing Industries, NEC, into Leather and Hide Tanning and Finishing to achieve international comparability. The U.S. changed in order to agree with Canada and Mexico.

Rubber and plastic footwear was transferred from the 1987 Major Group 30, Rubber and Miscellaneous Plastics Products, into this subsector to achieve international comparability. Canada and Mexico do not distinguish footwear manufacturing based on material.

Also, there were several activities that transferred within the leather and allied product manufacturing industries. The number of leather and allied product manufacturing industries decreased from 11 in 1987 to 7 in 1997. For time series linkage, 7 of the 11 1987 industries are comparable within three percent of the 1997 industries.

**PART III—Proposed New Industry Structure for Food Manufacturing and Beverage and Tobacco Product Manufacturing**

*Section A—NAICS Structure*

**North American Industry Classification System (NAICS) Agreement Number 6**

This Document represents the proposed agreement on the structure of the North American Industry Classification System (NAICS) for the following industries:

Food Manufacturing  
Beverage and Tobacco Product Manufacturing

The detailed NAICS structure along with a brief description of the structure is attached (Attachments 1 and 2). Each country agrees to release a copy of the proposed NAICS structure to interested data users. Comments received will be shared among the countries and discussions held before a final decision on the structure is made. Each country may add additional detailed industries, below the 4-digit level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to a 4-digit NAICS level in order to ensure full comparability among the three countries. This NAICS structure was presented and provisionally

accepted at the NAICS Committee meeting held on August 30, 1995 through September 1, 1995 in Washington, DC.

Accepted	Signature	Date
Canada .....	/S/ Jacob Ryten.	9/1/95
Mexico .....	/S/ Enrique Ordaz.	9/1/95
United States ..	/S/ Jack E. Triplett.	9/1/95

**Attachment 1—NAICS Structure**

- XX Food Manufacturing
- XXX Animal Food Manufacturing
- XXXX Animal Food Manufacturing
- XXX Grain and Oilseed Milling
- XXXX Flour Milling and Malt Manufacturing
- XXXX Starch and Vegetable Fats and Oils Manufacturing
- XXXX Breakfast Cereal Manufacturing
- XXX Sugar and Confectionery Product Manufacturing
- XXXX Sugar Manufacturing
- XXXX Chocolate and Confectionery Manufacturing from Cocoa Beans
- XXXX Confectionery Manufacturing from Purchased Chocolate
- XXXX Non-Chocolate Confectionery Manufacturing
- XXX Preserved Fruit, Vegetable, and Specialty Manufacturing
- XXXX Frozen Food Processing
- XXXX Canning, Pickling and Drying
- XXX Dairy Product Manufacturing
- XXXX Dairy Product, Except Frozen Dairy Product Manufacturing
- XXXX Ice Cream and Frozen Dessert Manufacturing
- XXX Meat and Seafood Product Manufacturing
- XXXX Animal Slaughtering and Processing
- XXXX Seafood Product Preparation and Packaging
- XXX Bakeries and Tortilleries
- XXXX Bread and Bakery Product Manufacturing
- XXXX Cookie, Cracker, and Pasta Manufacturing
- XXXX Tortilleries
- XXX Miscellaneous Food Manufacturing
- XXXX Snack Food Manufacturing
- XXXX Coffee and Tea Manufacturing
- XXXX Flavoring Syrup and Concentrate Manufacturing
- XXXX Seasoning and Dressing Manufacturing
- XXXX Other Miscellaneous Food Manufacturing
- XX Beverage and Tobacco Product Manufacturing
- XXX Beverage Manufacturing
- XXXX Soft Drink and Ice Manufacturing
- XXXX Breweries
- XXXX Wineries
- XXXX Distilleries
- XXX Tobacco Manufacturing
- XXXX Tobacco Stemming and Redrying
- XXXX Tobacco Product Manufacturing

**Attachment 2—North American Industry Classification System**

Draft Classification for:  
Food Manufacturing  
Beverage and Tobacco Product Manufacturing

Representatives of the statistical agencies of Canada, Mexico, and the United States agree to a draft industrial classification for these industries.

The draft classification provides for two subsectors, Food Manufacturing and Beverage and Tobacco Product Manufacturing. These subsectors are sub-divided into ten industry groups and twenty eight industries. The subsectors are part of the Manufacturing sector of the classification.

*A General Outline*

Food Manufacturing includes establishments that transform livestock and agricultural products into products for intermediate or final consumption. The industry groups are distinguished by the processes and the nature of the raw materials used. The first two categories, Animal Food Manufacturing and Grain and Oilseed Milling, are characterized by the grinding process. Excluded from this industry group is the nixtamal milling carried out in Mexico, due to the integration of this activity with the preparation of corn tortillas.

The Sugar and Confectionery Product Manufacturing industry group includes establishments that process agricultural inputs such as sugar cane, beet, and cocoa to give rise to a new product (sugar or chocolate) and those that begin with sugar and chocolate and process these further.

The Preserved Fruit, Vegetable and Specialty Manufacturing industry group includes two types of establishments: those that freeze food and those that combine preservation processes such as pickling, canning, dehydrating and so forth. Both types begin their productive process with inputs of vegetable or animal origin.

The establishments that manufacture dairy products and meat products are defined by the inputs used: milk and meat, respectively.

Industry group, Bakeries and Tortilleries have a common denominator, the kneading and cooking process that takes place in ovens or flat earthenware pans. In this industry group is the nixtamal mill.

The industry group Miscellaneous Food Manufacturing includes industries with different productive processes such as snack food manufacturing; coffee and tea manufacturing; concentrate, syrup, condiment, and spice manufacturing; and in general an

entire range of other miscellaneous products.

The Beverage and Tobacco Product Manufacturing subsector has two industry groups. The first one, Beverage Manufacturing, includes three types of establishments: those that manufacture non-alcoholic beverages; those that manufacture alcoholic beverages through the fermentation process; and those that produce distilled alcoholic beverages. Ice manufacturing, while not a beverage, is included with non-alcoholic beverage manufacturing because it is the same production process as water purification.

In the case of activities related to the manufacture of beverages, the structure follows the defined productive processes. Brandy, a distilled beverage, was not placed under distillery product manufacturing, but rather under the NAICS class for winery product manufacturing since the productive process used in the manufacturing of alcoholic grape-based beverages, produces both wines (fermented beverage) and brandies (distilled beverage).

The second industry group, Tobacco Product Manufacturing, includes two types of establishments: those engaged in redrying and stemming tobacco and those that manufacture cigarettes and cigars.

#### *Limitations and Constraints of the Classification*

There are a few factors that constrained the structure and detail of the classification in the area under consideration. In the Food Manufacturing subsector, most activities that were identified in one country exist in the others. However, the way activities are combined in establishments differs to some extent in the different countries. For example, in Canada and the United States, corn oil is produced in the same establishments that manufacture corn starch and corn sweeteners. In Mexico, corn oil is produced in specialized establishments. All of the establishments that produce these products along with those producing other vegetable fats and oils, are combined into one NAICS industry, Starch and Vegetable Fats and Oils Manufacturing. Each country will publish additional categories that comprise sub-divisions of NAICS industries to present data for activities that are nationally significant.

For those users requiring detailed commodity information, each country will publish information on products of these industries. Efforts are also underway to harmonize the commodity

classifications to allow comparability of these statistics.

#### *Relationship of ISIC*

Most 4-digit NAICS industries in these subsectors are contained within Division 15, Manufacture of Food Products, of the current International Standard Industrial Classification of all Economic Activities (ISIC, Revision 3) of the United Nations. The following NAICS industry cannot be assigned to an ISIC division. Wineries that grow their own grapes and then manufacture wine are classified in ISIC as an agriculture activity and in NAICS as a manufacturing activity.

#### *Some Changes to the National Classifications*

A significant change for all three countries is the inclusion of malt manufacturing in the NAICS industry Flour Milling and Malt Manufacturing. Malt was formerly included in the beer manufacturing industry in Mexico and the United States and in Miscellaneous Manufacturing in Canada, but was moved to the flour milling and malt manufacturing NAICS industry because the production process used to manufacture malt is similar to that of the flour milling industry.

Grouping the production of starches and vegetable fats and oils in a single class also is a significant change for all three countries. In Canada and the United States, corn oil is produced in the same establishments that produce starch products, while in Mexico, corn oil is produced in establishments that manufacture vegetable fats and oils. Thus, the difference in the production processes across the three countries necessitated this grouping.

The creation of two industries for chocolate and confectionary products made from cocoa beans and confectionery made from purchased chocolate is a change for Canada since these industries were previously combined. The NAICS industry Non-Chocolate Confectionery Manufacturing is new for all three countries, and includes chewing gum.

Other Miscellaneous Food Manufacturing includes the preparation of food to be consumed fresh (e.g., salads, sandwiches, etc. that are sold for immediate or almost immediate consumption). It is characterized by the preparation of food in volume that the manufacturer sells to a specialized establishment that sells it either through a service or a retail establishment. It is not specifically defined in the existing classification systems of the three countries.

The inclusion of bakeries that prepare the dough, bake the bread, and sell on the premises in manufacturing is a major change for Canada and the United States. These establishments formerly were included in the retail sector in both countries. The manufacture of ice, an activity that up to now had been considered by the three countries to be part of food, has been transferred to beverage manufacturing.

The grouping of Beverage and Tobacco Manufacturing into a subsector represents a major restructuring for all three countries. In Canada, the current two-digit groups for Beverages (CSIC 10, 11) and Tobacco (CSIC 12) have been combined in one NAICS subsector, Beverage and Tobacco Product Manufacturing. For Mexico, the current subsector Food Products, Beverages, and Tobacco has been split into two subsectors. In the United States, tobacco is a separate two-digit major group (Major Group 21, Tobacco Products) while beverages is a three-digit industry group, (Industry Group 208, Beverages).

#### *Achievement of Objectives*

The classification meets the objectives for the North American Industry Classification System (NAICS). It is comprised of industries that group establishments with similar production processes, that is, it applies the production-oriented economic concept. In the main, the hierarchical structure of the classification also follows the production concept.

The classification achieves comparability for the three participating countries. Based on existing data, all three countries expect to be able to publish data regularly at the industry (4-digit) level of the structure. All countries agree on the detailed definitions of the industries.

The classification improves comparability with other countries. Most industries are compatible with the two-digit level of the current International Standard Industrial Classification of all Economic Activities (ISIC, Revision 3) of the United Nations. This means that each comparable NAICS industry is the same as, or part of, a single ISIC two-digit Division.

Other objectives of the NAICS project are not as relevant in this area of the classification as in others. These objectives are the delineation of new and emerging industries, service industries and industries engaged in the production of advanced technologies. The industrial sector in question is relatively mature, generally produces goods, and employs relatively stable technology. Therefore, the emphasis was on the objectives listed above.

The industries have high specialization ratios, and with the exception of tortillas in Canada, they are economically significant. The detail (4-digit) and structure of the classification are balanced in size. This enhances the classification's suitability for sampling and other aspects of survey operations. Finally, disruptions to time series, while they exist, have been minimized. Most of the changes to existing classifications are marginal. The major changes are well-identified and can be taken into account in linking time series.

*Section B-Annex: United States National Industry Detail*

As explained in the *Structure* presentation of this notice, for a number of reasons 4-digit industries in the two NAICS industry subsectors presented in *Part 1, Section A—Attachment 1*, contain less detail than is currently in the U.S. SIC system, and less detail than is required to meet important analytical requirements in the U.S. The three country agreement on NAICS envisions that each country may develop national

detailed industries below the NAICS industry level, so long as the national detail can be aggregated to the NAICS classification, thus assuring full North American comparability.

The ECPC is proposing U.S. 5-digit industry detail for the two NAICS industry subsectors covered in Part I of this notice. For cases where no 5-digit detail is shown, the ECPC is proposing that NAICS 4-digit industries will also represent the most detailed U.S. industries.

TABLE 1.

	1997 NAICS and US Description	Status code	1987 SIC code	1987 SIC Description
XX .....	Food Manufacturing:		.....	
XXX .....	Animal Food Manufacturing:		.....	
XXXX .....	Animal Food Manufacturing:		.....	
XXXXX .....	Dog and Cat Food Manufacturing .....	E	2047	Dog and Cat Food.
XXXXX .....	Other Animal Food Manufacturing .....	R	*2048	Prepared Feeds, NEC (Except Slaughtering Animals for Pet Food).
XXX .....	Grain and Oilseed Milling:		.....	
XXXX .....	Flour Milling and Malt Manufacturing .....		.....	
XXXXX .....	Flour Milling .....	R	*2034	Dehydrated Fruits, Vegetables and Soups (Vegetable Flour).
			2041	Flour and Other Grain Mill Products.
XXXXX .....	Rice Milling .....	E	2044	Rice Milling.
XXXXX .....	Malt Manufacturing .....	E	2083	Malt.
XXXX .....	Starch and Vegetable Fats and Oils Manufacturing:			
XXXXX .....	Soybean Processing .....	E	2075	Soybean Oil Mills.
XXXXX .....	Wet Corn Milling .....	E	2046	Wet Corn Milling.
XXXXX .....	Other Oilseed Processing .....	N	2074	Cottonseed Oil Mills.
			2076	Vegetable Oil Mills, NEC.
XXXXX .....	Edible Fats and Oils Manufacturing .....	R	*2077	Animal and Marine Fat and Oil (Vegetable Oil Foods).
			2079	Edible Fat and Oil, NEC.
XXXX .....	Breakfast Cereal Manufacturing .....	E	*2043	Cereal Breakfast Foods (Breakfast Cereal).
XXX .....	Sugar and Confectionery Product Manufacturing:			
XXXX .....	Sugar Manufacturing:			
XXXXX .....	Sugarcane Mills .....	E	2061	Raw Cane Sugar.
XXXXX .....	Cane Sugar Refining .....	E	2062	Cane Sugar Refining.
XXXXX .....	Beet Sugar Manufacturing .....	E	2063	Beet Sugar.
XXXX .....	Chocolate and Confectionery Manufacturing from Cocoa Beans.	E	2066	Chocolate and Cocoa Products.
XXXX .....	Confectionery Manufacturing from Purchased Chocolate.	N	*2064	Candy and Other Confectionery Products (Chocolate Confectionery).
XXXX .....	Non-Chocolate Confectionery Manufacturing .....	N	*2064	Candy and Other Confectionery Products (Non-Chocolate Confectionery).
			2067	Chewing Gum.
			*2099	Food Preparations, NEC (Marshmallow Creme).
XXX .....	Preserved Fruit, Vegetable, and Specialty Manufacturing:			
XXXX .....	Frozen Food Processing:			
XXXXX .....	Frozen Fruit, Juice, and Vegetable Processing.	E	2037	Frozen Fruits and Vegetables.
XXXXX .....	Frozen Specialty Processing .....	E	2038	Frozen Specialties, NEC.
XXXX .....	Canning, Pickling, and Drying:			
XXXXX .....	Fruit and Vegetable Canning .....	R	2033	Canned Fruits and Vegetables.
			*2035	Sauces, and Salad Dressings (Pickled Fruits and Vegetables).
XXXXX .....	Specialty Canning .....	R	*2032	Canned Specialties (Except Canned Puddings).
XXXXX .....	Dried and Dehydrated Food Manufacturing .....	R	2034	Dried and Dehydrated Fruits, Vegetables and Soups (Except Vegetable Flour).
			*2099	Food Preparation, NEC (Bouillon).
XXX .....	Dairy Product Manufacturing:			
XXXX .....	Dairy Product, Except Frozen Dairy Product Manufacturing:			
XXXXX .....	Fluid Milk Manufacturing .....	E	2026	Fluid Milk.
XXXXX .....	Creamery Butter Manufacturing .....	E	2021	Creamery Butter.
XXXXX .....	Cheese Manufacturing .....	E	2022	Cheese, Natural and Processed.

TABLE 1.—Continued

	1997 NAICS and US Description	Status code	1987 SIC code	1987 SIC Description
XXXXX	Dry, Condensed, and Evaporated Milk Manufacturing.	E	2023	Dry, Condensed and Evaporated Products.
XXXX ...	Ice Cream and Frozen Dessert Manufacturing ..	E	2024	Ice Cream and Frozen Desserts.
XXX .....	Meat and Seafood Product Manufacturing:			
XXXX ...	Animal Slaughtering:			
XXXXX	Animal Slaughtering and Processing .....	R	*0751 2011	Livestock Services, Except Veterinary (Custom Slaughtering). Meat Packing Plants.
XXXXX	Meat Processed From Purchased Carcasses		*2048 *2013 *5147	Prepared Foods, NEC (Animal Slaughtering for Pet Food). Sausage and Other Prepared Meats (Meat Processing). Meat and Meat Products (Boxed Beef).
XXXXX	Poultry Processing .....	R	*2015	Poultry Processing (Poultry Processing).
XXXXX	Rendering and Meat By-product Processing ..	N	*2013 *2077	Sausage and Other Prepared Meats (Lard). Animal and Marine Fats and Oils (Animal Fat and Oil).
XXXX ...	Seafood Product Preparation and Packaging:			
XXXXX	Seafood Canning .....	R	*2077 2091	Animal and Marine Fats and Oils (Canned Marine Fat and Oil). Canned and Cured Fish and Seafood.
XXXXX	Fresh and Frozen Seafood Processing .....	R	*2077 2092	Animal and Marine Fats and Oils (Fresh and Frozen Marine Fats and Oil). Fresh or Frozen Prepared Fish.
XXX .....	Bakeries and Tortilleries:			
XXXX ...	Bread and Bakery Product Manufacturing:			
XXXXX	Commercial Bakeries .....	R	2051 *2052	Bread, Cake, and Related Products. Cookies and Crackers (Unleavened Bread).
XXXXX	Retail Bakeries .....	N	*5461	Retail Bakeries (Bread, Cake and Related Products Baked and Sold on Premise).
XXXXX	Frozen Bakery Product Manufacturing .....	E	2053	Frozen Bakery Products.
XXXX ...	Cookie, Cracker, and Pasta Manufacturing:			
XXXXX	Cookie and Cracker Manufacturing .....	R	*2052	Cookies and Crackers (Cookies and Crackers).
XXXXX	Flour Mixes and Dough from Purchased Flour Manufacturing.	E	2045	Prepared Flour Mixes and Doughs.
XXXXX	Pasta Manufacturing .....	E	2098	Macaroni and Spaghetti.
XXXX ...	Tortilleries .....	N	*2099	Food Preparations, NEC (Tortillas).
XXX .....	Miscellaneous Food Manufacturing:			
XXXX ...	Snack Food Manufacturing:			
XXXXX	Roasted Nuts and Peanut Butter Manufacturing.	R	2068	Salted and Roasted Nuts and Seeds.
XXXXX	Other Snack Food Manufacturing:			
		R	*2099 *2052 2096	Food Preparations, NEC (Peanut Butter). Cookies and Crackers (Pretzels). Potato Chips and Similar Product.
XXXX ...	Coffee and Tea Manufacturing .....	N	*2043 *2095 *2099	Cereal Breakfast Foods (Coffee Substitute). Roasted Coffee (Roasted Coffee). Food Preparations, NEC (Tea).
XXXX ...	Flavoring Syrup and Concentrate Manufacturing	R	*2087	Flavoring Extracts and Syrups (Flavoring Syrup and Concentrate).
XXXX ...	Seasoning and Dressing Manufacturing:			
XXXXX	Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing.	N	*2035 *2099	Pickles, Sauces and Salad Dressings (Sauces and Salad Dressing). Food Preparations, NEC (Vinegar).
XXXXX	Spice and Extract Manufacturing .....	N	*2087 *2095 *2099 *2899	Flavoring Extracts and Syrups (Flavoring Extracts). Roasted Coffee (Coffee Extracts). Food Preparations, NEC (Spices, Dip Mix, Salad Dressing Mix, and Seasoning Mix). Chemical Preparations, NEC (Salt).
XXXX ...	Other Miscellaneous Food Manufacturing:			
XXXXX	Perishable Prepared Food Manufacturing .....	N	*2099	Food Preparations, NEC (Perishable Prepared Food).
XXXXX	All Other Miscellaneous Food Manufacturing ..	R	*2015 *2032 *2087 *2099	Poultry and Egg Processing (Egg Processing). Canned Specialties (Canned Pudding). Flavoring Extracts and Syrups (Powered Drink Mix). Food Preparations, NEC (Except Marshmallow Cream, Peanut Butter, Perishable Prepared Foods, Tortillas, Tea and Vinegar).
XX .....	Beverage and Tobacco Product Manufacturing:			
XXXX ...	Soft Drink and Ice Manufacturing:			
XXXXX	Soft Drink Manufacturing .....	R	*2086	Bottled and Canned Soft Drinks (Except Purified Water).
XXXXX	Ice Manufacturing and Water Purification ...	N	2097	Manufactured Ice.
			*2086	Bottled and Canned Soft Drinks (Purified Water).
XXXX ...	Breweries .....	E	2082	Malt Beverages.
XXXX ...	Wineries .....	E	2084	Wines, Brandy, and Brandy Spirits.

TABLE 1.—Continued

	1997 NAICS and US Description	Status code	1987 SIC code	1987 SIC Description
XXXX ...	Distilleries .....	R	2085	Distilled Spirits.
XXXX ...	Tobacco Stemming and Redrying .....	R	*2869	Industrial Organic Chemicals (Potable Ethyl Alcohol).
XXXX ...	Tobacco Product Manufacturing:		*2141	Tobacco Stemming and Redrying (Redrying and Stemming).
XXXXX	Cigarette Manufacturing .....	E	2111	Cigarette, Including Non-tobacco Cigarettes.
XXXXX	Other Tobacco Product Manufacturing .....	N	2121	Cigars.
			2131	Chewing and Smoking Tobacco.
			*2141	Tobacco Stemming and Redrying (Reconstituted Tobacco).

The definitions of status codes are as follows E=existing industry, N=new industry, R=revised industry; and \* means "part of." The abbreviation NEC is used for Not Elsewhere Classified.

TABLE 2.

1987 SIC code	1987 SIC description	1997 U.S. description
2011 .....	Meat Packing Plants .....	Animal Slaughtering.
2013@ .....	Sausages and Other Prepared Meats:	
	Meat Processing .....	Meat Processed From Purchased Carcasses.
	Lard .....	Rendering and Meat By-product Processing (pt).
2015@ .....	Poultry Slaughtering and Processing:	
	Poultry Processing .....	Poultry Processing.
	Egg Processing .....	All Other Miscellaneous Food Manufacturing (pt).
2021 .....	Creamery Butter .....	Creamery Butter Manufacturing.
2022 .....	Cheese, Natural and Processed .....	Cheese Manufacturing.
2023 .....	Dry, Condensed, and Evaporated Products.	Dry, Condensed, and Evaporated Milk Manufacturing.
2024 .....	Ice Cream and Frozen Desserts .....	Ice Cream and Frozen Dessert Manufacturing.
2026 .....	Fluid Milk .....	Fluid Milk Manufacturing.
2032 .....	Canned Specialties:	
	Canned Specialty .....	Specialty Canning (pt).
	Canned Pudding .....	All Other Miscellaneous Food Manufacturing (pt).
2033@ .....	Canned Fruits and Vegetables .....	Fruit and Vegetable Canning (pt).
2034 .....	Dehydrated Fruits, Vegetables, and Soup:	
	Dried and Dehydrated Fruit, Vegetable, and Soup Mix.	Dried and Dehydrated Food Manufacturing (pt).
	Vegetable Flours .....	Flour Milling (pt).
2035 .....	Pickles, Sauces and Salad Dressings:	
	Pickled Fruit and Vegetable .....	Fruit and Vegetable Canning.
	Sauce and Salad Dressing .....	Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing.
2037 .....	Frozen Fruits, and Vegetables .....	Frozen Fruit, Juice, and Vegetable Processing.
2038 .....	Frozen Specialties, NEC .....	Frozen Specialty Processing.
2041 .....	Flour and Other Grain Mill Products .....	Flour Milling (pt).
2043 .....	Cereal Breakfast Foods:	
	Coffee Substitute .....	Coffee and Tea Manufacturing (pt).
	Breakfast Cereal .....	Breakfast Cereal Manufacturing.
2044 .....	Rice Milling .....	Rice Milling.
2045 .....	Prepared Flour Mixes and Doughs .....	Flour Mixes and Dough Manufacturing from Purchased Flour.
2046 .....	Wet Corn Milling .....	Wet Corn Milling.
2047 .....	Dog and Cat Food .....	Dog and Cat Food Manufacturing.
2048 .....	Prepared Feed, NEC:	
	Animal Slaughtering, for Pet Food .....	Animal Slaughtering (pt).
	Except Slaughtering Animals for Pet Food.	Other Animal Food Manufacturing.
2051 .....	Bread, Cakes and Related Products .....	Commercial Bakeries (pt).
2052@ .....	Cookies and Crackers:	
	Cookie and Cracker .....	Cookie and Cracker Manufacturing.
	Pretzels .....	Other Snack Food Manufacturing (pt).
	Unleavened Bread .....	Commercial Bakeries (pt).
2053 .....	Frozen Bakery Products, Except Bread .....	Frozen Bakery Product Manufacturing.
2061 .....	Raw Cane Sugar .....	Sugarcane Mills.
2062 .....	Cane Sugar Refining .....	Cane Sugar Refining.
2063 .....	Beet Sugar .....	Beet Sugar Manufacturing.
2064@ .....	Candy and Other Confectionery Products:	
	Chocolate Confectionery .....	Chocolate and Confectionery Manufacturing from Purchased Chocolate.
	Non-Chocolate Confectionery Manufacturing.	Non-Chocolate Confectionary Manufacturing (pt).
2066 .....	Chocolate and Cocoa Products .....	Chocolate and Confectionery Manufacturing from Cocoa Beans.
2067@ .....	Chewing Gum .....	Chewing Gum and Other Non-Chocolate Confectionery Product Manufacturing (pt).

TABLE 2.—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
2068@ .....	Salted and Roasted Nuts and Seeds .....	Roasted Nuts and Peanut Butter Manufacturing (pt).
2074@ .....	Cottonseed Oil Mills .....	Other Oilseed Processing (pt).
2075 .....	Soybean Oil Mills .....	Soybean Processing.
2076@ .....	Vegetable Oil Mills, NEC .....	Other Oilseed Processing (pt).
2077@ .....	Animal and Marine Fats and Oils:	
	Animal Fat and Oil .....	Rendering and Meat By-product Processing (pt).
	Canned Marine Fat and Oil .....	Seafood Canning (pt).
	Fresh and Frozen Marine Fat and Oil ...	Fresh and Frozen Seafood Processing (pt).
	Vegetable Oil Foot .....	Edible Fats and Oils Manufacturing (pt).
2079 .....	Edible Fat and Oil, NEC .....	Edible Fats and Oils Manufacturing (pt).
2082 .....	Malt Beverages .....	Breweries.
2083 .....	Malt .....	Malt Manufacturing.
2084 .....	Wines, Brandy, and Brandy Spirits .....	Wineries.
2085 .....	Distilled and Blended Liquors .....	Distilleries.
2086 .....	Bottled and Canned Soft Drinks:	
	Soft Drinks .....	Soft Drink Manufacturing.
	Purified Water .....	Ice Manufacturing and Water Purification (pt).
2087@ .....	Flavoring Extracts and Syrups NEC:	
	Flavoring Syrup and Concentrate .....	Flavoring Syrup and Concentrate Manufacturing.
	Flavoring Extracts .....	Spice and Extract Manufacturing (pt).
	Powered Drink Mix .....	All Other Miscellaneous Food Product Manufacturing (pt).
2091@ .....	Canned and Cured Fish and Seafood .....	Seafood Canning (pt).
2092@ .....	Fresh or Frozen Prepared Fish .....	Fresh and Frozen Seafood Processing (pt).
2095@ .....	Roasted Coffee:	
	Roasted Coffee .....	Coffee and Tea Manufacturing (pt).
	Coffee Extracts .....	Spice and Extract Manufacturing (pt).
2096@ .....	Potato Chips, and Similar Snacks .....	Other Snack Food Manufacturing (pt).
2097 .....	Manufactured Ice .....	Ice Manufacturing and Water Purification (pt).
2098 .....	Macaroni and Spaghetti .....	Pasta Manufacturing.
2099 .....	Food Preparations, NEC:	
	Bouillon .....	Dried and Dehydrated Food Manufacturing.
	Marshmallow Creme .....	Non-Chocolate Confectionery Manufacturing (pt).
	Peanut Butter .....	Roasted Nuts and Peanut Butter Manufacturing (pt).
	Perishable Prepared Food .....	Perishable Prepared Food Manufacturing.
	Tortillas .....	Tortilleries.
	Tea .....	Coffee and Tea Manufacturing (pt).
	Vinegar .....	Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing (pt).
	Other .....	All Other Miscellaneous Food Manufacturing (pt).
2111 .....	Cigarettes .....	Cigarette Manufacturing.
2121 .....	Cigars .....	Other Tobacco Product Manufacturing (pt).
2131@ .....	Chewing and Smoking Tobacco .....	Other Tobacco Product Manufacturing (pt).
2141@ .....	Tobacco Stemming and Redrying:	
	Reconstituted Tobacco .....	Other Tobacco Product Manufacturing (pt).
	Redrying and Stemming .....	Tobacco Redrying and Stemming.

The abbreviation "pt" means "part of"; @ means time series break has been created that is greater than 3% of the 1992 value of shipments for the 1987 SIC industry. The abbreviation NEC is used for Not Elsewhere Classified.

### Description of Changes to the U.S. System

A number of the changes listed in this section were made for reasons of international comparability. Where one or more of the three North American countries had different definitions of an industry classification, adjustments to the definitions in one or more countries were required. In constructing NAICS, the three countries agreed to move, where change was required to attain international comparability, in the direction of the country or countries whose existing classification definitions most closely corresponded to the production-oriented concept adopted for NAICS. Cases where the U.S. changed are listed below; other cases

where Canada or Mexico moved toward the U.S. classification are not, of course, listed in this section.

**Structure**—The 1987 Major Groups 20, Food and Kindred Products, and 21, Tobacco Products, were reorganized to create two new subsectors. Beverages were separated from food and combined with tobacco. A number of activities that were included in 1987 Industry Group 208, Beverages, were retained in the Food Manufacturing subsector:

Malt manufacturing from 1987 industry group 208. This was done to promote comparability with ISIC and because malt production is a milling operation, not a beverage operation.

Flavoring syrup and concentrate manufacturing from part of 1987 SIC 2087, Flavoring Extracts and Syrups,

NEC, to improve comparability with Mexico.

Flavoring extracts from part of 1987 SIC 2087, Flavoring Extracts and Syrups, to create a new 1997 industry for spices and extracts. This is consistent with Canada and ISIC.

Powdered drink mixes from part of 1987 SIC 2087, Flavoring Extracts and Syrups, into part of All Other Miscellaneous Food Manufacturing to improve comparability with Canada.

Manufactured ice was previously part of 1987 industry group 209, Miscellaneous Food Preparations and Kindred Products. NAICS includes this in Beverage Manufacturing.

**Food Manufacturing**—Ten new industries were added to the 1997

industry structure for this subsector. New industries were created for:

Other Oilseed Processing by combining 1987 SIC 2074, Cottonseed Oil Mills, and 1987 SIC 2076, Vegetable Oil Mills, NEC. Cottonseed processing is very small and the production function is identical except for the inputs used.

Confectionery Manufacturing from Purchased Chocolate from part of 1987 SIC 2064, Candy and Other Confectionery Products, to promote comparability with Mexico. This industry also is characterized by the production process as chocolate as an input to confectionery is unique and is distinguished by process.

Non-Chocolate Confectionery Manufacturing from parts of 1987 SIC 2064, Candy and Other Confectionery Products; 1987 SIC 2067, Chewing Gum; and 1987 SIC 2099, Food Preparations, NEC. Chewing gum is a disclosure in the U.S. and is too small in Canada.

Rendering and Meat By-product Processing from parts of 1987 SIC 2013, Sausage and Other Prepared Meats, and 1987 SIC 2077, Animal and Marine Fats and Oils, since there are specialized processes involved and they tend to be performed in separate establishments. This proposal is supported by The National Renderer's Association.

Tortilleries from part of 1987 SIC 2099, Food Preparations, NEC, in response to a proposal from the industry association and to promote comparability with Mexico.

Coffee and Tea Manufacturing from parts of 1987 SIC 2043, Cereal Breakfast Foods; 1987 SIC 2095, Roasted Coffee; 1987 SIC 2099, Food Preparations, NEC, to promote comparability with Canada.

Mayonnaise, Dressing and Other Prepared Sauce Manufacturing from parts of 1987 SIC 2035, Pickles, Sauces and Salad Dressings, and 1987 SIC 2099, Food Preparations, NEC, to promote comparability with Mexico. The U.S. found a good production basis and more than sufficient data user interest for this change.

Spice and Extract Manufacturing from parts of 1987 SIC 2087, Flavoring Extracts and Syrups; 1987 SIC 2095, Roasted Coffee; 1987 SIC 2099, Food Preparations, NEC; and 1987 SIC 2899, Chemical Preparations, NEC resulted from a modification of a proposal to create a spice industry. There is considerable overlap between the production of extracts and spices. Spice production alone produced a low specialization rate (75%), but the combined industry exhibits good specialization (91%).

Retail Bakeries from part of 1987 SIC 5461, Retail Bakeries, to obtain comparability with Mexico. A new

industry was created since their production function is different than that of a commercial bakery and in order to retain time series continuity.

Perishable Prepared Food Manufacturing from part of 1987 SIC 2099, Food Preparations, NEC, to reduce the size of SIC 2099 and improve comparability with Mexico.

Three activities were transferred into the 1997 Food Manufacturing subsector: Custom slaughtering was transferred from 1987 SIC 0751, Livestock Services, Except Veterinary, into Animal Slaughtering because the production process is slaughtering whether done on a production or custom basis, and in response to a proposal.

Boxed beef from purchased carcasses was transferred from 1987 SIC 5147, Meat and Meat Products, into Meat Processed From Purchased Carcasses to improve comparability with Canada. The production function of these establishments is much more a manufacturing type operation, in that they are very large, highly automated plants that produce bulk products that must still be further broken down before they are ready for sale to the final consumer.

Salt was transferred from part of 1987 SIC 2899, Chemical Preparations, NEC, into Spice and Extract Manufacturing to promote comparability with Mexico.

Also there were several activities that transferred within the Food Manufacturing subsector. The number of food manufacturing except beverages manufacturing industries increased from 43 in 1987 to 47 in 1997. For time series linkage, 26 of the 43 1987 industries are comparable within three percent of the 1997 industries.

Beverage and Tobacco Product Manufacturing—Two new industries were created for this subsector.

Ice Manufacturing and Water Purification from 1987 SIC 2097, Manufactured Ice, and part of 1987 SIC 2086, Bottled and Canned Soft Drinks, to promote comparability with Mexico.

Other Tobacco Product Manufacturing by combining 1987 SIC 2121, Cigars; 1987 SIC 2131, Chewing and Smoking Tobacco; and Reconstituted Tobacco from part of 1987 SIC 2141, Tobacco Stemming and Redrying.

One activity transferred into the Beverage and Tobacco Product Manufacturing subsector: Potable ethyl alcohol was transferred from part of 1987 SIC 2069, Industrial Organic Chemicals, into NAICS Distilleries to promote comparability with Canada.

The number of beverage and tobacco product industries decreased from ten in 1987 to eight in 1997. For time series linkage, five of the ten 1987 beverage

and tobacco product manufacturing industries are comparable within three percent of the 1997 industries.

#### Part IV—Proposed New Industry Structure for Fabricated Metal Product Manufacturing

##### Section A—NAICS Structure

North American Industry Classification System (NAICS) Agreement Number 7

This Document represents the proposed agreement on the structure of the North American Industry Classification System (NAICS) for the following industries:

##### Fabricated Metal Product Manufacturing

The detailed NAICS structure along with a brief description of the structure is attached (Attachments 1 and 2). Each country agrees to release a copy of the proposed NAICS structure to interested data users. Comments received will be shared among the countries and additional discussions will be held before a final decision on the structure is made. Each country may add additional detailed industries, below the 4-digit level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to a 4-digit NAICS level in order to ensure full comparability among the three countries. This NAICS structure was presented and provisionally accepted at the NAICS Committee meeting held August 30, 1995—September 1, 1995 in Washington, D.C.

Accepted	Signature	Date
Canada .....	/S/ Jacob Ryten.	9/1/95
Mexico .....	/S/ Enrique Ordaz.	9/1/95
United States ..	/S/ Jack E. Triplett.	9/1/95

##### Attachment 1—NAICS Structure

XX Fabricated Metal Product Manufacturing  
 XXX Forging and Stamping  
 XXXX Forging and Stamping  
 XXX Cutlery and Hand Tool Manufacturing  
 XXXX Cutlery and Hand Tool Manufacturing  
 XXX Architectural and Structural Metal Manufacturing  
 XXXX Platework and Fabricated Structural Product Manufacturing  
 XXXX Ornamental and Architectural Metal Product Manufacturing  
 XXX Boiler, Tank, and Shipping Container Manufacturing  
 XXXX Power Boiler and Heat Exchanger Manufacturing  
 XXXX Metal Tank (Heavy Gauge) Manufacturing

XXXX Metal Can, Box, and Other Metal Container (Light Gauge) Manufacturing  
 XXX Hardware Manufacturing  
 XXXX Hardware Manufacturing  
 XXX Spring, Wire and Turned Product Manufacturing  
 XXXX Spring and Wire Product Manufacturing  
 XXXX Turned Product Manufacturing  
 XXX Other Fabricated Metal Product Manufacturing  
 XXXX Metal Valve Manufacturing  
 XXXX All Other Fabricated Metal Product Manufacturing  
 XXX Machine Shops and Coating, Engraving, Heat Treating, and Allied Activities  
 XXXX Machine Shops  
 XXXX Coating, Engraving, Heat Treating, and Allied Activities

#### Attachment 2—North American Industry Classification System

##### Draft Classification for:

#### Fabricated Metal Product Manufacturing

Representatives of the statistical agencies of Canada, Mexico, and the United States agree to a draft industrial classification for these industries.

This draft classification applies to the subsector Fabricated Metal Product Manufacturing. This subsector is further sub-divided into eight industry groups and fourteen industries. The subsector will be part of the Manufacturing sector of the classification.

##### A General Outline

The Fabricated Metal Product Manufacturing industries transform metal into intermediate or end products, other than machinery, computers and electronics, and metal furniture. Some important fabricated metal processes are forging, stamping, bending, forming, and machining, which are used to shape individual pieces of metal. Processes such as welding and assembling are used to join separate parts together. Establishments may use one of these processes or they may be used in combination. The NAICS structure distinguishes the forging and stamping processes in a single industry. Other industries identify categories of products whose manufacture involves similar combinations of processes. For example, establishments in Platework and Fabricated Structural Product Manufacturing work with heavy gauge metal; those in Ornamental and Architectural Metal Product Manufacturing work with light gauge metal.

NAICS makes a basic distinction between establishments that draw wire from bars or rods, and those that purchase wire and make products from it. The former are classified in the Primary Metal Manufacturing subsector

and the latter either in the Fabricated Metal Product Manufacturing subsector; in Spring and Wire Product Manufacturing, if the products are not insulated; or if the product is insulated wire, the establishments are classified in the Electrical Equipment, Appliance, and Component Manufacturing subsector.

##### Limitations and Constraints of the Classification

There are some analytical needs that cannot be met by the industrial classification. For example, relatively broad NAICS industries were created for Forging and Stamping; Ornamental and Architectural Metal Product Manufacturing; Metal Can, Box and Other Metal Container (Light Gauge) Manufacturing; and Spring, Wire and Turned Product Manufacturing. The way activities are combined in establishments differs to some extent in some countries. For example, forgings and stampings are often made in the same establishments in Mexico, while they are usually produced in separate establishments in Canada and the United States. More often, size constraints prohibit separation of activities in Canada or Mexico. In the Fabricated Metal Product Manufacturing subsector, most activities that were identified in one country exist in the others, but sometimes an activity is not economically significant to the same degree in all countries. For example, Canada cannot support a Precision Turned Product Manufacturing industry because of size.

A structure could have been developed that specified such activities in NAICS, but the resulting statistical tables for any given country would have numerous insignificant or suppressed entries. An operating rule has therefore been adopted for this industry subsector that the NAICS industries must be economically significant and publishable. Each country will publish additional categories that comprise subdivisions of NAICS industries, to present data for activities that are nationally significant.

For those users requiring detailed commodity information, each country will publish information on the products of these industries. Efforts are also underway to harmonize the commodity classifications to allow for greater comparability of these statistics.

##### Relationship to ISIC

Eight industries can be assigned entirely to ISIC Division 28, Manufacture of Fabricated Metal Products, except Machinery and Equipment of the current International

Standard Industrial Classification of all Economic Activities (ISIC, Revision 3) of the United Nations. The following NAICS industries belong largely to ISIC Division 28 with the exception of the activities indicated: Platework and Fabricated Structural Product Manufacturing (fabricated bar joists and concrete reinforcing bars); Power Boiler and Heat Exchanger Manufacturing (heat exchangers); Metal Valve Manufacturing (hose nozzles, rubber hose and tube assemblies, and metal pipe fittings); All Other Fabricated Metal Product Manufacturing (industrial patterns, and ball and roller bearings); Spring and Wire Product Manufacturing (wire carts and hand sieves); and Metal Tank (Heavy Gauge) Manufacturing (gas absorbers, autoclaves, buoys, and floating structures). However, because the exceptions indicated above are a relatively small part of the output of these six NAICS industries, one can combine the industries of NAICS for this subsector, and be quite comparable to ISIC 28, Manufacture of Fabricated Metal Products, except Machinery and Equipment.

##### Some Changes to the National Classifications

The Forging and Stamping industry represents a major restructuring for Canada. Non-ferrous forgings have been moved from the Primary Metals Major Group, and they are no longer split by type of metal such as aluminum or bronze. Stampings are brought together from two existing CSIC industries.

The creation of the Hardware Manufacturing industry represents significant change for both Canada and Mexico. Their current classifications place hardware for transportation equipment in a variety of industries, based on the type of vehicle. All hardware, including locks, is combined in one industry in NAICS.

Coating, Engraving, Heat Treating and Allied Activities in NAICS brings together all activities performed on metal, such as coating and heat treating. This is a significant change for Canada and Mexico, whose classifications only distinguish coating activities. For the United States, heat treating of metals is currently in Primary Metal Manufacturing.

The creation of a Machine Shop industry is a change for all three countries that currently combine this activity with various others. Other changes for the United States involve the creation of several new national industries within the various NAICS industries.

*Achievement of Objectives*

The classification meets the objectives for the North American Industry Classification System (NAICS). It is comprised of industries that group establishments with similar production processes, that is, it applies the production-oriented economic concept. The hierarchical structure of the classification also follows the production concept.

The classification achieves comparability for the three participating countries. Based on existing data, all three countries expect to be able to publish data regularly at the industry (4-digit) level of the structure. All countries agree on the detailed definitions of the industries.

Other objectives of the NAICS project are not as relevant in this area of the classification as in others. These objectives are the delineation of new and emerging industries, service

industries and industries engaged in the production of advanced technologies. The industrial sector in question is relatively mature, generally produces goods, and employs relatively stable technology. Therefore, the emphasis is on the objectives listed above.

The industries have high specialization ratios, and they are economically significant. The detail (4-digit level) and structure of the classification are balanced in size. This enhances the classification's suitability for sampling and other aspects of survey operations. Finally, disruptions to time series, while they exist, have been minimized. The statistical agencies can develop statistical "links" to enable the re-tabulation of time series on the new NAICS classification structure.

*Section B-Annex: United States National Industry Detail*

As explained in the Structure presentation of this notice, for a number

of reasons 4-digit industries in the three NAICS industry subsectors presented in Part 1, Section A—Attachment 1, contain less detail than is currently in the U.S. SIC system, and less detail than is required to meet important analytical requirements in the U.S. The three country agreement on NAICS envisions that each country may develop national detailed industries below the NAICS industry level, so long as the national detail can be aggregated to the NAICS classification, thus assuring full North American comparability.

The ECPC is proposing U.S. 5-digit industry detail for the three NAICS industry subsectors covered in Part I of this notice. For cases where no 5-digit detail is shown, the ECPC is proposing that the NAICS 4-digit industries will also represent the most detailed U.S. industries.

TABLE 1.

	1997 NAICS and U.S. Description	Status code	1987 SIC code	1987 SIC Description
XX .....	Fabricated Metal Product Manufacturing:			
XXX .....	Forging and Stamping			
XXXX .....	Forging and Stamping			
XXXXX .....	Custom Roll Forming .....	N	*3449	Miscellaneous Structural Metal Work (Custom Roll Forming).
XXXXX .....	Iron and Steel Forging .....	E	3462	Iron and Steel Forgings.
XXXXX .....	Nonferrous Forging .....	E	3463	Nonferrous Forgings.
XXXXX .....	Crown and Closure Manufacturing .....	E	3466	Crowns and Closures.
XXXXX .....	Metal Stamping and Powder Metallurgy Manufacturing.	N	*3469	Metal Stampings, NEC (Except Kitchen Utensils, and Pots and Pans for Cooking).
			*3499	Fabricated Metal Products, NEC (Powder Metallurgy).
XXX .....	Cutlery and Hand Tool Manufacturing:			
XXXX .....	Cutlery and Hand Tool Manufacturing			
XXXXX .....	Cutlery and Flatware Manufacturing, except Precious	N	3421	Cutlery.
			*3914	Silverware, Plated Ware, and Stainless Steel Ware (Cutlery and Flatware except Precious).
XXXXX .....	Hand and Edge Tool Manufacturing .....	R	3423	Hand and Edge Tools Except Machine Tools and Handsaws.
			*3523	Farm Machinery and Equipment (Hand Hair Clippers for Animals).
			*3524	Lawn and Garden Tractors and Home Lawn and Garden Equipment (Nonpowered Lawnmowers).
			*3545	Cutting Tools, Machine Tools Accessories, and Machinist Precision Measuring Devices (Precision Measuring Devices).
			*3799	Transportation Equipment, NEC (Wheelbarrows).
			*3999	Manufacturing Industries, NEC (Tape Measures).
XXXXX .....	Saw Blade and Handsaw Manufacturing .....	E	3425	Saw Blades and Handsaws.
XXXXX .....	Kitchen Utensil, Pot and Pan Manufacturing ..	N	*3469	Metal Stampings, NEC (Kitchen Utensils, Pots, and Pans for Cooking).
XXX .....	Architectural and Structural Metal Manufacturing:			
XXXX .....	Platework and Fabricated Structural Product Manufacturing			
XXXXX .....	Fabricated Structural Metal Manufacturing .....	E	3441	Fabricated Structural Metal.
			*3449	Miscellaneous Structural Metal Work (Fabricated Bar Joists and Concrete Reinforcing Bars).
XXXXX .....	Plate Work Manufacturing .....	N	*3443	Fabricated Plate Work (Boiler Shops) (Fabricated Plate Work and Metal Weldments).
XXXXX .....	Prefabricated Metal Building and Component Manufacturing.	E	3448	Prefabricated Metal Buildings and Components.
XXXX .....	Ornamental and Architectural Metal Product Manufacturing			
XXXXX .....	Metal Door, Sash, Frame, Molding, and Trim Manufacturing.	E	3442	Metal Doors, Sash, Frames, Molding and Trim.

TABLE 1.—Continued

	1997 NAICS and U.S. Description	Status code	1987 SIC code	1987 SIC Description
XXXXX	Sheet Metal Work Manufacturing .....	R	*3449 *3444	Miscellaneous Structural Metal Work (Curtain Wall). Sheet Metal Work (Ducts, Flumes, Flooring, Siding, Dampers, etc.).
XXXXX	Ornamental and Architectural Metal Work Manufacturing.	R	3446	Architectural and Ornamental Metal Work.
XXX ....	Boiler, Tank, and Shipping Container Manufacturing:			
XXXX ...	Power Boiler and Heat Exchanger Manufacturing.	N	*3443	Fabricated Plate Work (Boiler Shops) (Power Boilers and Heat Exchangers).
XXXX ...	Metal Tank Manufacturing (Heavy Gauge) .....	N	*3443	Fabricated Plate Work (Boiler Shops) (Heavy Gauge Tanks).
XXXX ...	Metal Can, Box, and Other Metal Container (Light Gauge) Manufacturing:			
XXXXX	Metal Can Manufacturing .....	E	3411	Metal Cans.
XXXXX	Other Metal Container Manufacturing .....	R	3412 *3429	Metal Shipping Barrels, Drums, Kegs, and Pails. Hardware, NEC (Vacuum and Insulated Bottles, Jugs, and Chests).
			*3444	Sheet Metal Work (Metal Bins and Vats).
			*3499	Fabricated Metal Products, NEC (Metal Boxes).
			*3537	Industrial Trucks, Tractors, Trailers, and Stackers (Metal Air Cargo Containers).
			*5085	Industrial Supplies (Reconditioning Drums).
XXX ....	Hardware Manufacturing:			
XXXX ...	Hardware Manufacturing .....	R	*3429	Hardware, NEC (Hardware, Except Hose Nozzles, and Vacuum and Insulated Bottles, Jugs and Chests).
			*3499	Fabricated Metal Products, NEC (Safe and Vault Locks).
XXX ....	Spring, Wire and Turned Product Manufacturing:			
XXXX ...	Spring and Wire Product Manufacturing			
XXXXX	Steel Spring Manufacturing, except Wire .....	E	3493	Steel Springs, Except Wire.
XXXXX	Wire Spring Manufacturing .....	E	*3495	Wire Springs (Except Watch and Clock Springs).
XXXXX	Other Fabricated Wire Product Manufacturing	R	*3315	Steel Wiredrawing and Steel Nails and Spikes (Steel Nails and Spikes Not Made in Wiredrawing Plants).
			*3399	Primary Metal Products, NEC (Nonferrous Nails, Brads, Staples, etc.).
			3496	Miscellaneous Fabricated Wire Products.
XXXX ...	Turned Product Manufacturing:			
XXXXX	Precision Turned Product Manufacturing .....	E	3451	Screw Machine Products.
XXXXX	Bolt, Nut, Screw, Rivet, and Washer Manufacturing.	E	3452	Bolts, Nuts, Screws, Rivets, and Washers.
XXX ....	Other Fabricated Metal Product Manufacturing:			
XXXX ...	Metal Valve Manufacturing			
XXXXX	Industrial Valve Manufacturing .....	E	3491	Industrial Valves
XXXXX	Fluid Power Valve and Hose Fitting Manufacturing.	R	3492	Fluid Power Valves and Hose Fittings.
			*3728	Aircraft Parts and Auxiliary Equipment, NEC (Fluid Power Aircraft Subassemblies).
XXXXX	Other Metal Valve and Pipe Fitting Manufacturing.	R	*3429	Hardware, NEC (Hose Nozzles).
			*3432	Plumbing Fixture Fittings and Trim (Valves Classified as Fittings and Trim).
			*3494	Valves and Pipe Fittings, NEC (Except Metal Pipe Hangers and Supports).
			*3499	Fabricated Metal Products, NEC (Metal Aerosol Valves).
XXXX ...	All Other Fabricated Metal Product Manufacturing:			
XXXXX	Enameled Iron and Metal Sanitary Ware Manufacturing.	E	3431	Enameled Iron and Metal Sanitary Ware.
XXXXX	Small Arms Ammunition Manufacturing	E	3482	Small Arms Ammunition.
XXXXX	Ammunition Manufacturing, except Small Arms	E	3483	Ammunition, Except for Small Arms.
XXXXX	Small Arms Manufacturing	E	3484	Small Arms.
XXXXX	Other Ordnance and Accessory Manufacturing	E	3489	Ordnance and Accessories, NEC.
XXXXX	Fabricated Pipe and Pipe Fitting Manufacturing	E	3498	Fabricated Pipe and Pipe Fittings.
XXXXX	Industrial Pattern Manufacturing	E	3543	Industrial Patterns.
XXXXX	Ball and Roller Bearing Manufacturing	E	3562	Ball and Roller Bearings.
XXXXX	All Other Miscellaneous Fabricated Metal Product Manufacturing	R	*3053	Gaskets, Packing, and Sealing Devices (Metal Gaskets).
			*3291	Abrasive Products (Steel Wool With or Without Soap).
			*3432	Plumbing Fixture Fittings and Trim (Metal Shower Rods).
			*3494	Valves and Pipe Fittings, NEC (Pipe Hangers and Supports).

TABLE 1.—Continued

	1997 NAICS and U.S. Description	Status code	1987 SIC code	1987 SIC Description
			*3497	Metal Foil and Leaf (Foil and Foil Containers).
			*3499	Fabricated Metal Products, NEC (Other Metal Products).
			*3537	Industrial Trucks, Tractors, Trailers, and Stackers (Metal Pallets).
			*3599	Industrial and Commercial Machinery and Equipment, NEC (Flexible Metal Hose).
			*3993	Signs and Advertising Specialties (Metal Signs).
			*3999	Manufacturing Industries, NEC (Other Miscellaneous Metal Products, such as Combs, Hair Curlers, etc.).
XXX ....	Machine Shops and Coating, Engraving, Heat Treating, and Allied Activities:		.....	
XXXX ...	Machine Shops	N	*3599	Industrial and Commercial Machinery and Equipment, NEC (Machine Shops).
XXXX ...	Coating, Engraving, Heat Treating, and Allied Activities:		.....	
XXXXX	Metal Heat Treating	E	3398	Metal Heat Treating.
XXXXX	Metal Coating, Engraving and Allied Services to Manufacturers, Except Jewelry	R	*3479	Coating, Engraving, and Allied Services, NEC (Except Jewelry Engraving and Etching).
XXXXX	Electroplating, Plating, Polishing, Anodizing and Coloring	E	*3399	Primary Metal Products, NEC (Laminating Steel).

The definitions of status codes are as follows: E=existing industry; N=new industry; R=revised industry; and \*means "part of". The abbreviation NEC is used for Not Elsewhere Classified.

TABLE 2

1987 SIC code	1987 SIC description	1997 U.S. description
3053@	Gaskets, Packings and Sealing Devices: Cork Gaskets, Packing, and Sealing Devices .....	Other Wood Product Manufacturing (pt) (Included in Wood Product Manufacturing, except Furniture subsector).
	Metal Gaskets, Packing, and Sealing Devices .....	All Other Fabricated Metal Product Manufacturing (pt).
	Plastics Gaskets, Packing and Sealing Devices .....	All Other Plastic Product Manufacturing (pt) (Included in Rubber and Plastic Product Manufacturing subsector).
	Rubber Gaskets, Packing and Sealing Devices .....	All Other Rubber Product Manufacturing (pt) (Included in Rubber and Plastic Product Manufacturing subsector).
3291 .....	Abrasive Products: Steel Wool With or Without Soap .....	All Other Miscellaneous Fabricated Metal Product Manufacturing (pt).
	Abrasive Products (Except Steel Wool With or Without Soap).	Abrasive Product Manufacturing (Included in Nonmetallic Mineral Product Manufacturing subsector).
3315@	Steel Wiredrawing and Steel Nails and Spikes: Steel Wiredrawing and Steel Nails and Spikes (Except Steel Nails and Spikes Not Made in Wiredrawing Plants).	Hot-Rolling Mills., Wire Drawing and Other Primary Metal Product Manufacturing (pt) (Included in Primary Metal Manufacturing subsector).
	Steel Nails and Spikes Not Made in Wiredrawing Plants.	Other Fabricated Wire Product Manufacturing (pt).
3398 .....	Metal Heat Treating .....	Metal Heat Treating.
3399@ .....	Primary Metal Products, NEC: Iron and Steel Powder, Paste, Flakes, etc .....	Hot-Rolling Mills, Wire Drawing, and Other Primary Metal Product Manufacturing (pt) (Included in Primary Metal Manufacturing subsector).
	Aluminum Powder, Paste Flakes, etc .....	Aluminum Extruded Product Manufacturing (pt) (Included in Primary Metal Manufacturing subsector).
	Nonferrous Powder, Paste, Flakes, etc .....	Secondary Smelting and Refining of Nonferrous Metals (pt) (Included in Primary Metal Manufacturing subsector).
	Nonferrous Nails, Brads, Staples, etc .....	Other Fabricated Wire Product Manufacturing (pt).
	Laminated Steel .....	Electroplating, Plating, Polishing, Anodizing, and Coloring (pt).
3411 .....	Metal Cans .....	Metal Can Manufacturing.
3412 .....	Metal Shipping Barrels, Drums, Kegs and Pails .....	Other Metal Container Manufacturing (pt).
3421 .....	Cutlery .....	Cutlery and Flatware Manufacturing, Except Precious (pt).
3423 .....	Hand and Edge Tools, Except Machine Tools and Handsaws.	Hand and Edge Tool Manufacturing (pt).
3425 .....	Saw Blades and Handsaws .....	Saw Blade and Handsaw Manufacturing.
3429@ .....	Hardware, NEC: Vacuum and Insulated Bottles, Jugs, and Chests .....	Other Metal Container Manufacturing (pt).
	Hose Nozzles .....	Other Metal Valve and Pipe Fitting Manufacturing (pt).
	Hardware, NEC (Hardware, Except Hose Nozzles, and Vacuum and Insulated Bottles, Jugs, and Chests).	Hardware Manufacturing (pt).
3431 .....	Enameled Iron and Metal Sanitary Ware .....	Enameled Iron and Metal Sanitary Ware Manufacturing.

TABLE 2—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
3432 .....	Plumbing Fixture Fittings and Trim: Valves Classified as Fittings and Trim .....	Other Valve and Pipe Fitting Manufacturing (pt).
	Metal Shower Rods .....	All Other Miscellaneous Fabricated Metal Product Manufacturing (pt).
3433 .....	Heating Equipment, Except Electric and Warm Air Furnaces.	Heating Equipment except Electric Warm Air Furnace Manufacturing (pt) (Included in Machinery Manufacturing subsector).
3441 .....	Fabricated Structural Metal .....	Fabricated Structural Metal Manufacturing.
3442 .....	Metal Doors, Sash, Frames, Molding, and Trim .....	Metal Door, Sash, Frame, Molding, and Trim Manufacturing.
3443@ .....	Fabricated Plate Work (Boiler Shops):Fabricated Plate Work and Metal Weldments Power Boiler and Heat Exchanger Manufacturing.	Plate Work Manufacturing.Power Boilers and Heat Exchangers
	Heavy Gauge Tanks .....	Metal Tank Manufacturing (Heavy Gauge).
	Metal Cooling Towers .....	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing (pt) (Included in Machinery Manufacturing subsector).
3444 .....	Sheet Metal Work: Ducts, Flumes, Flooring, Siding, Dampers, etc. ....	Sheet Metal Work manufacturing (pt).
	Metal Bins and Vats .....	Other Metal Container Manufacturing (pt).
3446 .....	Architectural and Ornamental Metal Work .....	Ornamental and Architectural Metal Work Manufacturing (pt).
3448 .....	Prefabricated Metal Buildings and Components .....	Prefabricated Metal Building and Component Manufacturing.
3449@ .....	Miscellaneous Structural Metal Work: Custom Roll Forming .....	Custom Roll Forming.
	Fabricated Bar Joists and Concrete Reinforcing Bars	Fabricated Structural Metal Manufacturing (pt).
	Curtain Wall .....	Metal Door, Sash Frame, Molding, and Trim Manufacturing (pt).
	Metal Plaster Bases .....	Ornamental and Architectural Metal Work manufacturing (pt).
3451 .....	Screw Machine Products .....	Precision Turned Product Manufacturing.
3452 .....	Bolts, Nuts, Screws, Rivets, and Washers .....	Bolt, Nut Screw, Rivet, and Washer Manufacturing.
3462 .....	Iron and Steel Forgings .....	Iron and Steel Forging.
3463 .....	Nonferrous Forgings .....	Nonferrous Forging.
3465 .....	Automotive Stampings .....	Motor Vehicle Metal Stamping Manufacturing (included in Transportation Equipment Manufacturing subsector).
3466 .....	Crowns and Closures .....	Crown and Closure Manufacturing.
3469 .....	Metal Stampings, NEC: Metal Stampings, NEC (Except Kitchen Utensils, and Pots and Pans for Cooking).	Metal Stamping and Powder Metallurgy Manufacturing (pt).
	Kitchen Utensils, and Pots and Pans for Cooking .....	Kitchen Utensil, Pot, and Pan Manufacturing.
3471 .....	Electroplating, Plating, Polishing, Anodizing, and Coloring.	Electroplating, Plating, Polishing, Anodizing, and Coloring (pt).
3479 .....	Coating, Engraving, and Allied Services, NEC: Coating, Engraving, and Allied Services, NEC (Except Jewelry Engraving and Etching).	Metal Coating, Engraving, and Allied Services to Manufacturers, except Jewelry.
	Jewelry Engraving and Etching .....	Precious Metal Jewelry Manufacturing (pt) (Included in the Miscellaneous Manufacturing subsector).
3482 .....	Small Arms Ammunition .....	Small Arms Ammunition Manufacturing.
3483 .....	Ammunition, Except for Small Arms .....	Ammunition Manufacturing, except Small Arms.
3484 .....	Small Arms .....	Small Arms Manufacturing.
3489 .....	Ordnance and Accessories, NEC .....	Other Ordnance and Accessory Manufacturing.
3491 .....	Industrial Valves .....	Industrial Valve Manufacturing.
3492 .....	Fluid Power Valves and Hose Fittings .....	Fluid Power Valve and Hose Fitting Manufacturing.
3493 .....	Steel Springs, Except Wire .....	Steel Spring Manufacturing, except Wire.
3494 .....	Valves and Pipe Fittings, NEC: Valves and Pipe Fittings, NEC (Except Metal Pipe Hangers and Supports).	Other Metal Valve and Pipe Fitting Manufacturing (pt).
	Metal Pipe Hangers and Supports .....	All Other Miscellaneous Fabricated Metal Product Manufacturing (pt).
3495 .....	Wire Springs: Wire Springs (Except Watch and Clock Springs) .....	Wire Spring Manufacturing.
	Watch and Clock Springs .....	Watch, Clock, and Part Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).
3496 .....	Miscellaneous Fabricated Wire Products .....	Other Fabricated Wire Product Manufacturing (pt).
3497 .....	Metal Foil and Leaf: Laminated Aluminum Foil Rolls/Sheets for Flexible Packaging Uses.	Laminated Aluminum Foil Manufacturing for Flexible Packaging Uses (Included in Paper Manufacturing subsector).
	Foil and Foil Containers .....	All Other Miscellaneous Fabricated Metal Product Manufacturing (pt).
3498 .....	Fabricated Pipe and Pipe Fittings .....	Fabricated Pipe and Pipe Fitting Manufacturing.
3499 .....		Fabricated Metal Products, NEC: Metal Stamping and Powder Metallurgy Manufacturing (pt).
	Powder Metallurgy .....	Other Metal Container Manufacturing (pt).
	Metal Boxes .....	Hardware Manufacturing (pt).
	Safe and Vault Locks .....	Other Valve and Pipe Fitting Manufacturing (pt).
	Metal Aerosol Valves .....	Metal Household Furniture Manufacturing (pt) (Included in Furniture Manufacturing subsector).
	Metal Furniture Parts, Household .....	

TABLE 2—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
	Metal Furniture Parts, Office .....	Metal Office Furniture Manufacturing (pt) (Included in Furniture Manufacturing subsector).
	Trophies, Except Precious .....	Costume Jewelry Manufacturing (Included in Miscellaneous Manufacturing subsector).
	Other Metal Products .....	All Other Miscellaneous Fabricated Metal Product Manufacturing (pt).
3523@ .....	Farm Machinery and Equipment: Farm Machinery and Equipment (Except Corrals, Stalls, Holding Gates, Hand Hair Clippers for Animals, Farm Conveyors, Elevators, Loaders, Stackers and Bale Throwers). Corrals, Stalls, Holding Gates .....	Farm Machinery and Equipment Manufacturing (Included in Machinery Manufacturing subsector).
	Hand Hair Clippers for Animals .....	Ornamental and Architectural Metal Work Manufacturing (pt).
	Farm Conveyors and Farm Elevators, Stackers, and Bale Throwers.	Hand and Edge Tool Manufacturing (pt).
3524 .....	Lawn and Garden Tractors and Home Lawn and Garden Equipment: Lawn and Garden Tractors and Home Lawn and Garden Equipment (Except Nonpowered Lawnmowers). Nonpowered Lawnmowers .....	Conveyor and Conveying Equipment Manufacturing (pt) (Included in Machinery Manufacturing subsector).
		Lawn and Garden Tractor and Home Lawn and Garden Equipment Manufacturing (Included in Machinery Manufacturing subsector).
		Hand and Edge Tool Manufacturing (pt).
3537 .....	Industrial Trucks, Tractors, Trailers, and Stackers: Industrial Trucks, Tractors, Trailers, and Stackers (Except Metal pallets and Air Cargo Containers). Metal Pallets .....	Industrial Truck, Tractor, Trailer, and Stacker Manufacturing (Included in Machinery Manufacturing subsector).
	Metal Air Cargo Containers .....	All Other Miscellaneous Fabricated Metal Product Manufacturing (pt).
		Other Metal Container Manufacturing (pt).
3543 .....	Industrial Patterns .....	Industrial Pattern Manufacturing.
3545@ .....	Cutting Tools, Machine Tool Accessories, and Machinists' Precision Measuring Devices: Cutting Tools, Machine Tool Accessories, and Machinists' Precision Measuring Devices (Except Precision Measuring Devices). Precision Measuring Devices .....	Cutting Tool and Machine Tool Accessory Manufacturing (Included in Machinery Manufacturing subsector).
		Hand and Edge Tool Manufacturing (pt).
3562 .....	Ball and Roller Bearings .....	Ball and Roller Bearing Manufacturing.
3599 .....	Industrial and Commercial Machinery and Equipment, NEC: Industrial and Commercial Machinery and Equipment, NEC (Except Flexible Metal Hose; Gasoline, Oil and Intake Filters for Internal Combustion Engines, Except those for Motor Vehicles; Carnival Amusement Park Equipment and Machine Shops). Flexible Metal Hose .....	Other Industrial Manufacturing and Industrial Commercial Machinery and Equipment (pt) (Included in Machinery Manufacturing subsector).
	Gasoline, Oil and Intake Filters for Internal Combustion Engines, Except those for Motor Vehicles.	All Other Miscellaneous Fabricated Metal Product Manufacturing (pt).
	Carnival Amusement Park Equipment .....	Other Motor Vehicle Part Manufacturing (pt) (Included in Transportation Equipment Manufacturing subsector).
		Other Commercial and Service Industry Machinery Manufacturing (pt) (Included in Machinery Manufacturing subsector).
	Machine Shops .....	Machine Shops.
3728 .....	Aircraft Parts and Auxiliary Equipment, NEC: Fluid Power Aircraft Subassemblies .....	Fluid Power Valve and Hose Fitting Manufacturing (pt).
	Other Aircraft Parts and Equipment .....	Other Aircraft Part and Auxiliary Equipment Manufacturing (pt) (Included in Transportation Equipment Manufacturing subsector).
3799@	Transportation Equipment, NEC: Wheelbarrows .....	Hand and Edge Tool Manufacturing (pt).
	Automobile, boat, light truck, and utility trailers .....	Travel Trailer and Camper Manufacturing (pt) (Included in Transportation Equipment Manufacturing subsector).
	Other .....	All Other Transportation Equipment Manufacturing (Included in Transportation Equipment Manufacturing subsector).
3914 .....	Silverware, Plated Ware, and Stainless Steel Ware: Cutlery and Flatware Except Precious Silverware, Plated Ware, and Stainless Steel Ware (Except Nonprecious Flatware and Cutlery).	Cutlery and Flatware Manufacturing, Except Precious (pt) Silverware and Plated Ware (Included in Miscellaneous Manufacturing subsector).
3993@	Signs and Advertising Specialities (Metal Signs): Electrical Signs .....	Electric Sign Manufacturing (Included in Electrical Equipment, Appliance and Component Manufacturing subsector).
	Metal Signs .....	All Other Miscellaneous Fabricated Metal Product Manufacturing (pt).
	Plastic Signs .....	All Other Plastic Product Manufacturing (pt) (Included in Rubber and Plastic Product Manufacturing subsector).
	Wood Signs .....	Other Wood Product Manufacturing (pt) (Included in Wood Product Manufacturing, except Furniture subsector).

TABLE 2—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
3999@	Manufacturing Industries, NEC: Beauty and Barber Chairs .....	Metal Office Furniture Manufacturing (pt) (Included in Furniture Manufacturing subsector).
	Burnt Wood Articles .....	Other Wood Product Manufacturing (pt) (Included in Wood Product Manufacturing, except Furniture subsector).
	Fur Bleaching, Currying, Scraping, Tanning and Dyeing.	Leather and Hide Tanning and Finishing Manufacturing (pt) (Included in Leather and Leather Product Manufacturing subsector).
	Lamp Shades of Paper and Textile .....	Other Lighting Equipment Manufacturing (pt) (Included in Electrical Equipment, Appliance and Component Manufacturing subsector).
	Matches .....	Other Miscellaneous Chemical Product Manufacturing (pt) (Included in Chemical Manufacturing subsector).
	Metal Products, such as Combs, Hair Curlers, etc .....	All Other Fabricated Metal Product Manufacturing (pt).
	Plastics Products, such as Combs, Hair Curlers, etc .....	All Other Plastic Product Manufacturing (pt) (Included in Rubber and Plastic Product Manufacturing subsector).
	Flexographic Printing Eyeglass Frames for the Trade	Commercial Flexographic Printing (pt) (Included in Printing and Related Support Activities subsector).
	Gravure Printing Eyeglass Frames for the Trade .....	Commercial Gravure Printing (pt) (Included in Printing and Related Support Activities subsector).
	Lithographic Printing Eyeglass Frames for the Trade	Commercial Lithographic Printing (pt) (Included in Printing and Related Support Activities subsector).
	Screen Printing Eyeglass Frames for the Trade .....	Commercial Screen Printing (pt) (Included in Printing and Related Support Activities subsector).
	Other Printing Eyeglass Frame for the Trade .....	Other Commercial Printing (pt) (Included in Printing and Related Support Activities subsector).
	Tape Measures .....	Hand and Edge Tool Manufacturing (pt).
	Other .....	All Other Miscellaneous Manufacturing (pt) (Included in Miscellaneous Manufacturing subsector).
5085	Industrial Supplies (Wholesale): Reconditioning Drums .....	Other Metal Container Manufacturing (pt). (Included in Wholesale subsector).
	Other .....	

The abbreviation "pt" means "part of"; @ means time series break has been created that is greater than 3% of the 1992 value of shipments for the 1987 SIC industry. The abbreviation NEC is used for Not Elsewhere Classified.

#### *Description of Changes to the U.S. System*

A number of the changes listed in this section were made for reasons of international comparability. Where one or more of the three North American countries had different definitions of an industry classification, adjustments to the definitions in one or more countries were required. In constructing NAICS, the three countries agreed to move, where change was required to attain international comparability, in the direction of the country or countries whose existing classification definitions most closely corresponded to the production-oriented concept adopted for NAICS. Cases where the U.S. changed are listed below; other cases where Canada or Mexico moved toward the U.S. classification are not, or course, listed in this section.

Eight new industries were added to the 1997 industry structure for this industry subsector. Four of these new industries were created by breaking apart 1987 not elsewhere classified (nec)

industries. New industries were created for:

Custom Roll Forming Manufacturing from part of 1987 SIC 3449, Miscellaneous Structural Metal Work. This was requested by the industry and is defined by production process.

Metal Stamping and Powder Metallurgy Manufacturing from part of 1987 SIC 3469, Metal Stampings, NEC, and part of 1987 SIC 3499, Fabricated Metal Products, NEC. This achieves international comparability and combines activities having similar processes. The U.S. moved to match Canada.

Cutlery and Flatware Manufacturing, except Precious from 1987 SIC 3421, Cutlery, and part of 1987 SIC 3914, Silverware, Plated Ware, and Stainless Steel Ware, to achieve international comparability. The change combines activities having similar production processes.

Kitchen Utensil, Pot and Pan Manufacturing from part of 1987 SIC 3469, Metal Stampings, NEC, to achieve

international comparability. Mexico had an industry, CMAP 381411, Manufacturing of Kitchen Utensils, Pots and Pans.

Plate Work Manufacturing from part of 1987 SIC 3443, Fabricated Plate Work (Boiler Shops), to achieve international comparability. Both Canadian and Mexican classification systems contained an industry for this activity.

Power Boiler and Heat Exchanger Manufacturing from part of 1987 SIC 3443, Fabricated Plate Work (Boiler Shops), to achieve international comparability. Both Canadian and Mexican classification systems contained an industry for this activity.

Metal Tank Manufacturing (Heavy Gauge) from part of 1987 SIC 3443, Fabricated Plate Work (Boiler Shops), to achieve international comparability. Both Canadian and Mexican classification systems contained an industry for this activity.

Machine Shops from part of 1987 SIC 3599, Industrial and Commercial Machinery and Equipment, NEC, to

achieve international comparability, and combine similar production processes. This industry includes establishments engaged in machining or otherwise working of industrial material, on a job or order basis, producing parts from raw materials, or rebuilding existing parts.

Two complete industries were transferred out of this industry group, because of NAICS decisions that produced international comparability:

Heating Equipment, Except Electric and Warm Air Furnaces was transferred into the Machinery Manufacturing subsector.

Motor Vehicle Metal Stampings were transferred into the Transportation Equipment Manufacturing subsector.

Four activities were transferred out of 1987 SIC Major Group 34, Fabricated Metal Products, and are described more fully in their new respective NAICS subsectors.

Clock and watch spring manufacturing was transferred from 1987 SIC 3495, Wire Springs, into Navigational, Measuring and Control Instrument Manufacturing.

Metal laminated foil roll and sheet manufacturing for flexible packaging was transferred from part of 1987 SIC 3497, Metal Foil and Leaf, to the subsector for Paper Manufacturing, because the production processes are similar, regardless of the material used. This is the lamination, not creation of foil.

Metal cooling tower manufacturing was transferred from 1987 SIC 3443, Fabricated Plate Work, to the Machinery Manufacturing subsector for international comparability. In Canada, cooling towers are produced by establishments producing air conditioning equipment.

Metal furniture part manufacturing was transferred from 1987 SIC 3499, Fabricated Metal Products, NEC, into Metal Furniture Manufacturing.

Three industries were transferred into this subsector:

Industrial Pattern Manufacturing was transferred from 1987 SIC 3543, Industrial Patterns (in the Industrial and Commercial Machinery and Computer Equipment major groups), to achieve international comparability. The U.S. and Mexico moved to match Canada.

Metal Heat Treating was transferred from 1987 SIC 3398, Metal Heat Treating (in the Primary Metal Industries major group). This change achieves international comparability. The U.S. moved to match Canada and Mexico.

Ball and Roller Bearing Manufacturing from 1987 SIC 3562, Ball and Roller Bearings (in the Industrial and Commercial Machinery and

Computer Equipment major group). This reflects the fact that this activity is really metal fabrication. Previously, the U.S., Canada, and Mexico all had this industry in machinery.

Seventeen activities were transferred into the Fabricated Metal Product Manufacturing subsector:

Nonpowered hand-held animal clipper manufacturing was transferred from 1987 SIC 3523, Farm Machinery and Equipment, into Hand and Edge Tool Manufacturing, to achieve international comparability and combine activities having similar inputs and production processes.

Metal corral, stall, and holding gate manufacturing was transferred from 1987 SIC 3523, Farm Machinery and Equipment, into Ornamental and Architectural Metal Work Manufacturing, to achieve international comparability.

Nonpowered lawnmower manufacturing was transferred from 1987 SIC 3524, Lawn and Garden Tractors and Home, Lawn and Garden Equipment, into Hand and Edge Tool Manufacturing, to achieve international comparability and combine activities having similar inputs and production processes. The U.S. and Canada moved to agree with Mexico.

Precision measuring tool manufacturing was transferred from 1987 SIC 3545, Cutting Tools, Machine Tools Accessories and Machinist Precision Measuring Devices, into Hand and Edge Tool Manufacturing, to achieve international comparability and combine activities having similar inputs. The U.S. and Canada moved to agree with Mexico.

Wheelbarrow manufacturing was transferred from 1987 SIC 3799, Transportation Equipment, NEC, into Hand and Edge Tool Manufacturing to achieve international comparability. The U.S. and Canada moved to agree with Mexico.

Tape measure manufacturing was transferred from 1987 SIC 3999, Manufacturing Industries, NEC, into Hand and Edge Tool Manufacturing to achieve international comparability. The U.S. and Canada moved to agree with Mexico.

Metal air cargo container manufacturing was transferred from 1987 SIC 3537, Industrial Trucks, Tractors, Trailers, and Stackers, into Other Metal Container Manufacturing to achieve comparability with Mexico.

Metal pallet manufacturing was transferred from 1987 SIC 3537, Industrial Trucks, Tractors, Trailers, and Stackers, into All Other Fabricated Metal Product Manufacturing to achieve comparability with Mexico.

Reconditioning drum manufacturing was transferred from 1987 SIC 5085, Wholesale of Industrial Supplies, into Metal Shipping Barrels, Drums, Kegs, and Pails Manufacturing to achieve comparability with Mexico. In NAICS, rebuilding on a factory basis is placed in the Manufacturing sector.

Nonferrous nail, brad and staple manufacturing was transferred from 1987 SIC 3399, Primary Metal Products, into Miscellaneous Fabricated Wire Product Manufacturing to achieve international comparability, and because of similar production processes. If the process includes drawing, it remains in primary metals.

Steel nail, spike, etc., manufacturing was transferred from 1987 SIC 3315, Steel Wiredrawing and Steel Nails and Spikes, into Miscellaneous Fabricated Wire Product Manufacturing to achieve international comparability, and because of similar production processes. If the process includes drawing, it remains in primary metals.

Metal gasket packing and sealing device manufacturing was transferred from 1987 SIC 3053, Gaskets, Packing, and Sealing Devices, into All Other Fabricated Metal Product Manufacturing to achieve international comparability. The U.S. and Canada moved to match Mexico.

Steel wool manufacturing was transferred from 1987 SIC 3291, Abrasive Products, into All Other Fabricated Metal Product Manufacturing to achieve international comparability. The U.S. moved to match Canada and Mexico.

Flexible metal hose manufacturing was transferred from 1987 SIC 3599, Industry and Commercial Machinery and Equipment, NEC, into All Other Fabricated Metal Product Manufacturing to achieve international comparability.

Metal sign manufacturing was transferred from 1987 SIC 3993, Signs and Advertising Specialties, into All Other Fabricated Metal Product Manufacturing to achieve international comparability. The U.S. and Canada moved to match Mexico.

Comb, hair curler, and other metal product manufacturing was transferred from 1987 SIC 3999, Manufacturing Industries, NEC, into All Other Fabricated Metal Product Manufacturing to achieve international comparability.

Laminating steel was transferred from 1987 SIC 3399, Primary Metal Products, NEC, into Electroplating, Plating, Polishing, Anodizing and Coloring. This change achieves international comparability. The U.S. moved to match Canada and Mexico.

Also, there were several activities that transferred within the Fabricated Metal

Product Manufacturing subsector. The number of Fabricated Metal Product industries increased from 38 in 1987 to 41 in 1997. For time series linkage, 32 of the 38 1987 industries are comparable within three percent of the 1997 industries.

Part V—Proposed New Industry Structure for Machinery Manufacturing

Section A—NAICS Structure

North American Industry Classification System (NAICS)

Agreement Number 8

This Document represents the proposed agreement on the structure of the North American Industry Classification System (NAICS) for the following industries:

Machinery Manufacturing

The detailed NAICS structure along with a brief description of the structure is attached (Attachments 1 and 2). Each country agrees to release a copy of the proposed NAICS structure to interested data users. Comments received will be shared among the countries and additional discussions will be held before a final decision on the structure is made. Each country may add additional detailed industries, below the 4-digit level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to a 4-digit NAICS level in order to ensure full comparability among the three countries. This NAICS structure was presented and provisionally accepted at the Committee meeting held August 30, 1995—September 1, 1995 in Washington, D.C.

Accepted	Signature	Date
Canada .....	/S/ Jacob Ryten.	9/1/95
Mexico .....	/S/ Enrique Ordaz.	9/1/95
United States ..	/S/ Jack E. Triplett.	9/1/95

Attachment 1—NAICS Structure

- XX Machinery Manufacturing
- XXX Agricultural, Construction, and Mining Machinery Manufacturing
- XXXX Agricultural Implement Manufacturing
- XXXX Construction Machinery Manufacturing
- XXXX Mining and Oil and Gas Field Machinery Manufacturing
- XXX Industrial Machinery Manufacturing
- XXXX Sawmill and Woodworking Machinery Manufacturing
- XXXX Rubber and Plastic Industry Machinery Manufacturing
- XXXX Other Industrial Machinery Manufacturing

- XXX Commercial and Service Industry Machinery Manufacturing
- XXXX Commercial and Service Industry Machinery Manufacturing
- XXX Heating, Ventilation, Air Conditioning, and Commercial Refrigeration Manufacturing
- XXXX Heating, Ventilation, Air Conditioning, and Commercial Refrigeration Manufacturing
- XXX Metalworking Machinery Manufacturing
- XXXX Metalworking Machinery Manufacturing
- XXX Engine, Turbine, and Power Transmission Equipment Manufacturing
- XXXX Engine, Turbine, and Power Transmission Equipment Manufacturing
- XXX Other General Purpose Machinery Manufacturing
- XXXX Pump and Compressor Manufacturing
- XXXX Material Handling Equipment Manufacturing
- XXXX All Other General Purpose Machinery Manufacturing

Attachment 2—North American Industry Classification System

Draft Classification for:

Machinery Manufacturing

Representatives of the statistical agencies of Canada, Mexico, and the United States agree to a draft industrial classification for these industries.

This draft classification applies to the subsector, Machinery Manufacturing. This subsector is sub-divided into seven industry groups and thirteen industries. The subsector will be part of the Manufacturing sector of the classification.

A General Outline

The industries included in the Machinery Manufacturing subsector create end products that apply mechanical force, for example, the application of gears and levers to perform work. Some important processes for manufacture of machinery are forging, stamping, bending, forming, and machining that are used to shape individual pieces of metal. Processes such as welding and assembling are used to join separate parts together. These processes are similar to those used in metal fabricating establishments. However, machinery manufacturing typically employs multiple metal forming processes in manufacturing the various parts of the machine and complex assembly operations are an inherent part of the production process.

In general, design considerations are very important in machinery production. Establishments specialize in producing machinery designed for particular applications. Thus design is considered to be part of the production

process for the purpose of implementing NAICS. The structure reflects this by defining industries and industry groups that produce machinery for different applications. A broad distinction exists between machinery that is generally used in a variety of industrial applications (general purpose machinery) and machinery that is designed to be used in a particular industry (special purpose machinery). Three industry groups consist of special purpose machinery—Agricultural, Construction, and Mining Machinery Manufacturing; Industrial Machinery Manufacturing; and Commercial and Service Industry Machinery Manufacturing. The other industry groups produce general-purpose machinery—Heating, Ventilation, Air Conditioning, and Commercial Refrigeration Manufacturing; Metalworking Machinery Manufacturing; Engine, Turbine, and Power Transmission Equipment Manufacturing; and Other General Purpose Machinery Manufacturing.

Limitations and Constraints of the Classification

Relatively broad industries were created in several areas including: Other Industrial Machinery Manufacturing; Heating, Ventilation, Air Conditioning, and Commercial Refrigeration Manufacturing; and Engine, Turbine and Power Transmission Equipment Manufacturing. Occasionally, these aggregations are a consequence of differences in the degree of specialization of the three countries. For example, Canada cannot support a separation of mining machinery manufacturing from oil and gas field machinery manufacturing because of the combination of these activities in the same establishments.

More often, size constraints prohibit separation of activities in Canada or Mexico. For example, separate industries are possible for textile machinery manufacturing in the United States and Mexico, or for paper industry machinery manufacturing in Canada and the United States. But due to size constraints, it is not possible to create the textile machinery manufacturing industry in Canada or the paper industry machinery manufacturing industry in Mexico. Therefore, textile machinery manufacturing and paper machinery manufacturing are included in the four-digit industry, Other Industrial Machinery Manufacturing.

Each country will publish additional categories that comprise sub-divisions of industries, to present data for activities that are nationally significant.

For those users requiring detailed commodity information, each country will publish information on the products of these industries. Efforts also are underway to harmonize the commodity classifications to allow for greater comparability of these statistics.

*Relationship to ISIC*

Ten of the thirteen four-digit industries in this subsector can be assigned to Division 29, Manufacture of Machinery and Equipment, NEC, of the current International Standard Industrial Classification of all Economic Activities (ISIC, Revision 3) of the United Nations. The following three industries belong largely to ISIC Division 29, with the exception of the activities indicated: Mining, Oil and Gas Field Machinery (drilling bits for oilfield and gas drilling equipment); Commercial and Service Industry Machinery Manufacturing (optical instruments and lenses and photographic equipment and supplies, except photographic films, paper, and chemicals); and Other General Purpose Machinery (balance equipment, other than automotive wheel). However, because the exceptions indicated are a relatively small part of the output of these two NAICS industries, one can combine the industries of NAICS for this subsector, and be quite comparable to ISIC 29.

*Some Changes to the National Classifications*

The Canadian classification's Machinery Industries major group is similar in coverage to the subsector proposed here. The manufacturing of heating equipment, now treated as metal fabricating; of some office machinery, now classified as electrical equipment; and of engines, now classified as transportation equipment have been moved to this subsector. Furthermore, the structure—special-purpose machinery and general-purpose machinery—is similar. However, the classification has more detail, with thirteen industries compared to seven; the Canadian national detail adds three more.

The Mexican classification's Manufacture, Repair and Assembly of

Machinery and Equipment for Specific Purposes and Manufacture, Repair and Assembly of Machinery and Equipment for General Use have a combined coverage similar to the subsector proposed here. The manufacturing of heating equipment, now treated as metal fabricating, of some office machinery, now classified as electrical equipment, and of engines now classified as transportation equipment, have been moved to this subsector. Furthermore, the structure—special-purpose machinery and general-purpose machinery—is similar. The amount of detail in the subsector is similar to that of the existing classification.

For the United States, a major change is the movement of computers and peripherals out of this group to the new subsector for Computers and Electronic Product Manufacturing. Heating equipment, currently in the 1987 SIC Fabricated Metal major group, and optical instruments, lenses, and photographic equipment, currently in the 1987 SIC Instruments and Related Products major group, have been transferred into this subsector. Other changes involve the movement of a number of relatively small activities from one national industry to another to achieve comparability with Canada and Mexico, and/or to better meet production principles. Otherwise, the new structure, with U.S. national industry detail, is comparable with the 1987 SIC. For example, only seven 1987 U.S. industries have time series breaks that amount to more than 3 percent of the industry value of shipments in 1992.

*Achievement of Objectives*

The classification meets the objectives for the North American Industry Classification System (NAICS). It is comprised of industries that group establishments with similar production processes, that is, it applies the production-oriented economic concept. In the main, the hierarchical structure of the classification also follows the production concept.

The classification achieves comparability for the three participating countries. Based on existing data, all three countries expect to be able to publish data regularly at the industry (4-

digit) level of the structure. All countries agree on the detailed definitions of the industries.

Other objectives of the project are not as relevant in this area of the classification as in others. These objectives are the delineation of new and emerging industries, service industries, and industries engaged in the production of advanced technologies. The industrial sector in question is relatively mature, generally produces goods, and employs relatively stable technology. Therefore, the emphasis is on the objectives listed above.

The industries have high specialization ratios, and they are economically significant. The detail (4-digit level) and structure of the classification are balanced in size. This enhances the classification's suitability for sampling and other aspects of survey operations. Finally, disruptions to time series, while they exist, have been minimized. Most of the changes at the detail to existing classifications are marginal. The major changes are well-identified and can be taken into account in linking time series.

*Section B—Annex: United States National Industry Detail*

As explained in the *Structure* presentation of this notice, for a number of reasons 4-digit industries in the three industry subsectors presented in Part 1, Section A—Attachment 1, contain less detail than is currently in the U.S. SIC system, and less detail than is required to meet important analytical requirements in the U.S. The three country agreement on NAICS envisions that each country may develop national detailed industries below the industry level, so long as the national detail can be aggregated to the NAICS classification, thus assuring full North American comparability.

The ECPC is proposing U.S. 5-digit industry detail for the industry subsector covered in Part I of this notice. For cases where no 5-digit detail is shown, the ECPC is proposing that the 4-digit industries will also represent the most detailed U.S. industries.

TABLE 1

	1997 and U.S. Description	Status code	1987 SIC code	1987 SIC Description
XX .....	Machinery Manufacturing:			
XXX .....	Agriculture, Construction, and Mining Machinery Manufacturing:			
XXXX ...	Agricultural Implement Manufacturing:			

TABLE 1—Continued

	1997 and U.S. Description	Status code	1987 SIC code	1987 SIC Description
XXXXX	Farm Machinery and Equipment Manufacturing.	R	*3523	Farm Machinery and Equipment (Except Corrals, Stalls, Holding Gates, Hand Clippers for Animals, and Farm Conveyors/Elevators).
XXXXX	Lawn and Garden Tractor and Home Lawn and Garden Equipment Manufacturing.	R	*3524	Lawn and Garden Tractors and Home Lawn and Garden Equipment (Except Nonpowered Lawnmowers).
XXXX ...	Construction Machinery Manufacturing .....	R	*3531	Construction Machinery and Equipment (Except Railway Track Maintenance Equipment; Winches, Aerial Work Platforms; and Automotive Wreckers Hoists).
XXXX ...	Mining and Oil and Gas Field Machinery Manufacturing:			
XXXXX	Mining Machinery and Equipment Manufacturing.	E	3532	Mining Machinery and Equipment, Except Oil and Gas Field Machinery and Equipment.
XXXXX	Oil and Gas Field Machinery and Equipment Manufacturing.	E	3533	Oil and Gas Field Machinery and Equipment.
XXX .....	Industrial Machinery Manufacturing:			
XXXX ...	Sawmill and Woodworking Machinery Manufacturing.	E	3553	Woodworking Machinery.
XXXX ...	Rubber and Plastic Industry Machinery Manufacturing.	N	*3559	Special Industry Machinery, NEC (Rubber and Plastics Manufacturing Machinery).
XXXX ...	Other Industrial Machinery Manufacturing:			
XXXXX	Textile Machinery Manufacturing .....	E	3552	Textile Machinery.
XXXXX	Paper Industry Machinery Manufacturing ...	E	3554	Paper Industries Machinery.
XXXXX	Printing Machinery and Equipment Manufacturing.	E	3555	Printing Trades Machinery and Equipment.
XXXXX	Food Product Machinery Manufacturing .....	E	3556	Food Products Machinery.
XXXXX	Semiconductor Machinery Manufacturing ...	N	*3559	Special Industry Machinery, NEC (Semiconductor Machinery Manufacturing).
XXXXX	All Other Industrial Machinery Manufacturing.	R	*3559	Special Industry Machinery, NEC (Except Rubber and Plastics Manufacturing Machinery, Semiconductor Manufacturing Machinery, and Automotive Maintenance Equipment).
XXX .....	Commercial and Service Industry Machinery Manufacturing:			
XXXX ...	Commercial and Service Industry Machinery Manufacturing:			
XXXXX	Automatic Vending Machine Manufacturing	E	3581	Automatic Vending Machines.
XXXXX	Commercial Laundry, Drycleaning and Pressing Machine Manufacturing.	E	3582	Commercial Laundry, Drycleaning and Pressing Machines.
XXXXX	Office Machinery Manufacturing .....	N	*3578	Calculating and Accounting Machinery, Except Electronic Computers (Except Point of Sales Terminals (Scanning Devices) and Funds Transfer Devices).
.....	.....		*3579	Office Machines, NEC (Except Timeclocks, Time Stamps, Pencil Sharpeners, Stapling Machines, etc.).
XXXXX	Optical Instrument and Lense Manufacturing.	E	3827	Optical Instruments and Lenses.
XXXXX	Photographic and Photocopying Equipment Manufacturing.	N	*3861	Photographic Equipment and Supplies (Except Photographic Films, Paper and Chemicals).
XXXXX	Other Commercial and Service Industry Machinery Manufacturing.	R	*3559	Special Industry Machinery, NEC (Automotive Maintenance Equipment).
			3589	Service Industry Machinery, NEC.
			*3599	Industrial and Commercial Machinery and Equipment, NEC (Carnival Amusement Park Equipment).
			*3699	Electrical Machinery, Equipment and Supplies, NEC (Electronic Teaching Machines and Flight Simulators).
XXX .....	Heating, Ventilation, Air-Conditioning, and Commercial Refrigeration Manufacturing:		.....	
XXXX ...	Heating, Ventilation, Air-Conditioning, and Commercial Refrigeration Manufacturing:		.....	
XXXXX	Heating Equipment Manufacturing, Except Electric and Warm Air Furnaces.	R	3433	Heating Equipment, Except Electric and Warm Air Furnaces.
			3634	Electric Housewares and Fans (Permanent Electric Wall and Baseboard Heating Equipment).
XXXXX	Air Purification Equipment Manufacturing	N	*3564	Industrial and Commercial Fans and Blowers and Air Purification Equipment (Air Purification Equipment).
XXXXX	Industrial and Commercial Fan and Blower Manufacturing.	R	*3564	Industrial and Commercial Fans and Blowers and Air Purification Equipment (Fans and Blowers).
XXXXX	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing.	R	*3443	Fabricated Plate Work (Boiler Shops) (Metal Cooling Towers).

TABLE 1—Continued

	1997 and U.S. Description	Status code	1987 SIC code	1987 SIC Description
			*3585	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment (Except Water Coolers).
XXX .....	Metalworking Machinery Manufacturing:		.....	
XXXX ...	Metalworking Machinery Manufacturing:		.....	
XXXXX	Machine Tool Manufacturing, Metal Cutting Types.	E	3541	Machine Tools, Metal Cutting Type.
XXXXX	Machine Tool Manufacturing, Metal Forming Types.	E	3542	Machine Tools, Metal Forming Type.
XXXXX	Special Die and Tool, Die Set, Jig, and Fixture Manufacturing.	R	*3544	Special Dies and Tools, Die Sets, Jigs and Fixtures, and Industrial Molds (Except Molds).
XXXXX	Industrial Mold Manufacturing .....	R	*3544	Special Dies and Tools, Die Sets, Jigs and Fixtures, and Industrial Molds (Molds).
XXXXX	Cutting Tool and Machine Tool Accessory Manufacturing.	R	*3545	Cutting Tools, Machine Tool Accessories, and Machinists' Precision Measuring Devices (Except Precision Measuring Devices).
XXXXX	Rolling Mill Machinery and Equipment Manufacturing.	E	3547	Rolling Mill Machinery and Equipment.
XXXXX	Other Metalworking Machinery Manufacturing .....	E	3549	Metalworking Machinery, NEC.
XXX .....	Engine, Turbine, and Power Transmission Equipment Manufacturing:			
XXXX ...	Engine, Turbine, and Power Transmission Equipment Manufacturing:			
XXXXX	Steam, Gas, and Hydraulic Turbine, and Turbine Generator Set Unit Manufacturing.	E	3511	Steam, Gas, and Hydraulic Turbines, and Turbine Generator Set Units.
XXXXX	Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing.	E	3566	Speed Changers, Industrial High-Speed Drives, and Gears.
XXXXX	Mechanical Power Transmission Equipment Manufacturing.	E	3568	Mechanical Power Transmission Equipment, NEC.
XXXXX	Other Engine Equipment Manufacturing .....	R	*3519	Internal Combustion Engines, NEC (Except Stationary Engine Radiators).
			*3699	Electrical Machinery, Equipment and Supplies, NEC (Outboard Electric Motors).
XXX .....	Other General Purpose Machinery Manufacturing:			
XXXX ...	Pump and Compressor Manufacturing:			
XXXXX	Pump and Pumping Equipment Manufacturing.	E	3561	Pumps and Pumping Equipment.
			*3743	Railroad Equipment (Locomotive Fuel Lubricating or Cooling Medium Pumps).
XXXXX	Air and Gas Compressor Manufacturing .....	E	3563	Air and Gas Compressors.
XXXXX	Measuring and Dispensing Pump Manufacturing.	E	3586	Measuring and Dispensing Pumps.
XXXX ...	Material Handling Equipment Manufacturing:			
XXXXX	Elevator and Moving Stairway Manufacturing	E	3534	Elevators and Moving Stairways.
XXXXX	Conveyor and Conveying Equipment Manufacturing.	R	*3523	Farm Machinery and Equipment (Conveyors and Elevators).
			3535	Conveyors and Conveying Equipment.
XXXXX	Overhead Traveling Crane, Hoist, and Monorail System Manufacturing.	R	3536	Overhead Traveling Cranes, Hoists, and Monorail Systems.
			*3531	Construction Machinery and Equipment (Winches, Aerial Work Platforms, and Automobile Wrecker Hoists).
XXXXX	Industrial Truck, Tractor, Trailer, and Stacker Machinery Manufacturing.	R	*3537	Industrial Trucks, Tractors, Trailers, and Stackers (Except Metal Pallets and Metal Air Cargo Containers).
XXXX ...	All Other General Purpose Machinery Manufacturing:			
XXXXX	Power-Driven Hand Tool Manufacturing .....	E	3546	Power-Driven Handtools.
XXXXX	Welding and Soldering Equipment Manufacturing.	R	*3548	Electric and Gas Welding and Soldering Equipment (Except Transformers for Arc-Welding).
XXXXX	Packaging Machinery Manufacturing .....	E	3565	Packaging Machinery.
XXXXX	Industrial Process Furnace and Oven Manufacturing.	E	3567	Industrial Process Furnaces and Ovens.
XXXXX	Fluid Power Cylinder and Actuator Manufacturing.	E	3593	Fluid Power Cylinders and Actuators.
XXXXX	Fluid Power Pump and Motor Manufacturing .	E	3594	Fluid Power Pumps and Motors.
XXXXX	Scale and Balance Manufacturing, Except Laboratory.	E	3596	Scales and Balances, Except Laboratory.
XXXXX	All Other General Purpose Machinery Manufacturing.		3599	Industrial and Commercial Machinery and Equipment, NEC (Other Machinery).

TABLE 1—Continued

	1997 and U.S. Description	Status code	1987 SIC code	1987 SIC Description
			3569	General Industrial Machinery and Equipment, NEC.

The definitions of status codes are as follows: E—existing industry; N—new industry; R—revised industry; and \* means “part of”. The abbreviation NEC is used for Not Elsewhere classified.

TABLE 2

1987 SIC code	1987 SIC description	1997 U.S. description
3433 .....	Heating Equipment, Except Electric and Warm Air Furnaces.	Heating Equipment Manufacturing, Except Electric and Warm Air Furnaces (pt).
3443@ .....	Fabricated Plate Work (Boiler Shops): Fabricated Plate Work and Metal Weldments ....  Power Boilers and Heat Exchangers .....	Plate Work Manufacturing (Included in Fabricated Metal Product subsector). Power Boiler and Heat Exchanger Manufacturing (Included in Fabricated Metal Product subsector).
	Heavy Gauge Tanks .....	Metal Tank Manufacturing (Heavy Gauge) (Included in Fabricated Metal Product subsector).
	Metal Cooling Towers .....	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing (pt).
3511 .....	Steam, Gas, and Hydraulic Turbines, and Turbine Generator Set Units.	Steam, Gas, and Hydraulic Turbine, and Turbine Generator Set Unit Manufacturing.
3519 .....	Internal Combustion Engines, NEC Stationary Engine Radiators. Internal Combustion Engines, NEC; (Except Stationary Engine Radiators).	Other Motor Vehicle Part Manufacturing (pt) (Included in Transportation Equipment Manufacturing subsector). Other Engine Equipment Manufacturing (pt).
3523 .....	Farm Machinery and Equipment: Farm Machinery and Equipment (Except Corals, Stalls, Holding Gates, Hand Clippers for Animals, Farm Conveyors/Elevators). Metal Corrals, Stalls, Holding Gates .....	Farm Machinery and Equipment Manufacturing.  Architectural and Ornamental Metal Work Manufacturing (pt) (Included in Fabricated Metal Product Manufacturing subsector).
	Hand Hair Clippers for Animals .....	Hand and Edge Tool Manufacturing (pt) (Included in Fabricated Metal Product Manufacturing subsector).
	Farm Conveyors and Farm Elevators .....	Conveyor and Conveying Equipment Manufacturing (pt).
3524 .....	Lawn and Garden Tractors and Home Lawn and Garden Equipment: Lawn and Garden Tractors and Home Lawn and Garden Equipment (Except Nonpowered Lawnmowers). Nonpowered Lawnmowers .....	Lawn and Garden Tractor and Home Lawn and Garden Equipment Manufacturing.  Hand and Edge Tool Manufacturing (pt) (Included in Fabricated Metal Product Manufacturing subsector).
3531@ .....	Construction Machinery and Equipment: Construction Machinery and Equipment (Except Railway Track Maintenance Equipment; Winches, Aerial Work Platforms; and Automotive Wrecker Hoists). Railway Track Maintenance Equipment .....	Construction Machinery Manufacturing.  Railroad Rolling Stock Manufacturing (pt) (Included in Transportation Equipment Manufacturing subsector).
	Winches, Aerial Work Platforms; and Automotive Wrecker Hoists.	Overhead Traveling Crane, Hoist, and Monorail System Manufacturing (pt).
3532 .....	Mining Machinery and Equipment, Except Oil and Gas Field Machinery and Equipment.	Mining Machinery and Equipment Manufacturing.
3533 .....	Oil and Gas Field Machinery and Equipment .....	Oil and Gas Field Machinery and Equipment Manufacturing.
3534 .....	Elevators and Moving Stairways .....	Elevator and Moving Stairway Manufacturing (pt).
3535 .....	Conveyors and Conveying Equipment .....	Conveyor and Conveying Equipment Manufacturing (pt).
3536 .....	Overhead Traveling Cranes, Hoists and Monorail Systems.	Overhead Traveling Crane, Hoist and Monorail System Manufacturing (pt).
3537 .....	Industrial Trucks, Tractors, Trailers, and Stackers: Industrial Trucks, Tractors, Trailers, and Stackers (Except Metal Pallets and Air Cargo Containers). Metal Pallets .....	Industrial Truck, Tractor, Trailer, and Stacker Machinery Manufacturing.  All Other Fabricated Metal Product Manufacturing (pt) (Included in Fabricated Metal Product Manufacturing subsector).
	Metal Air Cargo Containers .....	Other Metal Container Manufacturing (pt) (Included in Fabricated Metal Product Manufacturing subsector).
3541 .....	Machine Tools, Metal Cutting Type .....	Machine Tool Manufacturing, Metal Cutting Types.

TABLE 2—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
3542 .....	Machine Tools, Metal Forming Type .....	Machine Tool Manufacturing, Metal Forming Types.
3543 .....	Industrial Patterns .....	Industrial Pattern Manufacturing (Included in Fabricated Metal Product Manufacturing subsector).
3544 .....	Special Dies and Tools, Die Sets, Jigs and Fixtures, and Industrial Molds: Special Dies and Tools, Die Sets, Jigs and Fixtures. Industrial Molds .....	Special Die and Tool, Die Set, Jig, and Fixture Manufacturing. Industrial Mold Manufacturing.
3545@ .....	Cutting Tools, Machine Tool Accessories, and Machinists' Precision Measuring Devices: Precision Measuring Devices .....	Hand and Edge Tool Manufacturing (pt) (Included in Fabricated Metal Product Manufacturing subsector). Cutting Tool and Machine Tool Accessory Manufacturing.
3546 .....	Other .....	Power-Driven Hand Tool Manufacturing.
3546 .....	Power-Driven Handtools .....	Rolling Mill Machinery and Equipment Manufacturing.
3547 .....	Rolling Mill Machinery and Equipment .....	Welding and Soldering Equipment Manufacturing Power, Distribution, and Specialty Transformer Manufacturing (pt) (Included in Electrical Equipment, Appliance and Component Manufacturing subsector).
3548@ .....	Electric and Gas Welding and Soldering Equipment Welding and Soldering Equipment Transformers for Arc-Welding.	Other Metalworking Machinery Manufacturing.
3549 .....	Metalworking Machinery, NEC .....	Textile Machinery Manufacturing.
3552 .....	Textile Machinery .....	Sawmill and Woodworking Machinery Manufacturing.
3553 .....	Woodworking Machinery .....	Paper Industry Machinery Manufacturing.
3554 .....	Paper Industries Machinery .....	Printing Trades Machinery and Equipment Manufacturing.
3555 .....	Printing Trades Machinery and Equipment .....	Food Product Machinery Manufacturing.
3556 .....	Food Products Machinery .....	Special Industry Machinery, NEC: Special Industry Machinery, NEC (Except Rubber and Plastics Manufacturing Machinery, Semiconductor Manufacturing Machinery and Automotive Maintenance Equipment). Rubber and Plastics Manufacturing Machinery .. Automotive Maintenance Equipment .....
3559@ .....	Special Industry Machinery, NEC: Special Industry Machinery, NEC (Except Rubber and Plastics Manufacturing Machinery, Semiconductor Manufacturing Machinery and Automotive Maintenance Equipment). Rubber and Plastics Manufacturing Machinery .. Automotive Maintenance Equipment .....	All Other Industrial Machinery Manufacturing (pt). Rubber and Plastic Industry Machinery Manufacturing. Other Commercial and Service Industry Machinery Manufacturing (pt). Semiconductor Manufacturing Machinery.
3561 .....	Semiconductor Machinery Manufacturing .....	Pump and Pumping Equipment Manufacturing.
3561 .....	Pumps and Pumping Equipment .....	Ball and Roller Bearing Manufacturing (Included in Fabricated Metal Product Manufacturing subsector).
3562 .....	Ball and Roller Bearings .....	Air and Gas Compressor Manufacturing.
3563 .....	Air and Gas Compressors .....	Air Purification Equipment Manufacturing.
3564 .....	Industrial and Commercial Fans and Blowers and Air Purification Equipment: Air Purification Equipment .....	Industrial and Commercial Fan and Blower Manufacturing.
3565 .....	Fans and Blowers .....	Packaging Machinery Manufacturing.
3565 .....	Packaging Machinery .....	Speed Changer, Industrial High-Speed Drive, and Gear Manufacturing.
3566 .....	Speed Changers, Industrial High-Speed Drives, and Gears.	Industrial Process Furnaces and Oven Manufacturing.
3567 .....	Industrial Process Furnaces and Ovens .....	Mechanical Power Transmission Equipment Manufacturing.
3568 .....	Mechanical Power Transmission Equipment, NEC	All Other General Purpose Machinery Manufacturing (pt).
3569 .....	General Industrial Machinery and Equipment, NEC	Electronic Computer Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3571 .....	Electronic Computers .....	Computer Storage Device Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3572 .....	Computer Storage Devices .....	Computer Terminal Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3575 .....	Computer Terminals .....	Computer Peripheral Equipment Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).
3577 .....	Computer Peripheral Equipment, NEC .....	Calculating and Accounting Machinery, Except Electronic Computers: Calculating and Accounting Machinery, Except Electronic Computers (Except Point of Sales Terminals and Funds Transfer Devices). Point of Transfer Terminals and Fund Transfer Devices.
3578@ .....	Calculating and Accounting Machinery, Except Electronic Computers: Calculating and Accounting Machinery, Except Electronic Computers (Except Point of Sales Terminals and Funds Transfer Devices). Point of Transfer Terminals and Fund Transfer Devices.	Office Machinery Manufacturing (pt). Other Computer Peripheral Equipment Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).
3579@ .....	Office Machines, NEC: Office Machines, NEC (Except Timeclocks, Time Stamps, Pencil Sharpeners, Stapling Machines, etc.). Timeclocks, Time Stamps .....	Office Machinery Manufacturing (pt). Watch, Clock, and Part Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector). Lead Pencil, Crayon and Artist Material Manufacturing (pt) (Included in Miscellaneous Manufacturing subsector).
	Pencil Sharpeners, Stapling Machines, etc. ....	

TABLE 2—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
3581 .....	Automatic Vending Machines .....	Automatic Vending Machines Manufacturing.
3582 .....	Commercial Laundry, Drycleaning, and Pressing Machines.	Commercial Laundry, Drycleaning, and Pressing Machines Manufacturing.
3585 .....	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment. Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment (Except Water Coolers). Water Coolers .....	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing. Household Refrigerator and Home and Farm Freezer Manufacturing (pt) (Included in Electrical Equipment, Appliance and Component Manufacturing subsector).
3586 .....	Measuring and Dispensing Pumps .....	Measuring and Dispensing Pump Manufacturing.
3589 .....	Service Industry Machinery .....	Other Commercial and Service Industry Machinery Manufacturing (pt).
3592 .....	Carburetors, Pistons, Piston Rings, and Valves ....	Carburetor, Piston, Piston Ring, and Valve Manufacturing (Included in Transportation Equipment Manufacturing subsector).
3593 .....	Fluid Power Cylinders and Actuators .....	Fluid Power Cylinder and Actuator Manufacturing.
3594 .....	Fluid Power Pumps and Motors .....	Fluid Power Pump and Motor Manufacturing.
3596 .....	Scales and Balances, Except Laboratory .....	Scales and Balance Manufacturing, Except Laboratory.
3599@ .....	Industrial and Commercial Machinery and Equipment, NEC: Industrial and Commercial Machinery and Equipment, NEC (Other Machinery). Flexible Metal Hose .....	All Other General Purpose Machinery Manufacturing (pt). All Other Fabricated Metal Product Manufacturing (pt) (Included in Fabricated Metal Product Manufacturing subsector).
	Gasoline, Oil and Intake Filters for Internal Combustion. Engines, Except those for Motor Vehicles .....	Other Motor Vehicle Part Manufacturing (pt) (Included in Transportation Equipment Manufacturing subsector).
	Carnival Amusement Park Equipment .....	Equipment Manufacturing subsector).
	Machine Shops .....	Other Commercial and Service Industry Machinery Manufacturing (pt). Machine Shops (Included in Fabricated Metal Product Manufacturing subsector).
3634 .....	Electric Housewares and Fans: Electric Housewares and Fans (Except Permanent Electric Wall and Baseboard heating Units). Permanent Electric Wall and Baseboard Heating Units.	Electric Housewares and Fan Manufacturing (pt) (Included in Electrical Equipment, Appliance and Component Manufacturing subsector). Heating Equipment Manufacturing, Except Electric and Warm Air Furnaces (pt).
3639 .....	Household Appliances, NEC: Floor Waxing and Floor Polishing Machines .....	Household Vacuum Cleaner Manufacturing (pt) (Included in Electrical Equipment, Appliance and Component Manufacturing subsector).
	Household Sewing Machines .....	All Other Industrial Machinery Manufacturing (pt).
	Other .....	Other Household Appliance Manufacturing (pt) (Included in Electrical Equipment, Appliance and Component Manufacturing subsector).
3699 .....	Electrical Machinery, Equipment, and Supplies, NEC: Electronic Teaching Machines and Flight Simulators. Outboard Electric Motors .....	Other Commercial and Service Industry Machinery Manufacturing (pt). Other Engine Manufacturing (pt) (Included in Transportation Equipment Manufacturing subsector).
	Bar Code Scanners .....	Other Computer Peripheral Equipment Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).
	Lasers .....	Classify According to Function.
	Christmas tree lighting sets, electric insect lamps.	Other Lighting Equipment Manufacturing (pt) (Included in Electrical Equipment, Appliance and Component Manufacturing subsector).
	Other .....	Other Electrical Industrial Apparatus Manufacturing (pt) (Included in Electrical Equipment, Appliance and Component Manufacturing subsector).
3743 .....	Railroad Equipment: Railroad Equipment (Except Railroad Locomotive Pumps). Locomotive Fuel Lubricating or Cooling Medium Pumps.	Railroad Equipment Manufacturing (Included in Transportation Equipment Manufacturing subsector). Pump and Pumping Equipment Manufacturing.
3827 .....	Optical Instruments and Lenses .....	Optical Instrument and Lense Manufacturing.
3861@ .....	Photographic Equipment and Supplies:	

TABLE 2—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
	Photographic Equipment and Supplies (Except Photographic Films, Paper and Chemicals).	Photographic and photocopying Equipment Manufacturing.

The abbreviation "pt" means "part of", @ means times series break has been created that is greater than 3% of the 1992 value of shipments for the 1987 SIC industry. The abbreviation NEC is used for Not Elsewhere Classified.

#### *Description of changes to the U.S. System*

A number of the changes listed in this section were made for reasons of international comparability. Where one or more of the three North American countries had different definitions of an industry classification, adjustments to the definitions of one or more countries were required. In constructing NAICS, the three countries agreed to move, where change was required to attain international comparability, in the direction of the country or countries whose existing classification definitions most closely corresponded to the production-oriented concept adopted for NAICS. Cases where the U.S. changed are listed below; other cases where Canada or Mexico moved toward the U.S. classification are not, of course, listed in this section.

Five new industries were added to the 1997 industry structure for this industry subsector. New industries were created for:

Semiconductor Machinery Manufacturing from part of 1987 SIC 3559, Special Industry Machinery, NEC, in response to an industry proposal and because of the highly specialized production processes involved.

Rubber and Plastic Industry Machinery Manufacturing from part of 1987 SIC 3559, Special Industry Machinery, NEC, in response to a plastics industry proposal and because of the highly specialized production processes involved. Rubber machinery was included with plastics machinery because of shared production characteristics.

Air Purification Equipment Manufacturing from part of 1987 SIC 3564, Industrial and Commercial Fans and Blowers and Air Purification Equipment, in response to an industry proposal and because of highly specialized production processes involved.

Office Machinery Manufacturing from part of 1987 SIC 3578, Calculating and Accounting Machinery, Except Electronic Computers, and from part of 1987 SIC 3579, Office Machines, NEC, to achieve international comparability. Mexico has a separate class already broken out. More advanced electronic office machinery is placed in the new

Computer and Electronic Product Manufacturing subsector, because the production processes are very different.

Photographic and Photocopying Equipment Manufacturing from Part of 1987 SIC 3861, Photographic Equipment and Supplies, to achieve international comparability.

Seven industries were removed from this industry group, and transferred elsewhere. All seven of these were moved to achieve international comparability, or to create the new Computer and Electronic Product Manufacturing subsector.

Industrial Pattern Manufacturing was transferred into the Fabricated Metal Product Manufacturing subsector.

Ball and Roller Bearing Manufacturing was transferred into the Fabricated Metal Product Manufacturing subsector.

Carburetor, Piston, Piston Ring, and Valve Manufacturing was transferred into the Transportation Equipment Manufacturing subsector.

Electronic Computer Manufacturing was transferred into the Computer and Electronic Component Manufacturing subsector.

Computer Storage Product Device Manufacturing was transferred into the Computer and Electronic Product Manufacturing subsector.

Computer Terminal Manufacturing was transferred into the Computer and Electronic Product Manufacturing subsector.

Computer Peripheral Equipment, NEC was transferred into the Computer and Electronic Product Manufacturing subsector.

Fifteen activities transferred out of 1987 Major Group 35, Industrial and Commercial Machinery and Computer Equipment, and are described more fully in their new respective subsectors.

Ferrous and nonferrous mold manufacturing was transferred from part of 1987 SIC 3544, Special Dies and Tools, Die Sets, Jigs and Fixtures, and Industrial Molds, into the Primary Metal Manufacturing subsector.

Hand hair clippers for animals and metal corral, stall, and holding gate manufacturing were transferred from part of 1987 SIC 3523, Farm Machinery and Equipment, into the Fabricated Metal Product Manufacturing subsector.

Nonpowered lawn mower manufacturing was transferred from part of 1987 SIC 3524, Lawn and Garden Tractors and Home Lawn and Garden Equipment, into the Fabricated Metal Product Manufacturing subsector.

Precision measuring tool manufacturing was transferred from part of 1987 SIC 3545, Cutting Tools, Machine Tool Accessories, and Machinists' Precision Measuring Devices, into the Fabricated Metal Product Manufacturing subsector.

Metal air cargo container and metal pallet manufacturing was transferred from part of 1987 SIC 3537, Industrial Trucks, Tractors, Trailers, and Stackers, into the Fabricated Metal Product Manufacturing subsector.

Machine shops were transferred from part of 1987 SIC 3599, Industrial and Commercial Machinery and Equipment, NEC, into the Fabricated Metal Product

Manufacturing subsector, to achieve international comparability. Canada had machine shops in CSIC 30, Fabricated Metal Products Industries.

Stationery engine radiator manufacturing was transferred from part of 1987 SIC 3519, Internal Combustion Engines, NEC, into the Transportation Equipment Manufacturing subsector.

Gasoline, oil, and air filters for internal combustion engines, except motor vehicle was transferred from part of 1987 SIC 3599, Industrial and Commercial Machinery and Equipment, NEC, into the Transportation Equipment Manufacturing subsector.

Railway track maintenance equipment manufacturing was transferred from part of 1987 SIC 3531, Construction Machinery and Equipment, into the Transportation Equipment Manufacturing subsector.

Arc-welding transformer manufacturing was transferred from part of 1987 SIC 3548, Electric and Gas Welding and Soldering Equipment, into the Electrical Equipment, Appliance and Component Manufacturing subsector.

Water cooler manufacturing was transferred from 1987 SIC 3585, Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment, into the Electrical Equipment, Appliance

and Component Manufacturing subsector.

Point of sale (computerized cash register), fund transfer machine, and automatic teller machine terminal manufacturing was transferred from part of 1987 SIC 3578, Calculating and Accounting Machines, Except Electronic Computers, into the Computer and Electronic Product Manufacturing subsector.

Pencil sharpener and stapling machine manufacturing was transferred from part of 1987 SIC 3579, Office Machines, NEC, into the Miscellaneous Manufacturing subsector.

Time clock and other time recording device manufacturing was transferred from part of 1987 SIC 3579, Office Machines, NEC, into the Computer and Electronic Product Manufacturing subsector.

Two industries were transferred into this subsector:

Heating equipment manufacturing, except electric and warm air furnaces was transferred from 1987 SIC 3433, Heating Equipment, Except Electric and Warm Air Furnace (in the Fabricated Metal Manufacturing major group), to achieve international comparability. Canada had this in machinery manufacturing.

Optical Instrument and Lense Manufacturing was transferred from 1987 SIC 3827, Optical Instrument and Lenses, to achieve international comparability.

Six activities were transferred into the Machinery Manufacturing subsector.

Household sewing machine manufacturing was transferred from part of 1987 SIC 3639, Household Appliances, NEC, into All Other Industrial Machinery Manufacturing, to achieve international comparability. The U.S. and Canada moved to agree with Mexico, because the manufacture of household and industrial sewing machines are similar production processes.

Teaching machine and flight simulator manufacturing was transferred from part of 1987 SIC 3699, Electrical Machinery, Equipment, and Supplies, NEC, into Other Commercial and Service Industry Machinery Manufacturing, to achieve international comparability. The U.S. and Canada moved to match Mexico.

Metal cooling tower manufacturing was transferred from part of 1987 SIC 3443, Fabricated Plate Work (Boiler Shops), into Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing, to achieve international comparability. Canada

includes cooling towers in CSIC 31, Machinery Industries.

Permanent electric wall and baseboard heating equipment manufacturing was transferred from part of 1987 SIC 3634, Electric Housewares and Fans into Heating Equipment, Except Electric and Warm Air Furnace Manufacturing, to achieve international comparability. The U.S. and Canada (from CSIC 30, Fabricated Metals) moved to match Mexico.

Locomotive fuel lubricating and cooling medium pump manufacturing was transferred from part of 1987 SIC 3743, Railroad Equipment, into Pump and Pumping Equipment Manufacturing, to reflect similarities in production.

Outboard electric motor manufacturing was transferred from part of 1987 SIC 3699, Electrical Machinery, Equipment, and Supplies, NEC, into Other Engine Manufacturing, to achieve international comparability. The U.S. moved to match Canada and Mexico.

Also, there were several activities that transferred within the Machinery Manufacturing subsector. The number of machinery manufacturing industries increased from 38 in 1987 to 46 in 1997. For time series linkage, 31 of the 1987 industries are comparable within three percent of the 1997 industries.

Part VI—Proposed New Industry Structure for Electrical Equipment, Appliance and Component Manufacturing

#### Section A—NAICS Structure

North American Industry Classification System (NAICS) Agreement Number 9

This Document represents the proposed agreement on the structure of the North American Industry Classification System (NAICS) for the following industries: Electrical Equipment, Appliance and Component Manufacturing.

The detailed NAICS structure along with a brief description of the structure is attached (Attachments 1 and 2). Each country agrees to release a copy of the proposed NAICS structure to interested data users. Comments received will be shared among the countries and additional discussions will be held before a final decision on the structure is made. Each country may add additional detailed industries, below the 4-digit level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to a 4-digit NAICS level in order to ensure full comparability among the three countries.

This NAICS structure was presented and provisionally accepted at the NAICS Committee meeting held on August 30, 1995–September 1, 1995 in Washington, DC.

Accepted	Signature	Date
Canada .....	/S/ Jacob Ryten.	9/1/95
Mexico .....	/S/ Enrique Ordaz.	9/1/95
United States ..	/S/ Jack E. Triplet.	9/1/95

#### Attachment 1—NAICS Structure

XX Electrical Equipment, Appliance, and Component Manufacturing  
 XXX Electric Lighting, Equipment and Sign Manufacturing  
 XXXX Electric Lamp Bulb and Part Manufacturing  
 XXXX Electric Sign and Lighting Fixture Manufacturing  
 XXX Household Appliance Manufacturing  
 XXXX Small Electrical Appliance Manufacturing  
 XXXX Major Appliance Manufacturing  
 XXX Electrical Equipment Manufacturing  
 XXXX Electrical Equipment Manufacturing  
 XXX Other Electrical Equipment and Component Manufacturing  
 XXXX Accumulator and Battery Manufacturing  
 XXXX Communication and Energy Wire Manufacturing  
 XXXX Accessories and Conductors for Carrying Current Manufacturing  
 XXXX All Other Electrical Equipment and Component Manufacturing

#### Attachment 2—North American Industry Classification System

Draft Classification for: Electrical Equipment, Appliance and Component Manufacturing

Representatives of the statistical agencies of Canada, Mexico, and the United States agree to a draft industrial classification for these industries.

This draft classification applies to the subsector, Electrical Equipment, Appliance and Component Manufacturing. This subsector is subdivided into four industry groups and nine industries. This subsector is part of the Manufacturing sector.

#### A General Outline

The Electrical Equipment, Appliance and Component Manufacturing industries create products that generate, distribute and use electrical power. While establishments classified in many parts of manufacturing make products that use electricity, the manufacture of electric lighting equipment and signs and household appliances require particular attention to the application of electricity. That is the reason for their inclusion in this subsector.

Electrical Equipment Manufacturing establishments produce goods that generate and distribute electrical power, or that are made with similar production technology, such as motors, generators, transformers and switchgear apparatus. Other Electrical Equipment and Component Manufacturing establishments produce devices for storing electrical power (e.g., accumulators), for transmitting electricity (e.g., insulated wire), and accessories for carrying current. Activities in both Electrical Equipment Manufacturing and Other Electrical Equipment and Component Manufacturing industry groups all involve the manufacture of machinery for the generation and distribution of power.

#### *Limitations and Constraints of the Classification*

In the Electrical Equipment, Appliance and Component Manufacturing subsector, most activities identified in one country exist in the others. The way activities are combined in establishments differs to some extent in the different countries. For example, Canada cannot separate the manufacturing of household cooking equipment from refrigerators and freezers because these activities are often combined in Canadian establishments. Often an activity is not economically significant to the same degree in all countries. For example, size constraints in Canada prohibit separating the manufacture of batteries from accumulators. For those reasons, some NAICS industries in this subsector are broader than would be desirable in a system that distinguishes as does NAICS among production processes. Each country will publish additional categories that comprise subdivisions of NAICS industries to present data for activities that are nationally significant.

For those users requiring detailed commodity information, each country will publish information on the products of these industries. Efforts are also underway to harmonize the commodity classifications to allow comparability of these statistics.

#### *Relationship to ISIC*

Most of the NAICS four-digit industries created in this subsector can be assigned to Division 28, Manufacture of Fabricated Metal Products, Except Machinery and Equipment or Division 31, Manufacture of Electrical Machinery and Apparatus, nec of the current International Standard Industrial Classification of all Economic Activities (ISIC, Revision 3) of the United Nations. Therefore, data tabulated using NAICS

can readily be re-tabulated according to ISIC with the following exception: NAICS industry, All Other Electrical Equipment and Component Manufacturing includes non-electrical products of graphite or carbon because those nonelectrical products are made in the same establishments as electrical graphite and carbon products. In ISIC, this activity is included in Division 26, Manufacture of Other Non-Metallic Mineral Products.

#### *Some Changes to the National Classifications*

For Canada, the Electrical Equipment, Appliance and Component Manufacturing subsector is part of the existing Canadian classification's Electrical and Electronic Products Industries major group. A large part of that major group will form part of the new NAICS Computer and Electronic Product Manufacturing subsector. As well, establishments that draw wire and insulate it are classified in Primary Metal Manufacturing in NAICS. This subsector includes electric signs that are classified in Miscellaneous Manufacturing in the current Canadian classification. The structures of the NAICS and Canadian classifications are similar. There are fewer industries in NAICS, but national industries will provide the same level of detail as before.

For Mexico, the Electrical Equipment, Appliance and Component Manufacturing subsector includes many of the activities currently in the Mexican classification's Manufacture and Assembly of Machinery, Equipment and Electrical Accessories and Manufacture and Assembly of Electric and Non-Electric Appliances and Accessories for Home Use. However, NAICS includes the manufacturing of turbines and some engines in Machinery Manufacturing, rather than in electrical machinery and it classifies electrical apparatus for transportation equipment in Transportation Equipment Manufacturing. The structure of the NAICS subsector is not similar to that of the corresponding areas of the Mexican classification. There are fewer industries in NAICS, but national industries will provide the same level of detail as before.

For the United States, a major change to the structure encompasses the transfer of twelve industries out of the existing 1987 SIC major group, Electronic and Other Electrical Equipment and Components Except Computer Equipment, to the proposed new NAICS subsector, Computer and Electronic Product Manufacturing. The industries moved are those that

manufacture electronic components such as printed circuit boards and semiconductors and related devices. Two industries that produce electrical equipment/components for motor vehicles, aircraft etc. have been moved to the Transportation Equipment Manufacturing subsector.

Additional changes for the United States for this subsector include moving the manufacture of electric signs from the Miscellaneous Manufacturing subsector and the creation of a new industry from the Primary Metal Manufacturing subsector for the manufacture of insulated wire and cable from purchased wire. The relocation of insulated wire from Primary Metal Manufacturing to the Electrical Equipment, Appliance and Component Manufacturing subsector is a significant improvement of the classification with respect to the production principle as it now allows for a distinction between establishments that first draw wire and then insulate it and those that only insulate.

#### *Achievement of Objectives*

The classification meets the objectives for the North American Industry Classification System (NAICS). It is comprised of industries that group establishments with similar production processes, that is, it applies the production-oriented economic concept. In the main, the hierarchical structure of the classification also follows the production concept.

The classification achieves comparability for the three participating countries. Based on existing data, all three countries expect to be able to publish data regularly at the industry (4-digit) level of the structure. All countries agree on the detailed definitions of the industries.

Other objectives of the NAICS project are not as relevant in this area of the classification as in others. These objectives are the delineation of new and emerging industries, service industries, and industries engaged in the production of advanced technologies. The industrial sector in question is relatively mature, generally produces goods, and employs relatively stable technology. Therefore, the emphasis is on the objectives listed above.

The industries have high specialization ratios, and they are economically significant. The detail and structure of the classification are balanced in size. This enhances the classification's suitability for sampling, data-publishing and other aspects of survey operations. Finally, disruptions to time series, while they exist, have

been minimized. The statistical agencies can develop statistical "links", to enable the re-tabulation of time series on the new NAICS classification structure.

*Section B-Annex: United States National Industry Detail*

As explained in the Structure presentation of this notice, for a number of reasons 4-digit industries in the three NAICS industry subsectors presented in

Part 1, Section A— Attachment 1, contain less detail than is currently in the U.S. SIC system, and less detail than is required to meet important analytical requirements in the U.S. The three country agreement on NAICS envisions that each country may develop national detailed industries below the NAICS industry level, so long as the national detail can be aggregated to the NAICS

classification, thus assuring full North American comparability.

The ECPC is proposing U.S. 5-digit industry detail for the NAICS industry subsector covered in Part I of this notice. For cases where no 5-digit detail is shown, the ECPC is proposing that the NAICS 4-digit industries will also represent the most detailed U.S. industries.

TABLE 1

	1997 NAICS and U.S. Description	Status code	1987 SIC code	1987 SIC Description
XX	Electrical Equipment, Appliance and Component Manufacturing:			
XXX	Electric Lighting Equipment and Sign Manufacturing:			
XXXX	Electric Lamp Bulb and Part Manufacturing	E	3641	Electric Lamp Bulbs and Tubes.
XXXX	Electric Sign and Lighting Fixture Manufacturing:			
XXXXX	Electric Sign Manufacturing .....	N	*3993	Signs and Advertising Specialties (Electric signs).
XXXXX	Residential Electric Lighting Fixture Manufacturing.	E	3645 3999	Residential Electric Lighting Fixtures. Manufacturing Industries, NEC (Lamp shades of paper or textile).
XXXXX	Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing.	E	3646	Commercial, Industrial, and Institutional Electric Lighting Fixtures.
XXXXX	Other Lighting Equipment Manufacturing	R	3648 *3699	Lighting Equipment, NEC Electrical Machinery, Equipment, and Supplies, NEC (Christmas tree lighting sets and electric insect lamps).
XXX	Household Appliance Manufacturing:			
XXXX	Small Electrical Appliance Manufacturing: .....			
XXXXX	Electric Housewares and Fan Manufacturing.	3634	Electric House and Fans	(Except wall and baseboard heating units for permanent installation).
XXXXX	Household Vacuum Cleaner Manufacturing	R	3635 *3639	Household Vacuum Cleaners. Household Appliances, NEC (Floor waxing and floor polishing machines).
XXXX	Major Appliance Manufacturing:			
XXXXX	Household Cooking Appliance Manufacturing.	E	3631	Household Cooking Equipment.
XXXXX	Household Refrigerator and Home and Farm Freezer Manufacturing.	R	3585	Refrigeration and Heating Equipment (Water Coolers)
XXXXX	Household Laundry Equipment Manufacturing.	E	3632 3633	Household Refrigerators and Home and Farm Freezers. Household Laundry Equipment.
XXXXX	Other Household Appliance Manufacturing	R	3639	Household Appliances, NEC (Except floor waxing and floor polishing machines, and household sewing machines).
XXX	Electrical Equipment Manufacturing:			
XXXX	Electrical Equipment Manufacturing:			
XXXXX	Power, Distribution and Specialty Transformer Manufacturing.	R	3548	Electrical and Gas Welding and Soldering Equipment (Transformers for arc-welders)
XXXXX	Switchgear and Switchboard Apparatus Manufacturing.	E	3612 3613	Power, Distribution, and Specialty Transformers. Switchgear and Switchboard Apparatus.
XXXXX	Motor and Generator Manufacturing .....	E	3621	Motors and Generators.
XXXXX	Relay and Industrial Control Manufacturing	E	3625	Relays and Industrial Controls.
XXX	Other Electrical Equipment and Component Manufacturing:			
XXXX	Accumulator and Battery Manufacturing:			
XXXXX	Storage Battery Manufacturing .....	E	3691	Storage Batteries.
XXXXX	Dry and Wet Primary Battery Manufacturing.	E	3692	Primary Batteries, Dry and Wet.
XXXXX	Communication and Energy Wire Manufacturing:			
XXXXX	Fiber Optic Cable Manufacturing.	N	*3357	Drawing and Insulating of Nonferrous Wire (Fiber Optic Cable-Insulating Only).
XXXXX	Other Communication and Energy Wire Manufacturing.	N	*3357	Drawing and Insulating of Nonferrous Wire (Except Fiber Optic-Insulating Only).
XXXX	Accessories and Conductors for Carrying Current Manufacturing:.			

TABLE 1—Continued

	1997 NAICS and U.S. Description	Status code	1987 SIC code	1987 SIC Description
XXXXX	Current-Carrying Wiring Device Manufacturing.	E	3643	Current-Carrying Wiring Devices.
XXXXX	Noncurrent-Carrying Wiring Device Manufacturing.	E	3644	Noncurrent-Carrying Wiring Devices.
XXXX	All Other Electrical Equipment and Component Manufacturing:			
XXXXX	Carbon and Graphite Product Manufacturing .	E	3624	Carbon and Graphite Products.
XXXXX	All Other Electrical Industrial Equipment and Supply Manufacturing.	R	3629	Electrical Industrial Apparatus, NEC.
			*3699	Electrical Machinery, Equipment, and Supplies, NEC (Other electrical industrial apparatus).

The definitions of status codes are as follows: E=existing industry; N=new industry; R=revised industry; and \* means "part of". The abbreviation NEC is used for Not Elsewhere Classified.

TABLE 2

1987 SIC code	1987 SIC description	1997 U.S. description
3612 .....	Power, Distribution, and Specialty Transformers ...	Power, Distribution, and Specialty Transformer Manufacturing (pt).
3613 .....	Switchgear and Switchboard Apparatus .....	Switchgear and Switchboard Apparatus Manufacturing.
3621 .....	Motors and Generators .....	Motor and Generator Manufacturing.
3624 .....	Carbon and Graphite Products .....	Carbon and Graphite Product Manufacturing.
3625 .....	Relays and Industrial Controls .....	Relay and Industrial Control Manufacturing.
3629 .....	Electrical Industrial Apparatus, NEC .....	All Other Electrical Industrial Equipment and Supply Manufacturing (pt).
3631 .....	Household Cooking Equipment .....	Household Cooking Appliance Manufacturing.
3632 .....	Household Refrigerators and Home and Farm Freezers.	Household Refrigerator and Home and Farm Freezer Manufacturing (pt).
3633 .....	Household Laundry Equipment .....	Household Laundry Equipment Manufacturing.
3634 .....	Electric Housewares and Fans: Heating, cooking, and other electric housewares including fans. Wall and baseboard heating units for permanent installation.	Electric Housewares and Fan Manufacturing (pt). Heating Equipment Manufacturing, Except Electric and Warm Air Furnaces (Included in Machinery Manufacturing subsector).
3635 .....	Household Vacuum Cleaners .....	Household Vacuum Cleaner Manufacturing (pt).
3639 .....	Household Appliances, NEC: Floor waxing and floor polishing machines .....	Household Vacuum Cleaner Manufacturing (pt).
	Household sewing machines .....	All Other Industrial Machinery Manufacturing (pt) (Included in Machinery Manufacturing subsector).
	Other household appliances .....	Other Household Appliance Manufacturing (pt).
3641 .....	Electric Lamp Bulbs and Tubes .....	Electric Lamp Bulb and Part Manufacturing.
3643 .....	Current-Carrying Wiring Devices .....	Current-Carrying Wiring Device Manufacturing.
3644 .....	Noncurrent-Carrying Wiring Devices .....	Noncurrent-Carrying Wiring Device Manufacturing.
3645 .....	Residential Electric Lighting Fixtures .....	Residential Electric Lighting Fixture Manufacturing.
3646 .....	Commercial, Industrial, and Institutional Electric Lighting Fixtures.	Commercial, Industrial, and Institutional Electric Lighting Fixture Manufacturing.
3647 .....	Vehicular Lighting Equipment .....	Vehicular Lighting Equipment Manufacturing (Included in Transportation Equipment Manufacturing subsector).
3648@ .....	Lighting Equipment, NEC .....	Other Lighting Equipment Manufacturing (pt).
3651 .....	Household Audio and Video Equipment .....	Audio and Video Equipment Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3652 .....	Phonograph Records and Prerecorded Audio Tapes and Disks: Record publishing .....	Record production (pt) (Included in new Information sector) Integrated Record Companies (pt) (Included in new Information sector).
	Reproduction of recording media .....	Prerecorded Compact Disc, Tape, and Record Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3661 .....	Telephone and Telegraph Apparatus: Telephone and telegraph apparatus, except telephone transformers, and consumer external modems.. Telephone transformers .....	Telephone Apparatus Manufacturing (Included in Computer and Electronic Product Manufacturing subsector). Electronic Coil, Transformer, and Other Inductor Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).

TABLE 2—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
3663	Consumer external modems .....	Other Electronic Component Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).
3669	Radio and Television Broadcasting and Communication Equipment.	Broadcast and Studio Equipment Manufacturing for Radio, TV, and Cable (pt) (Included in Computer and Electronic Product Manufacturing subsector).
3671	Communications Equipment, NEC .....	Other Communication Equipment Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3672	Electron Tubes .....	Electron Tube Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3674	Printed Circuit Boards .....	Printed Circuit Board Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3675	Semiconductors and Related Devices .....	Semiconductor and Related Device Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3676	Electronic Capacitors .....	Electronic Capacitor Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3677	Electronic Resistors .....	Electronic Resistor Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3678	Electronic Coils, Transformers, and Other Inductors.	Electronic Coil, Transformer, and Other Inductor Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).
3679	Electronic Connectors .....	Electronic Connector Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).
3691	Electronic Components, NEC: Electronic control modular chips for motor vehicles.	Motor Vehicle Electrical and Electronic Equipment Manufacturing (pt) (Included in Transportation Equipment Manufacturing subsector).
3692	Communication equipment .....	Broadcast and Studio Equipment Manufacturing for Radio, TV and Cable (Included in Computer and Electronic Product Manufacturing subsector).
3694	Other electronic components .....	Other Electronic Component Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).
3695	Storage Batteries .....	Storage Battery Manufacturing.
3699@	Primary Batteries, Dry and Wet .....	Dry and Wet Primary Battery Manufacturing.
	Electrical Equipment for Internal Combustion Engines.	Motor Vehicle Electrical and Electronic Equipment Manufacturing (pt) (Included in Transportation Equipment Manufacturing subsector).
	Magnetic and Optical Recording Media .....	Magnetic and Optical Recording Media Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).
	Electrical Machinery, Equipment, and Supplies, NEC: Christmas tree lighting sets and electric insect lamps.	Other Lighting Equipment Manufacturing (pt).
	Bar code scanners .....	Other Computer Peripheral Equipment Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).
	Electric outboard motors .....	Other Engine Manufacturing (pt) (Included in Machinery Manufacturing subsector).
	Flight simulators and electronic teaching machines.	Other Commercial and Service Industry Machinery Manufacturing (pt) (Included in Machinery Manufacturing subsector).
	Lasers .....	Classified according to function.
	Other electrical machinery, equipment, and supplies.	All Other Electrical Industrial Equipment and Supply Manufacturing (pt).

The abbreviation "pt" means "part of"; @ means time series break has been created that is greater than 3% of the 1992 value of shipments for the 1987 SIC industry. The abbreviation NEC is used for Not Elsewhere Classified.

### Description of Changes to the U.S. System

A number of the changes listed in this section were made for reasons of international comparability. Where one or more of the three North American countries had different definitions of an industry classification, adjustments to the definitions in one or more countries were required. In constructing NAICS, the three countries agreed to move, where change was required to attain

international comparability, in the direction of the country or countries whose existing classification definitions most closely corresponded to the production-oriented concept adopted for NAICS. Cases where the U.S. changed are listed below; other cases where Canada or Mexico moved toward the U.S. classification are not, of course, listed in this section.

Three new industries were added to the 1997 industry structure for this subsector.

Electric Sign Manufacturing from part of 1987 SIC Code 3993, Signs and Advertising Specialties, to achieve international comparability. The U.S. and Canada moved to match Mexico.

Fiber Optic Cable Manufacturing (not drawn) from part of 1987 SIC 3357, Drawing and Insulating of Nonferrous Wire, for reasons of international

comparability and because of the highly specialized production processes involved, and because this is a newly-emerging technology.

Other Communication and Energy Wire Manufacturing (insulating of only) from part of 1987 SIC Code 3357, Drawing and Insulating of Nonferrous Wire, for purposes of international comparability and to better reflect production principles. The U.S. moved to match Canada and Mexico.

Sixteen industries were transferred out of 1987 SIC Major Group 36, Electronic and Other Electrical Equipment and Components, Except Computer Equipment. Of the sixteen industries, twelve are included in 1997 NAICS Subsector, Computer and Electronic Product Manufacturing, a new subsector; two transferred to NAICS Subsector, Transportation Equipment Manufacturing; and two were divided into several activities that were transferred into the 1997 NAICS Subsectors, Computer and Electronic Product Manufacturing and Transportation Equipment Manufacturing; and the new Information sector.

The following twelve industries were transferred to 1997 NAICS Subsector, Computer and Electronic Product Manufacturing:

- Household Audio and Video Equipment
- Telephone and Telegraph Apparatus
- Radio and Television Broadcasting and Communication Equipment
- Communications Equipment, NEC
- Electron Tubes
- Printed Circuit Boards
- Semiconductors and Related Devices
- Electronic Capacitors
- Electronic Resistors
- Electronic Coils, Transformers, and Other Inductors
- Electronic Connectors
- Magnetic and Optical Recording Media

Two industries were transferred from 1987 SIC Major Group 36, Electronic and Other Electrical Equipment and Component, Except Computer Equipment, to 1997 NAICS Subsector, Transportation Equipment Manufacturing. They were 1987 SIC 3647, Vehicular Lighting Equipment, and 1987 SIC 3694, Electrical Equipment for Internal Combustion Engines.

Record publishing moved from part of 1987 SIC 3652, Phonograph Records and Prerecorded Audio Tapes and Disks, to the new NAICS Information sector. The remaining activities were transferred to 1997 NAICS Subsector, Computer and Electronic Product Manufacturing.

1987 SIC 3679, Electronic Components, NEC, was split three ways.

One part, electronic control modular chips for motor vehicles, was transferred to 1997 NAICS Subsector, Transportation Equipment Manufacturing, and the other two parts, communication equipment and other electronic components, moved to two separate industries within 1997 NAICS Subsector, Computer and Electronic Product Manufacturing.

Three activities transferred into the 1997 Electrical Equipment, Appliance and Component subsector:

Transformers for arc-welders from part of 1987 SIC 3548, Electrical and Gas Welding and Soldering Equipment, to Power, Distribution, and Specialty Transformer Manufacturing, to achieve international comparability. Canada had this in CSIC Major Group 33, Electrical and Electronic Products Industries.

Lamp shades of paper and textiles from part of 1987 SIC 3999, Manufacturing Industries, NEC, to Residential Electric Lighting Fixture Manufacturing, to achieve international comparability. Canada had lamp shades in CSIC MG 33, Electrical and Electronic Products Industries.

Water coolers from part of 1987 SIC 3585, Refrigeration and Heating Equipment, to Household Refrigerator and Home and Farm Freezer Manufacturing, to achieve international comparability. The U.S. and Canada moved to match Mexico.

Also, several activities transferred within the Electrical Equipment, Appliance and Component Manufacturing subsector. The number of electrical equipment, appliance and component manufacturing industries decreased from 37 in 1987 to 23 in 1997. Excluding the sixteen industries that were moved out of this subsector, all but 2 of the 22 remaining 1987 industries are comparable within three percent of the 1997 industries; both of the time series breaks involve splitting activities out of old NEC categories.

**Part VII—Proposed New Industry Structure for Transportation Equipment Manufacturing**

*Section A—NAICS Structure*

**North American Industry Classification System (NAICS) Agreement Number 10**

This Document represents the proposed agreement on the structure of the North American Industry Classification System (NAICS) for the following industries:

**Transportation Equipment Manufacturing**

The detailed NAICS structure along with a brief description of the structure

is attached (Attachments 1 and 2). Each country agrees to release a copy of the proposed NAICS structure to interested data users. Comments received will be shared among the countries and additional discussions will be held before a final decision on the structure is made. Each country may add additional detailed industries, below the 4-digit level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to a 4-digit NAICS level in order to ensure full comparability among the three countries.

This NAICS structure was presented and provisionally accepted at the NAICS Committee meeting held on August 30, 1995—September 1, 1995 in Washington, DC.

Accepted	Signature	Date
Canada .....	/S/ Jacob Ryten.	9/1/95
Mexico .....	/S/ Enrique Ordaz.	9/1/95
United States ..	/S/ Jack E. Triplett.	9/1/95

**Attachment 1—NAICS Structure**

- XX Transportation Equipment Manufacturing
- XXX Motor Vehicle Manufacturing
- XXXX Passenger Car and Light Duty Truck Manufacturing
- XXXX Heavy Duty Truck Manufacturing
- XXX Truck and Bus Body and Trailer Manufacturing
- XXXX Truck and Bus Body and Trailer Manufacturing
- XXX Motor Vehicle Part Manufacturing
- XXXX Motor Vehicle Gasoline Engine and Engine Part Manufacturing
- XXXX Motor Vehicle Electrical and Electronic Equipment Manufacturing
- XXXX Motor Vehicle Steering and Suspension Component (Except Springs) Manufacturing
- XXXX Motor Vehicle Brake System Manufacturing
- XXXX Motor Vehicle Transmission and Power Train Part Manufacturing
- XXXX Motor Vehicle Fabric Accessory and Seat Manufacturing
- XXXX Motor Vehicle Metal Stamping
- XXXX Other Motor Vehicle Part Manufacturing
- XXX Aerospace Product and Part Manufacturing
- XXXX Aerospace Product and Part Manufacturing
- XXX Railroad Rolling Stock Manufacturing
- XXXX Railroad Rolling Stock Manufacturing
- XXX Ship and Boat Building
- XXXX Ship and Boat Building
- XXX Miscellaneous Transportation Equipment Manufacturing
- XXXX Miscellaneous Transportation Equipment Manufacturing

## Attachment 2—North American Industry Classification System

Draft Classification for:

### Transportation Equipment Manufacturing

Representatives of the statistical agencies of Canada, Mexico, and the United States agree to a draft industrial classification for these industries.

The draft classification provides for the subsector, Transportation Equipment Manufacturing. This subsector is further subdivided into seven industry groups and fifteen industries. The subsector will be part of the Manufacturing sector of the classification.

#### *A General Outline*

The Transportation Equipment Manufacturing industries produce equipment for transporting people and goods.

Assembly of components, usually purchased as subassemblies, characterizes the chief production process in this subsector. Other processes employed in industries in this subsector include bending, forming, welding, machining, and assembly of metal or plastic to make parts for the subassemblies that are further fabricated into the finished product by other establishments in the group. Though many of these individual production processes appear in other machinery and equipment industries, transportation equipment is accorded an entire subsector because of its economic importance in all three countries.

NAICS has industry groups for each mode of transport—road, rail, air and water. Parts for motor vehicles are important enough to warrant a separate industry group. Moreover, establishments that manufacture only parts are not as vertically integrated as those that produce complete vehicles and parts manufacture requires less assembly.

#### *Limitations and Constraints of the Classification*

In the Transportation Equipment Manufacturing industry, most activities that were identified in one country exist in the others. However, often an activity is not economically significant to the same degree in all countries. For example, a relatively broad NAICS industry was created for Aerospace Product and Part Manufacturing because this industry is less prominent in Canada and Mexico than in the United States. In Mexico, it is not possible to subdivide truck and bus body from trailer manufacturing for reasons of size. Size constraints in Canada and Mexico

prohibit separating ship building from boat building.

An operating rule has therefore been adopted for this industry subsector that the NAICS industries must be economically significant and publishable in all three countries. Each country will publish additional categories that comprise subdivisions of NAICS industries, to present data for activities that are nationally significant.

For those users requiring detailed commodity information, each country will publish information on the products of these industries. Efforts are also underway to harmonize the commodity classifications to allow for greater comparability of these statistics.

#### *Relationship to ISIC*

Most NAICS 4-digit industries in this subsector are contained in Division 34, Manufacture of Motor Vehicles, Trailers and Semi-Trailers, and Division 35, Building and Repairing of Ships and Boats of the current International Standard Industrial Classification of all Economic Activities (ISIC, Revision 3) of the United Nations. There are, however, some differences between the two systems. ISIC has two divisions for transportation equipment, Divisions 34 and 35. NAICS, on the other hand, treats this as a single subsector with seven industry groups. NAICS treats some activities, such as the manufacture of engine pumps, motor vehicle electrical equipment, automotive fabrics, and automotive seats as the manufacture of automotive parts in the Transportation Equipment Manufacturing subsector. ISIC classifies these activities elsewhere. ISIC treats guided missiles, tanks and armored vehicles as machinery. NAICS includes these activities in Transportation Equipment Manufacturing because the production processes are similar to that of other transportation equipment. NAICS groups automotive hardware (door handles and similar parts) with other hardware because the production processes are similar, but includes stamping in automotive parts because auto stampings are produced in specialized establishments.

The following NAICS industries belong to ISIC Divisions 34 and 35 with the exception of the activities indicated: Truck and Bus Body and Trailer Manufacturing (dump truck lifting mechanisms); Motor Vehicle Gasoline Engine and Engine Part Manufacturing (motor vehicle engine pumps); Motor Vehicle and Electronic Equipment Manufacturing (electrical and electronic motor vehicle equipment); Motor Vehicle Fabric Accessory and Seat Manufacturing (automotive fabrics,

linings and trimmings); Other Motor Vehicle Part Manufacturing (filters for internal combustion engines, except motor vehicles); Aerospace Product and Part Manufacturing (aircraft pumps and guided missiles and parts); and Other Transportation Equipment Manufacturing (tanks and armored vehicles). Despite these differences that for the most part, are relatively small portions of the NAICS industries, this NAICS subsector is substantially the same as the combination of the two ISIC Divisions.

#### *Some Changes to the National Classifications*

For Canada, the Transportation Equipment Manufacturing subsector is largely the same as the current Canadian classification's Transportation Equipment Industries major group. The NAICS subsector includes the rebuilding of motor vehicle parts on a factory basis, that are partly in Fabricated Metal Industries and partly in Wholesaling in the Canadian classification. On the other hand, the NAICS classifies hardware for transportation equipment in Fabricated Metal Product Manufacturing, while the Canadian classification includes their manufacture in Transportation Equipment. The structure and amount of detail of this NAICS subsector is similar to that of the corresponding areas of the Canadian classification.

For Mexico, the Transportation Equipment Manufacturing subsector has coverage similar to the Mexican classification's Automotive Industry and Manufacture, Repair and Assembly of Other Transportation Equipment and Parts. The NAICS subsector includes the rebuilding on a factory basis of motor vehicle gasoline engines, now classified in the Mexican classification's Repair and Maintenance subsector. It also includes the manufacture of electrical equipment for transportation equipment, currently classified with electrical equipment in the Mexican classification; automotive fabrics, currently in textiles; and fiberglass boats, currently in the manufacture of plastic products. However, the manufacturing of hardware and springs for transportation equipment is classified in Fabricated Metal Product Manufacturing in NAICS, not in transportation equipment as in the Mexican classification. The structure and amount of detail of this NAICS subsector is similar to that of the corresponding areas of the Mexican classification.

For the United States, several activities related to the production of transportation equipment are transferred

into this subsector. For example, automotive job stamping of body parts is now included in this subsector. It has been transferred to this subsector to achieve comparability with Canada and Mexico, and because the production processes involved are exclusively devoted to the production of transportation equipment. The capital equipment required to produce automotive job stamping cannot be easily changed to produce other kinds of stamping, such as appliance parts. Further, most automotive job stamping producers have arrangements (contractual etc.) that makes it even harder to switch production to other kinds of stamping. Other activities moved to this subsector for the United States include automotive lighting, electronic components, fabric accessories and seating, essentially for the reasons listed above. In addition, NAICS provides more industry detail than the 1987 SIC. Heavy duty truck manufacturing is separated from manufacture of light trucks and passenger cars to recognize differences in the production process for heavy trucks and truck bodies, and the high degree of specialization in establishments that build heavy trucks.

*Achievement of Objectives*

The classification meets the objectives for the North American Industry

Classification System (NAICS). It includes industries that group establishments with similar production processes, that is, it applies the production-oriented economic concept. In the main, the hierarchical structure of the classification also follows the production concept.

An objective of the NAICS project is the delineation of industries engaged in the production of advanced technologies. The proposed structure takes account of the development of advanced electronic sensors and control mechanisms in automobiles. Existing classifications do not have a clear location for the production of these goods. It is expected that this activity will grow and the proposed structure will allow for the creation of a separate industry for this activity in the future.

The industries have high specialization ratios, and they are economically significant. The detail (4-digit) level and structure of the classification are balanced in size. This enhances the classification's suitability for sampling, data-publishing and other aspects of survey operations. Finally, while disruptions to time series exist, they have been minimized. The statistical agencies can develop statistical "links", to enable the re-tabulation of time series on the new NAICS classification structure.

The classification achieves comparability for the three participating countries. Based on existing data, all three countries expect to be able to publish data regularly at the industry (4-digit) level of the structure. All countries agree on the detailed definitions of the industries.

*Section B-Annex: United States National Industry Detail*

As explained in the Structure presentation of this notice, for a number of reasons 4-digit industries in the three NAICS industry subsectors presented in Part 1, Section A—Attachment 1, contain less detail than is currently in the U.S. SIC system, and less detail than is required to meet important analytical requirements in the U.S. The three country agreement on NAICS envisions that each country may develop national detailed industries below the NAICS industry level, so long as the national detail can be aggregated to the NAICS classification, thus assuring full North American comparability.

The ECPC is proposing U.S. 5-digit industry detail for the NAICS industry subsector covered in Part I of this notice. For cases where no 5-digit detail is shown, the ECPC is proposing that the NAICS 4-digit industries will also represent the most detailed U.S. industries.

TABLE 1

	1997 NAICS AND U.S. description	Status code	1987 SIC code	1987 SIC description
XX	Transportation Equipment Manufacturing:			
XXX	Motor Vehicle Manufacturing:			
XXXX	Passenger Car and Light Duty Truck Manufacturing.	N	*3711	Motor Vehicles and Passenger Car Bodies (Passenger Cars and Light Duty Trucks).
XXXX	Heavy Duty Truck Manufacturing .....	N	*3711	Motor Vehicles and Passenger Car Bodies (Heavy Duty Trucks).
XXX	Truck and Bus Body and Trailer Manufacturing:			
XXXX	Truck and Bus Body and Trailer Manufacturing:			
XXXXX	Truck and Bus Body Manufacturing .....	R	*3711	Motor Vehicles and Passenger Car Bodies (Kit Car and Other Passenger Car Bodies).
			3713	Truck and Bus Bodies.
			*3714	Motor Vehicle Parts and Accessories (Dumptruck Lifting Mechanisms and Fifth Wheels).
XXXXX	Truck Trailer Manufacturing .....	E	3715	Truck Trailers.
XXXXX	Motor Home Manufacturing .....	E	3716	Motor Homes.
XXXXX	Travel Trailer and Camper Manufacturing	R	3792	Travel Trailers and Campers.
			*3799	Transportation Equipment, NEC (Automobile, Boat, Utility and Light Truck Trailers).
XXX	Motor Vehicle Part Manufacturing:			
XXXX	Motor Vehicle Gasoline Engine and Engine Part Manufacturing:			
XXXXX	Carburetor, Piston, Piston Ring and Valve Manufacturing.	E	3592	Carburetors, Pistons, Piston Rings, and Valves.
XXXXX	Engine and Engine Part Manufacturing .....	N	*3714	Motor Vehicle Parts and Accessories (Gasoline Engines and Engine Parts Including Rebuilt).
XXXX	Motor Vehicle Electrical and Electronic Equipment Manufacturing:			

TABLE 1—Continued

	1997 NAICS AND U.S. description	Status code	1987 SIC code	1987 SIC description
XXXXX	Vehicular Lighting Equipment Manufacturing.	E	3647	Vehicular Lighting Equipment.
XXXXX	Motor Vehicle Electrical and Electronic Equipment Manufacturing.	R	*3679 3694 *3714	Electronic Components, NEC (Electronic Control Modular Chips for Motor Vehicles). Electrical Equipment for Internal Combustion Engines. Motor Vehicle Parts and Accessories (Wiring Harness Sets, Other Than Ignition; Block Heaters and Battery Heaters; Instrument Board Assemblies; Permanent Defrosters; Windshield Washer-Wiper Mechanisms; Cruise Control Mechanisms; and Other Electrical Equipment for Internal Combustion Engines).
XXXX	Motor Vehicle Steering and Suspension Component (Except Springs) Manufacturing.	N	*3714	Motor Vehicle Parts and Accessories (Steering and Suspension Parts).
XXXX	Motor Vehicle Brake System Manufacturing ..	N	*3292 *3714	Asbestos Products (Asbestos Brake Linings and Pads). Motor Vehicle Parts and Accessories (Brake and Brake Systems, Including Assemblies).
XXXX	Motor Vehicle Transmission and Power Train Part Manufacturing.	N	*3714	Motor Vehicle Parts and Accessories (Transmissions and Power Train Parts, Including Rebuilding).
XXXX	Motor Vehicle Fabric Accessory and Sat Manufacturing.	N	*2396 *2399 *2531	Automotive Trimmings, Apparel Findings, and Related Products (Textile Motor Vehicle Trimmings). Fabricated Textile Products, NEC (Motor Vehicle Seat Belts, and Seat and Tire Covers). Public Building and Related Furniture (Seats for Motor Vehicles).
XXXX	Motor Vehicle Metal Stamping .....	R	*3465	Automotive Stampings.
XXXX	Other Motor Vehicle Part Manufacturing .....	R	*3519 *3599 *3714	Internal Combustion Engines, NEC (Stationary Engine Radiators). Industrial and Commercial Machinery and Equipment, NEC (Gasoline, Oil and Intake Filters for Internal Combustion Engines, Except those for Motor Vehicles). Motor Vehicle Parts and Accessories (Except Truck and Bus Bodies, Trailers, Engine and Engine Parts, Motor Vehicle Electrical and Electronic Equipment, Motor Vehicle Steering and Suspension Components, Motor Vehicle Brake Systems, and Motor Vehicle Transmission and Power Train Parts).
XXX	Aerospace Product and Part Manufacturing:			
XXXX	Aerospace Product and Part Manufacturing:			
XXXXX	Aircraft Manufacturing .....	E	3721	Aircraft.
XXXXX	Aircraft Engine and Engine Part Manufacturing .	E	*3724	Aircraft Engines and Engine Parts.
XXXXX	Other Aircraft Part and Auxiliary Equipment Manufacturing.	R	*3728	Aircraft Parts and Auxiliary Equipment, NEC (Except Fluid Power Aircraft Subassemblies).
XXXXX	Guided Missile and Space Vehicle Manufacturing.	E	3761	Guided Missiles and Space Vehicles.
XXXXX	Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Part Manufacturing.	E	3764	Guided Missile and Space Vehicle Propulsion Units and Propulsion Unit Parts.
XXXXX	Other Guided Missile and Space Vehicle Part and Auxiliary Equipment Manufacturing.	E	3769	Guided Missile and Space Vehicle Parts and Auxiliary Equipment.
XXX	Railroad Rolling Stock Manufacturing:			
XXXX	Railroad Rolling Stock Manufacturing .....	R	*3531 *3743	Construction Machinery and Equipment (Railway Maintenance of Way Equipment). Railroad Equipment (Except Locomotive Fuel Lubricating or Cooling Medium Pumps).
XXX	Ship and Boat Building:			
XXXX	Ship and Boat Building:			
XXXXX	Ship Building and Repairing .....	E	3731	Ship Building and Repairing.
XXXXX	Boat Building .....	R	*3732	Boat Building and Repairing (Boat Building and Boat Building and Repair in the same establishment).
XXX	Miscellaneous Transportation Equipment Manufacturing:			
XXXX	Miscellaneous Transportation Equipment Manufacturing:			
XXXXX	Motorcycle, Bicycle and Part Manufacturing		*3944	Games, Toys, and Children's Vehicles, except Dolls and Bicycles (Metal Tricycles).
XXXXX	Military Armored Vehicle, Tank, and Tank Component Manufacturing.	R	*3751 *3711	Motorcycles, Bicycles and Parts. Motor Vehicles and Passenger Car Bodies (Military Armored Vehicles).

TABLE 1—Continued

	1997 NAICS AND U.S. description	Status code	1987 SIC code	1987 SIC description
XXXXX	Other Miscellaneous Transportation equipment Manufacturing.	R	*3795 *3799	Tanks and Tank Components. Transportation Equipment, NEC (Except Automobile, Boat, Utility Light Truck Trailers; and Wheelbarrows).

The definitions of status codes are as follows: E = existing industry, N = new industry; R = revised industry; and \*means "part of". The abbreviation NEC is used for Not Elsewhere Classified.

TABLE 2

1987 SIC code	1987 SIC description	1997 U.S. description
2396@ .....	Automotive Trimmings, Apparel Findings, and Related Products: Textile Motor Vehicle Trimmings ..... Apparel Articles .....	Motor Vehicle Fabric Accessory and Seat Manufacturing (pt). Apparel Belt, Apparel Accessories, and Other Apparel Manufacturing (pt) (Included in Apparel Manufacturing subsector).
	Printing on Apparel .....	Other Commercial Printing (pt) (Included in Printing and Related Support Activities subsector).
	Other Automotive Trimmings, Apparel Findings, and Related Products.	Other Miscellaneous Textile Product Manufacturing (pt) (Included in Textile Product Mills subsector).
2399 .....	Fabricated Textile Products, NEC: Motor Vehicle Seat Belts, and Seat and Tire Cover ... Aprons, Money Belts, and Diapers .....	Motor Vehicle Fabric Accessory and Seat Manufacturing (pt). Apparel Belt, Apparel Accessories and Other Apparel Manufacturing (pt) (Included in Apparel Manufacturing subsector).
	Other Fabricated Textile Products .....	All Other Miscellaneous Textile Product Mills (pt) (Included in Textile Product Mills subsector).
2531@ .....	Public Building and Related Furniture: Seats for Motor Vehicles .....	Motor Vehicle Fabric Accessory and Seat Manufacturing (pt).
	Wood Furniture Made for Use in Public Buildings .....	Wood Office and Public Building Furniture Manufacturing (pt) (Included in Furniture Manufacturing subsector).
	Metal Furniture Made for Use in Public Buildings .....	Metal Office and Public Building Furniture Manufacturing (pt) (Included in Furniture Manufacturing subsector).
	Other than Wood or Metal Furniture Made for Use in Public Buildings.	Other Furniture Manufacturing (pt) (Included in Furniture Manufacturing subsector).
3292 .....	Asbestos Products: Asbestos Brake Linings and Pads .....	Motor Vehicle Brake System Manufacturing (pt).
	Other Asbestos Products .....	Other Nonmetallic Mineral Product Manufacturing (pt) (Included in Nonmetallic Mineral Product Manufacturing subsector).
3465 .....	Automotive Stamping .....	Motor Vehicle Metal Stamping.
3519 .....	Internal Combustion Engines, NEC: Stationary Engine Radiators .....	Other Motor Vehicle Part Manufacturing (pt).
	Internal Combustion Engines .....	Other Engine Manufacturing (pt) (Included in Machinery Manufacturing subsector).
3531@ .....	Construction Machinery and Equipment: Railway Maintenance of Way Equipment .....	Railroad Rolling Stock Manufacturing (pt).
	Winches, Aerial Work Platforms, and Automotive Wreckers Hoists.	Overhead Traveling Crane, Hoist, and Monorail System Manufacturing (pt) (Included in Machinery Manufacturing subsector).
	Other Construction Machinery and Equipment .....	Construction Machinery Manufacturing (Included in Machinery Manufacturing subsector).
3592 .....	Caburetors, Pistons, Piston Rings and Valves .....	Carburetor, Piston, Piston Ring and Valve Manufacturing.
3599@ .....	Industrial and Commercial Machinery and Equipment, NEC Gasoline, Oil and Intake Filters for Internal Combustion Engines, Except Motor Vehicle. Flexible Metal Hose .....	Other Motor Vehicle Part Manufacturing (pt).
	Carnival Amusement Park Equipment .....	All Other Fabricated Metal Product Manufacturing (pt) (Included in Fabricated Metal Product Manufacturing subsector).
	Machine Shops .....	Other Commercial and Service Industry Machinery Manufacturing (pt) (Included in Machinery Manufacturing subsector).
	Semiconductor Machinery .....	Machine Shops (Included in Fabricated Metal Product Manufacturing subsector).
	Other Industrial and Commercial Machinery and Equipment.	Semiconductor Machinery Manufacturing (Included in Machinery Manufacturing subsector).
3647 .....	Vehicular Lighting Equipment .....	Other General Purpose Machinery Manufacturing (pt) (Included in Machinery Manufacturing subsector).
3679 .....	Electronic Components, NEC: Electronic Control Modular Chips for Motor Vehicles Manufacturing (pt).	Vehicular Lighting Equipment Manufacturing.
	Communication Equipment .....	Motor Vehicle Electrical and Electronic Equipment Manufacturing.
		Broadcast and Studio Equipment for Radio, TV and Cable Manufacturing (Included in Computer and Electronic Product Manufacturing subsector).

TABLE 2—Continued

1987 SIC code	1987 SIC description	1997 U.S. description
3694 .....	Other Electronic Components Including Loaded PC Boards.	Other Electronic Component Manufacturing (pt) (Included in Computer and Electronic Product Manufacturing subsector).
3711@ .....	Electronic Equipment for Internal Combustion Engines .	Motor Vehicle Electrical and Electronic Equipment Manufacturing (pt).
	Motor Vehicles and Passenger Car Bodies:	
	Passenger Car and Light Duty Trucks .....	Passenger Car and Light Duty Truck Manufacturing.
	Heavy Duty Trucks .....	Heavy Duty Truck Manufacturing.
	Kit Car and Other Passenger Car Bodies .....	Truck and Bus Body and Trailer Manufacturing (pt).
	Military Armored Vehicles .....	Military Armored Vehicle, Tank, and Tank Component Manufacturing (pt).
3713 .....	Truck and Bus Bodies .....	Truck and Bus Body and Trailer Manufacturing (pt).
3714@ .....	Motor Vehicle Parts and Accessory:.	
	Dump-Truck Lifting Mechanisms and Fifth Wheels ....	Truck and Bus Body and Trailer Manufacturing (pt).
	Gasoline Engines Including Rebuilt and Engine Parts Including Rebuilt for Motor Vehicles.	Engine and Engine Part Manufacturing.
	Wiring Harness Sets, Other than Ignition; Block Heaters and Battery Heaters; Instrument Board Assemblies; Permanent Defroster; Windshield Washer-Wiper Mechanisms; Cruise Control Mechanism; and Other Electrical Equipment for Internal Combustion Engines.	Motor Vehicle Electrical and Electronic Equipment Manufacturing (pt).
	Steering and Suspension Parts .....	Motor Vehicle Steering and Suspension Component (Except Springs) Manufacturing.
	Brake and Brake Systems, Including Assembles .....	Motor Vehicle Brake System Manufacturing.
	Transmissions and Power Train Parts, Including Rebuilding Radiators.	Motor Vehicle Transmission and Power Train Part Manufacturing.
	Other Motor Vehicle Parts .....	Other Motor Vehicle Part Manufacturing (pt).
3716 .....	Motor Homes .....	Motor Home Manufacturing.
3721 .....	Aircraft .....	Aircraft Manufacturing.
3724 .....	Aircraft Engines and Engine Parts .....	Aircraft Engine and Engine Part Manufacturing.
3728 .....	Aircraft Parts and Auxiliary Equipment, NEC:	
	Fluid Power Aircraft Subassemblies .....	Fluid Power Valve and Hose Fitting Manufacturing (pt) (Included in Fabricated Metal Product Manufacturing subsector).
	Other Aircraft Parts and Equipment .....	Other Aircraft Part and Auxiliary Equipment Manufacturing.
3731 .....	Ship Building and Repairing .....	Skip Building and Repairing.
3732 .....	Boat Building and Repairing:	
	Boat Repair done Outside Boat Yard .....	Included in Services subsector.
	Boat Building and Repair done Inside Boat Yard .....	Boat Building (pt).
3743 .....	Railroad Equipment:	
	Locomotive Fuel Lubricating or Cooling Medium Pumps.	Pump and Pumping Equipment Manufacturing (pt) (Included in Machinery Manufacturing subsector).
	Other Railroad Equipment .....	Railroad Rolling Stock Manufacturing (pt).
3751 .....	Motorcycles, Bicycles, and Parts .....	Motorcycle, Bicycle, and Part Manufacturing (pt).
3761 .....	Guided Missiles and Space Vehicles .....	Other Guided Missile and Space Vehicle Manufacturing.
3764 .....	Guided Missile and Space Vehicle Propulsion Units and Propulsion Unit Parts.	Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Part Manufacturing.
3769 .....	Guided Missile Space Vehicle Parts and Auxiliary Equipment, NEC.	Guided Missile Space Vehicle Parts and Auxiliary Equipment Manufacturing.
3792 .....	Travel Trailers and Campers .....	Travel Trailer and Camper Manufacturing (pt).
3795 .....	Tanks and Tank Components .....	Military Armored Vehicle, Tank, and Tank Component Manufacturing (pt).
3799@ .....	Transportation Equipment, NEC:	
	Automobile, Boat, Utility and Light Truck Trailers .....	Travel Trailer and Camper Manufacturing (pt).
	Wheelbarrows .....	Hand and Edge Tool Manufacturing (pt) (Included in Fabricated Metal Product Manufacturing subsector).
	Other Transportation Equipment .....	Other Miscellaneous Transportation Equipment Manufacturing.
3944 .....	Games, Toys, and Children's Vehicles, Except Dolls and Bicycles:	
	Metal Tricycles .....	Motorcycle, Bicycle and Part Manufacturing (pt).
	Other Games, Toys and Children's Vehicles .....	Game, Toy, and Children's Vehicle Manufacturing (pt) (Included in Miscellaneous Manufacturing subsector).

The abbreviation "pt" means "part of"; @ means time series break has been created that is greater than 3% of the 1992 value of shipments for the 1987 SIC industry. The abbreviation NEC is used for Not Elsewhere Classified.

#### *Description of Changes to the U.S. System*

A number of the changes listed in this section were made for reasons of international comparability. Where one or more of the three North American

countries had different definitions of an industry classification, adjustments to the definitions in one or more countries were required. In constructing NAICS, the three countries agreed to move, where change was required to attain

international comparability, in the direction of the country or countries whose existing classification definitions most closely corresponded to the production-oriented concept adopted for NAICS. Cases where the U.S.

changed are listed below; other cases where Canada or Mexico moved toward the U.S. classification are not, of course, listed in this section.

Eight new industries were added to the 1997 industry structure for this industry subsector. The eight industries created were:

Passenger Car and Light Duty Truck Manufacturing and Heavy Duty Truck Manufacturing, both from parts of 1987 SIC 3711, Motor Vehicles and Passenger Car Bodies. The industry association suggested making additional industries from 1987 SIC 3711. The new industries are defined by high specialization, and in the case of Passenger Car and Light Duty Truck Manufacturing, large capital-intensive production facilities. This is a change for all three countries.

Engine and Engine Part Manufacturing, Motor Vehicle Steering and Suspension Component (Except Springs) Manufacturing, and Motor Vehicle Transmission and Power Train Part Manufacturing from parts of 1987 SIC 3714, Motor Vehicle Parts and Accessories. The industry suggested making additional industries from 1987 SIC 3714 and the production processes are sufficiently distinct to justify separate industries. Mexico already had separate industries for engines and for transmission and power trains, and Canada had a separate industry for steering and suspension so the U.S. change also facilitated international comparability.

Motor Vehicle Brake System Manufacturing from parts of 1987 SIC 3292, Asbestos Products, and 1987 SIC 3714, Motor Vehicle Parts and Accessories, to achieve international comparability. Mexico and Canada already had separate industries for brake system manufacturing.

Motor Vehicle Fabric Accessory and Seat Manufacturing from parts of 1987 SIC 2396, Automotive Trimmings, Apparel Findings, and Related Products; 1987 SIC 2399, Fabricated Textile Products, NEC; and 1987 SIC 2531, Public Building and Related Furniture. This change was made for international

comparability, and is an improvement on production grounds.

1987 SIC 3694, Electrical Equipment for Internal Combustion Engines, is combined with part of 1987 SIC 3679, Electronic Components, NEC, and part of 1987 SIC 3714, Motor Vehicle Parts and Accessories, to form NAICS Electrical Equipment for Internal Combustion Engine Manufacturing.

Three industries were transferred into NAICS Transportation Equipment Manufacturing:

1987 SIC 3465, Automotive Stampings, is renamed Motor Vehicle Metal Stamping to achieve international comparability and for the reasons noted in the Changes to National Classifications section above. The United States moved to match Canada and Mexico.

1987 SIC 3592, Carburetors, Pistons, Piston Rings and Valves, is renamed Carburetor, Piston, Piston Ring and Valve Manufacturing to achieve international comparability. Canada had these in CSIC 32, Transportation Equipment Industries.

1987 SIC 3647, Vehicular Lighting Equipment, is renamed Vehicular Lighting Equipment Manufacturing to achieve international comparability. Canada had this in CSIC MG 32, Transportation Equipment.

Also, four activities were transferred into the 1997 Transportation Equipment Manufacturing.

Stationary engine radiators from 1987 SIC 3519, Internal Combustion Engines, NEC, to Other Motor Vehicle Part Manufacturing, to achieve international comparability. The U.S. and Mexico moved to match Canada, because the production of radiators is a similar process whether for stationary or nonstationary engines.

Gasoline, oil and intake filters for internal combustion engines, except those for motor vehicles, from 1987 SIC 3599, Industrial and Commercial Machinery and Equipment, NEC, to Other Motor Vehicle Part Manufacturing, to achieve international comparability. The U.S. moved to match Canada and Mexico, because the

production of filters is a similar process whether for stationary or non stationary engines.

Railway maintenance of way equipment from 1987 SIC 3531, Construction Machinery and Equipment, to Railroad Rolling Stock Manufacturing, to achieve international comparability. The U.S. moved to match Canada and Mexico.

Tricycles made primarily of metal from 1987 SIC 3944, Games, Toys, and Children's Vehicles, Except Dolls and Bicycles, to Motorcycle, Bicycle, and Part Manufacturing, to achieve international comparability. The U.S. and Canada moved to match Mexico. Plastic tricycles remain in toy manufacturing.

Three activities were transferred out of 1987 Major Group 37, Transportation Equipment Manufacturing, and are described more fully in their new respective NAICS subsectors.

Boat repair done outside boat yards was transferred from 1987 SIC 3732, Boat Building and Repairing, into the Services subsector.

Locomotive fuel lubricating or cooling medium pumps were transferred from 1987 SIC 3743, Railroad Equipment, into the Machinery Manufacturing subsector.

Wheelbarrows from 1987 SIC 3799, Transportation Equipment, NEC, were transferred into Hand and Edge Tool Manufacturing in the Fabricated Metal Product Manufacturing subsector.

Several activities were transferred within the Transportation Equipment Manufacturing subsector. The number of transportation equipment industries increased from 18 in 1987 to 28 in 1997. For time series linkage, all but 3 of the 18 1987 industries are comparable within three percent of the 1997 industries. One of the three is an NEC industry.

Sally Katzen,

*Administrator, Office of Information and Regulatory Affairs.*

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