

## Part 1--Proposed New Industry Structure for Finance and Insurance

### Section A--NAICS Structure

North American Industry Classification System (NAICS)

Agreement Number 24

This Document represents the proposed agreement on the structure of the North American Industry Classification System (NAICS) for the following sector:  
Finance and Insurance.

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 NAICS industry level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to the NAICS industry 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 December 12 and December 13, 1995 in Washington, D.C.

ACCEPTED:	Signature	Date
Canada	/s/ Jacob Ryten	12/13/95
Mexico	/s/ Enrique Ordaz	12/13/95
United States	/s/ Jack E. Triplett	12/13/95

## ATTACHMENT 1--NAICS STRUCTURE

52	FINANCE AND INSURANCE
521	Monetary Authorities - Central Bank
5211	Monetary Authorities - Central Bank
52111	Monetary Authorities - Central Bank
522	Credit Intermediation and Related Activities
523	Securities, Commodity Contracts, and Other Intermediation and Related Activities
5231	Securities and Commodity Contracts Intermediation and Brokerage
5232	Securities and Commodity Exchanges
52321	Securities and Commodity Exchanges
5239	Other Financial Investment Activities
524	Insurance Carriers and Related Activities
5241	Insurance Carriers

## Attachment 2--North American Industry Classification System

Draft Classification for:  
Finance and Insurance

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

This draft classification constitutes the sector Finance and Insurance. This sector is composed of four subsectors: Monetary Authorities - Central Bank; Credit Intermediation and Related Activities; Securities, Commodity Contracts, and Other Intermediation and Related Activities; and Insurance Carriers and Related Activities. These subsectors are subdivided into six industry groups.

In addition, Canada and the United States will further subdivide the NAICS structure, creating, in all, nine industry groups and 25 industries; this structure is shown in Attachment 3. Mexico will have its own industry detail to reflect the very different financial institutions that exist in Mexico.

### *A General Outline*

The Finance and Insurance sector consists of establishments primarily engaged in financial transactions—that is, transactions involving the creation, liquidation, or change in ownership of financial assets—or in facilitating financial transactions. Three principal types of activities can be identified:

- Some establishments raise funds by taking deposits and/or issuing securities, and, in the process, incur liabilities. They use these funds to acquire financial assets by making loans and/or purchasing securities. Putting themselves at risk, they channel funds from lenders to borrowers and transform or repackage the funds with respect to maturity, scale and risk. This activity is known as *financial intermediation*, and that term will be used in the rest of this agreement.
- Some establishments are engaged in the pooling of risk. They collect fees—insurance premiums or annuity considerations; build up reserves; invest those reserves; and make contractual payments. Fees are based on the expected incidence of the insured risk and the expected return on investment.
- Some establishments are engaged in providing specialized services facilitating, or supporting, financial intermediation, insurance, and employee benefit programs.

In addition, establishments charged with monetary control—the monetary authorities—are included in this sector.

The subsectors, industry groups, and industries within this sector have been defined on the basis of their unique production processes. As with all industries, the production processes are distinguished by their use of specialized human resources and specialized physical capital. In addition, the way in which these establishments acquire and allocate financial capital—their source of funds and the use of those funds—provides a third basis for

distinguishing characteristics of the production process. For instance, the production process in raising funds through deposit taking is different from the process of raising funds in bond or money markets. The process of making loans to individuals also requires

different production processes than does the creation of investment pools or the underwriting of securities.

Most of the Finance and Insurance subsectors contain one or more industry groups of intermediaries with similar patterns of raising and using funds and another industry group of establishments engaged in activities that facilitate, or are otherwise related to, that type of financial or insurance intermediation.

The subsector Monetary Authorities - Central Bank consists of establishments engaged in such central banking functions as issuing currency, regulating the supply of credit, managing the nation's international reserves, holding deposits that represent the reserves of other banks and other central banks, and acting as fiscal agent for the central government. The institutional arrangements for performing these functions may differ among countries. In Canada these functions are performed by the Bank of Canada, in Mexico by the Bank of Mexico, and in the United States by the Federal Reserve banks.<sup>1</sup>

The subsector Credit Intermediation and Related Activities consists of two types of establishments: those that intermediate in credit markets and those that facilitate such intermediation. Establishments in the first group lend funds to the public or to other borrowers, raising the funds that they lend by accepting deposits from the public, by borrowing from other financial intermediaries, or by issuing commercial paper and debt in the capital markets. Establishments that facilitate credit intermediation are engaged in such activities as mortgage and loan brokerage, clearinghouse and reserve services, and check cashing services.

The subsector Securities, Commodity Contracts, and Other Intermediation and Related Activities contains three industry groups. The first industry group, Securities and Commodity Contracts Intermediation and Brokerage, consists of establishments that put capital at risk in the process of engaging in underwriting securities issues or in making markets for securities and establishments that, as agents and brokers, act as intermediaries between buyers and sellers, usually charging a commission. The second industry group, Securities and Commodity Exchanges, consists of securities and commodity exchanges that provide administrative, monitoring, and enforcement services for financial markets. The third industry group, Other Financial Investment Activities, consists of establishments that facilitate the marketing of other financial contracts or provide portfolio management, other investment advisory services, trust, fiduciary, and custody services.

The subsector Insurance Carriers and Related Activities contains two industry groups. The first industry group, Insurance Carriers, consists of establishments that intermediate as the consequence of pooling risks. They invest premiums to build up a portfolio of financial assets to be used against future claims. Industries are defined in terms of the type of risk being insured against, such as, death, loss of employment because of age or disability, and property

---

<sup>1</sup>The Board of Governors of the Federal Reserve System is classified in Public Administration.

damage. Contributions and premiums are set on the basis of actuarial calculations of probable payouts based on risk factors from experience tables and expected investment returns on reserves. The second industry group, Agencies, Brokerages, and Other Insurance Related Activities, consists of agencies and brokerages selling insurance and establishments providing other insurance- and employee-benefit-related services.

Background: Existing industry classification structures for this sector typically have been specified at the enterprise level by type of financial institution—banks, life insurance companies, etc. Until recently, the functions that could be performed by particular institutions were constrained by the regulatory structure in each country; but this situation is rapidly changing, particularly in Canada and the United States. The NAICS classification proposed for Finance and Insurance is a bridge between the existing institutional basis and a structure based on the activities performed within these institutions.

Industries are defined in terms of activities for which a production process can be specified, and many of these activities are not exclusive to a particular type of financial institution. Although the activities carried out by establishments in the Finance and Insurance sector appear to be broadly similar in the three countries, the manner in which they have been organized and delivered are unique to each country—depending on laws, regulations, tradition, and technological advancements. The extent to which these activities can be separately identified and measured is not clear; consequently, three-country NAICS is specified, for the most part, only at the subsector or industry group level.

To deal with the varied activities taking place within existing financial institutions, the approach is to split these institutions into components performing specialized services. This requires defining the units engaged in providing those services and developing procedures that allow for their delineation. These units are the equivalents for Finance and Insurance of the establishments defined for other industries. There are differences in the present definition of the production unit in the three countries, ranging from the location in the United States to the enterprise in Mexico. This requires that, in designing the classification structure, consideration be given to the appropriate definition and delineation of the producing unit to be classified.

The output of many financial services, as well as the inputs and the processes by which they are combined, cannot be observed at a single location and can only be defined at a higher level of the organizational structure of the enterprise. Additionally, a number of independent activities that represent separate and distinct production processes may take place at a single location belonging to a multi-location financial firm. Activities are more likely to be homogeneous with respect to production characteristics than are locations, at least in financial services. The classification proposed defines activities broadly enough that it can be used both by those classifying by location and by those employing a more top-down approach to the delineation of the establishment.

### *Limitations and Constraints of the Classification*

The classification of establishments engaged in activities that facilitate, or are otherwise related to, the various types of intermediation have been included in individual subsectors, rather than in a separate subsector dedicated to services alone. This is because these services are performed by intermediaries as well as by specialist establishments, and the extent to

which the activity of the former can be separately identified is not clear. An aggregate that includes all of the service, wherever it is produced, is preferable to one that misses much of it. In particular, in many instances Mexico proposes to collect data on an institutional basis and would be unable to separate services. Aggregates for related activities are identified at the 3-digit industry group level, wherever possible. They can be reaggregated to a services subsector if desired.

The boundaries of the Finance and Insurance sector have been defined so as to encompass establishments primarily engaged in financial transactions—that is, transactions involving the creation, liquidation, or change in ownership of financial assets—or in facilitating financial transactions. Financial industries are extensive users of electronic means for facilitating the verification of financial balances, authorizing transactions, transferring funds to and from transactors' accounts, notifying banks (or credit card issuers) of the individual transactions and providing daily summaries. Since these transaction processing activities are integral to the production of finance and insurance services, establishments that principally provide a financial transaction processing service are classified to this sector, rather than to the data processing industry in the Information sector.

Funds, trusts and other financial vehicles that are not separate production units and do not have employees are excluded from the structure in the three-country agreement. The management of these funds can require significant human and capital resources, however, and the management activity is a major source of the value added in the investment intermediary industry. In NAICS, where there are separate establishments and employees devoted to the management of funds, they are classified in "Other Financial Investment Activities" by all three countries.

These legal entities that hold portfolios of assets on behalf of others are significant, however, and data on them are required for a variety of purposes. All three countries may include these legal entities in the compilation of financial and other statistics, but whereas Canada and Mexico do not propose to include them in their compilation of production statistics, the United States proposes to do so. The United States, therefore, has extended the boundary to include funds, trusts and other financial vehicles in a fifth subsector.

### *Relationship to ISIC*

All of the industries included in this sector are contained within Divisions 65, Financial Intermediation, Except Insurance and Pension Funding; 66, Insurance and Pension Funding, and 67, Activities Auxiliary to Financial Intermediation in the current International Standard Industrial Classification of All Economic Activities (ISIC, Revision 3) of the United Nations. ISIC Division 67, however, also includes actuarial consulting services, which are in the Professional, Scientific, and Technical subsector of NAICS.

For Finance and Insurance, NAICS differs from ISIC, Rev.3, in the following respects: there are fewer detailed industries in NAICS; NAICS does not distinguish between monetary intermediation and other intermediation; NAICS monetary authorities (ISIC central banking) are not part of depository credit intermediation; NAICS includes activities related to financial intermediation within each subsector, although to the extent that such industry groups are identified, they can be reaggregated to approximate ISIC Division 67; and those holding

companies, pension funds, and other funds that are included in ISIC are excluded from NAICS.

### *Some Changes to the National Classifications*

For Canada, an important revision is that the retail operations of banks, trust companies, and other related institutions, as well as the corporate and institutional activities of these institutions, are classified to Commercial Banking, which is in the Depository Credit Intermediation industry group. There are no longer separate classes for institutions as defined in the 1980 Canadian Standard Industrial Classification (CSIC), except credit unions.

The classes contained in Major Group 71 of the CSIC are to be found in a new industry group entitled Non-Depository Credit Intermediation in NAICS, with the exception of Venture Capital Companies, which are in the industry Miscellaneous Intermediation.

Activities related to depository and non-depository credit intermediation are included in a single industry group, Activities Related to Credit Intermediation, within the NAICS subsector, Credit Intermediation and Related Activities. For instance, central credit unions, clearing houses, and reserve and other depository services are included here. Previously all of the operations of credit card companies were classified to CSIC 7122, Credit Card Companies. In NAICS, establishments specializing in the lending activities associated with credit cards are classified in the industry, Credit Card Issuing, a component of the industry group, Non-Depository Credit Intermediation. Establishments involved in the processing of credit cards (including billing and collection) are classified in an industry within the industry group, Activities Related to Credit Intermediation. In Canada, any establishments primarily involved in the processing of credit cards and also involved in other financial transactions would be placed in the industry group, Activities Related to Credit Intermediation.

There are also important revisions in the treatment of investment intermediary industries. CSIC Major Group 72, Investment Intermediary Industries, includes establishments engaged in investing in a portfolio of securities and other investments on behalf of shareholders or unit holders. Also included in this major group are various funds and holding companies. The funds themselves are the result of savings attributable to other sectors of the economy, do not have a direct role in production, and have been excluded from NAICS. The management of these funds can require significant human and capital resources and is the primary source of the value added in this industry. Where there are separate establishments with employees devoted to the management of funds, such as in the case of mutual fund management companies, they are classified in the industry group, Other Financial Investment Activities.

For Mexico, this sector corresponds almost entirely to the combination of CMAP's subsector 81 (Insurance and financial services) and branch 9740 (Services related to financial, insurance and bond institutions). The current subsector 81 comprises 18 activity classes and branch 9740 has 5 additional classes; of these 23 classes, 11 are entirely comparable with other similar NAICS industry classes, whereas the remaining 12 underwent some changes.

Class 811046 (Non-banking Institutions engaged in savings and loans) and class 811047 (other credit institutions) are included in NAICS subsector, Credit Intermediation and Related Activities; class 813002 refers to insurance services that is included in NAICS industry group Insurance Carriers.

On the other hand, some minor CMAP classes were regrouped or placed in miscellaneous

NAICS industries as in the case of surety services (813001) or the financial advisory category and development committees (811045).

Many NAICS activities will not be applicable in the case of Mexico since they refer to activities that do not exist in that country, although some may be created in the future. These activities are credit unions, interbanking and reserve boards, consumer credit, real estate credit, mortgage brokers and other credit, securities and commodity brokerage. The two other "new" industries with respect to the CMAP are miscellaneous industries generated by the restructuring of this sector.

Most of the current CMAP classes will correspond either to a NAICS industry or to a national industry. So, in fact, with respect to the CMAP, these changes do not represent a great impact on the time series.

For the United States, 1987 SIC Major Group 60, Depository Institutions, and 1987 SIC Major Group 61, Non-Depository Credit Institutions, differ from NAICS subsector Credit Intermediation and Related Activities in that the NAICS subsector does not include the central bank, which is in a subsector of its own; and a number of activities are broken out as industries and classified in other industry groups or subsectors—trust, fiduciary, and custody services, for example. In addition, NAICS recognizes the lending activities of pawnbrokers in this subsector; pawnbrokers were classified in 1987 SIC 5932, Used Merchandise Stores.

1987 SIC Major Group 62, Security and Commodity Brokers, Dealers, Exchanges, and Services, differs from NAICS subsector Securities, Commodity Contracts, and Other Intermediation and Related Activities in that the NAICS subsector more clearly delineates the distinction between portfolio management (classified here) and the assets under management (excluded from NAICS); it includes the trust, fiduciary, and custody activities of banks and other financial institutions; it includes part of 1987 SIC 6733, Trusts Except Educational, Religious, and Charitable; it includes part of 1987 SIC 6792, Oil Royalty Traders; and it includes part of 1987 SIC 6799, Investors Not Elsewhere Classified.

1987 SIC Major Group 63, Insurance Carriers, and 1987 SIC Major Group 64, Insurance Agents, Brokers, and Service, differ from NAICS subsector Insurance Carriers and Related Activities in that the NAICS subsector excludes those pension and other employee benefit funds that are simply legal entities organized to hold portfolios of securities and other assets on behalf of the beneficiaries of the funds.

Most of 1987 SIC Major Group 67, Holding and Other Investment Offices, is not included in the Finance and Insurance subsector in NAICS. 1987 SIC Industry Group 671, Holding Companies, and 1987 SIC Industry Group 672, Investment Offices, are included in the Funds, Trusts, and Other Financial Vehicles subsector, which is not part of NAICS but is a U.S. only subsector. 1987 SIC 6732, Educational, Religious, and Charitable Trusts, is included in the Religious, Grantmaking, Civic and Other Membership Organizations subsector; part of 1987 SIC 6733, Trusts Except Educational, Religious, and Charitable, is included in the Securities, Commodity Contracts, and Other Intermediation and Related Activities and part in Funds, Trusts and Other Financial Vehicles subsector; 1987 SIC 6794, Patent Owners and Lessors, is now a separate subsector; and 1987 SIC 6798, Real Estate Investment Trusts, and part of 1987 SIC 6799, Investors Not Elsewhere Classified, are included in the Funds, Trusts, and Other Financial Vehicles subsector.

## *Achievement of Objectives*

The classification meets the objectives for the North American Industry Classification System (NAICS). It is based on the production function concept, and it groups establishments with similar production processes. Data for financial institutions carrying out several activities will need to be disaggregated into their components for classification.

The classification achieves comparability at the subsector or industry group level for the three countries and at the industry level for Canada and the United States. The unique aspects of the financial systems in the three countries, as well as countries' differing abilities to break down institutional data into their component activities, are accommodated through the provision of a number of national industries in the classification.

To the extent possible, the classification structure allows for the delineation of new and emerging industries in this sector by taking into account the foreseeable changes in regulation. Innovative use of technology allows the sector to rapidly develop new products and to deliver them in new ways.

## ATTACHMENT 3--PROPOSED U.S./CANADIAN 5-DIGIT DETAIL FOR FINANCE AND INSURANCE

52	Finance and Insurance
521	Monetary Authorities - Central Bank
5211	Monetary Authorities - Central Bank
52111	Monetary Authorities - Central Bank
522	Credit Intermediation and Related Activities
5221	Depository Credit Intermediation
52211	Commercial Banking
52212	Savings Institutions
52213	Credit Unions
52219	Other Depository Credit Intermediation
5222	Non-Depository Credit Intermediation
52221	Credit Card Issuing
52222	Sales Financing
52229	Other Non-Depository Credit Intermediation
5223	Activities Related to Credit Intermediation
52231	Mortgage and Other Loan Brokers
52232	Financial Transactions Processing, Reserve, and Clearing House Activities
52239	Other Activities Related to Credit Intermediation
523	Securities, Commodity Contracts, and Other Intermediation and Related Activities
5231	Securities and Commodity Contracts Intermediation and Brokerage
52311	Investment Banking and Securities Dealing
52312	Securities Brokerage
52313	Commodity Contracts Dealing
52314	Commodity Brokerage
5232	Securities and Commodity Exchanges



52321	Securities and Commodity Exchanges
5239	Other Financial Investment Activities
52391	Miscellaneous Intermediation
52392	Portfolio Management
52393	Investment Advice
52399	All Other Financial Investment Activities
524	Insurance Carriers and Related Activities
5241	Insurance Carriers
52411	Direct Life Insurance Carriers
52412	Direct Non-Life Insurance Carriers
52413	Reinsurance Carriers
5242	Agencies, Brokerages, and Other Insurance Related Activities
52421	Insurance Agencies and Brokerages
52429	Other Insurance Related Activities

As mentioned earlier, Canada and the United States have agreed to subdivide the NAICS structure and create a number of industries. Three additional industry groups are specified, all in the sector Credit Intermediation and Related Activities, and 23 industries are defined in the industry groups that are not detailed in NAICS. As compared with the existing classifications, the major features of the proposed elaboration of the NAICS classification structure for this sector are the following:

- Financial intermediation is more clearly differentiated from services facilitating or otherwise related to financial intermediation.
- Industries are more homogeneous in terms of the activities included.
- The classification is less reflective of regulatory definitions.
- The proposed NAICS structure clearly differentiates between the management of funds and the assets under management.
- Remaining class of customer distinctions reflect true differences in production processes.

The NAICS subsector Credit Intermediation and Related Activities is subdivided into three industry groups: Depository Credit Intermediation, Non-Depository Credit Intermediation, and Activities Related to Credit Intermediation. The first industry group, Depository Credit Intermediation, consists of establishments that raise the funds they lend by accepting deposits; within it, industries are defined on the basis of differences in the types of deposit liabilities assumed and the nature of the credit extended. The second industry group, Non-Depository Credit Intermediation, consists of establishments that fund themselves by borrowing from other financial intermediaries or by issuing commercial paper and other debt instruments; within this group, industries are defined on the basis of the type of credit being extended. The third industry group, Activities Related to Credit Intermediation, consists of establishments that facilitate credit intermediation by such activities as bringing borrowers and lenders together and clearing checks and credit card transactions.

The NAICS industry group Securities and Commodity Contracts Intermediation and Brokerage is subdivided into four industries that distinguish between brokers who bring together buyers and sellers of financial instruments, usually charging a commission, and establishments that intermediate by putting capital at risk and that are compensated by price

spreads on the instruments they trade. An additional distinction is made between establishments operating in securities markets and establishments operating in commodities contract markets.

The NAICS industry group Other Financial Investment Activities is subdivided into four industries. Miscellaneous Intermediation consists of establishments that put capital at risk in instruments other than securities and commodity contracts. Establishments in Portfolio Management have authority to direct the use or investment of funds or other assets; for a fee, they buy and sell securities or other assets in portfolios of assets entrusted to them and make decisions about the objectives and content of these portfolios. Investment Advice consists of establishments that provide investment information on a fee basis, but do not have authority to execute trades. Establishments in All Other Financial Investment Activities are engaged in such activities as providing trust, fiduciary and custody services.

The NAICS industry group Insurance Carriers is subdivided into three industries. Direct Life Insurance Carriers underwrite annuities and life, accidental death and dismemberment, and disability income insurance directly to policyholders. Direct Non-Life Insurance Carriers underwrite various lines of insurance (other than life insurance) directly to policyholders. Reinsurance Carriers assume all or part of insurance policies originally written by another carrier.

The NAICS industry group Agencies, Brokerages, and Other Insurance Related Activities is subdivided into two industries. Insurance Agencies and Brokerages consists of establishments that sell insurance products. Other Insurance Related Activities consists of establishments providing, on a fee or contract basis, such insurance services as claims administration and adjusting.

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

As explained in the *Structure* presentation of this notice, the three country agreement on NAICS envisions that each country may develop national detail 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. As explained earlier, for finance and insurance the three countries agreed to comparability at either the subsector or the industry group level. However, Canada and the United States have agreed to a classification that extends comparability to the 5-digit industry level. Attachment 3 shows the industry detail agreed upon by Canada and the United States. These industries can be aggregated to the NAICS classifications, thus assuring full North American comparability.

The ECPC is proposing U.S. 6-digit industry detail for this NAICS industry sector. In the following tables, proposed 6-digit detail is shown. For cases where no 6-digit detail is shown, the ECPC is proposing that the 5-digit industries will also represent the most detailed U.S. industries.

In addition to the 6-digit detail, there is a U.S.-only subsector—Funds, Trusts, and Other Financial Vehicles—that provides a classification structure for legal entities organized to hold portfolios of securities or other assets on behalf of shareholders, beneficiaries of pension funds, etc. The portfolio is customized so as to achieve specific investment characteristics, such as diversification, risk, rate of return, and price volatility. These entities earn interest, dividends, and other property income, but have no employment or revenue from the sale of

services. The funds themselves are excluded from the NAICS classification, because they are not separate production units and do not have employees, although establishments with employees devoted to the management of funds are classified in several of the industries within the NAICS subsectors Securities, Commodity Contracts, and Other Intermediation and Related Activities and Insurance Carriers and Related Activities.

Despite their lack of employment, these funds are economically significant, and the United States requires data related to them for various purposes. For instance, financial flow accounts and balance of payments accounts track changes in outstanding assets and liabilities, and interest and dividend income earnings are important in determining the distribution of income. Moreover, funds are frequently given tax numbers, become part of the survey frame, and are sometimes surveyed. It is necessary to have a structure for classifying such records and keeping them separate from those of producing units. Consequently, these funds are placed in a U.S.-only subsector at the end of the NAICS classification structure. Included in this subsector are: Holding Companies, Insurance and Employee Benefit Funds, and Investment Pools and Funds.

## TABLE 1

The definition 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.

1997 NAICS and U.S. description	Status Code	1987 SIC Code	1987 SIC description
521			Monetary Authorities - Central Bank
5211			Monetary Authorities - Central Bank
52111	E	6011	Federal Reserve Banks
522			Credit Intermediation and Related Activities
5221			Depository Credit Intermediation
52211	R	*6021	National Commercial Banks (banking)
		*6022	State Commercial Banks (banking)
		6029	Commercial Banks, NEC
		*6081	Branches and Agencies of Foreign Banks (banking)
52212	R	6035	Savings Institutions, Federally Chartered
		6036	Savings Institutions, Not Federally Chartered
52213	R	6061	Credit Unions, Federally Chartered
		6062	Credit Unions, Not Federally Chartered
52219	N	*6099	Functions Related to Depository Banking, NEC (money order issuance)
5222			Non-Depository Credit Intermediation
52221	N	*6021	National Commercial Banks (credit card issuing)
		*6022	State Commercial Banks (credit card issuing)
		*6141	Personal Credit Institutions (credit card issuing)

52222	Sales Financing	N	*6141	Personal Credit Institutions (installment sales finance)
			*6153	Short-Term Business Credit Institutions, Except Agricultural (business sales finance).
			*6159	Miscellaneous Business Credit Institutions (finance leasing)
52229	Other Non-Depository Credit Intermediation			
522291	Consumer Credit	R	*6141	Personal Credit Institutions (except installment sales finance and credit card issuing)
522292	Real Estate Credit	R	*6162	Mortgage Bankers and Loan Correspondents (mortgage bankers and originators)
522293	International Trade Financing	N	*6081	Branches and Agencies of Foreign Banks (international trade financing)
			6082	Foreign Trade and International Banking Institutions
			*6111	Federal and Federally-Sponsored Credit Agencies (trade banks)
			*6159	Miscellaneous Business Credit Institutions (trade banks)
522294	Secondary Market Financing	N	*6111	Federal and Federally Sponsored Credit Agencies (except trade banks)
522299	All Other Non-Depository Credit Intermediation	N	*5932	Used Merchandise Stores (pawnshops)
			*6081	Branches and Agencies of Foreign Banks (agencies)
			*6111	Federal and Federally-Sponsored Credit Agencies (except trade banks and secondary market financing)
			*6153	Short-Term Business Credit Institutions, Except Agricultural (except credit card service and business sales finance)
			*6159	Miscellaneous Business Credit Institutions (except trade banks and finance leasing)
5223	Activities Related to Credit Intermediation			
52231	Mortgage and Other Loan Brokers	E	6163	Loan Brokers
52232	Financial Transactions Processing, Reserve, and Clearing House Activities	N	6019	Central Reserve Depository Institutions, NEC
			*6099	Functions Related to Depository Banking, NEC (electronic funds transfer networks and clearing house associations)
			*6153	Short-Term Business Credit Institutions, Except Agricultural (credit card service)

			*7389	Business Services, NEC (credit card service)
52239	Other Activities Related to Credit Intermediation	N	*6099	Functions Related to Depository Banking, NEC (except money orders, electronic funds transfer networks and clearing houses, foreign currency exchanges, escrow and fiduciary agencies and deposit brokers)
			*6162	Mortgage Bankers and Loan Correspondents (mortgage servicing)
523	Securities, Commodity Contracts and Other Intermediation and Related Activities			
5231	Securities and Commodity Contracts Intermediation and Brokerage			
52311	Investment Banking and Securities Dealing	N	*6211	Security Brokers, Dealers, and Flotation Companies (securities dealers and underwriters)
52312	Securities Brokerage	N	*6211	Security Brokers, Dealers, and Flotation Companies (security brokers)
52313	Commodity Contracts Dealing	N	*6099	Functions Related to depository Banking, NEC (foreign currency exchange)
			*6221	Commodity Contracts Brokers and Dealers (commodity dealers)
52314	Commodity Brokerage	N	*6221	Commodity Contracts Brokers and Dealers (commodity brokers)
5232	Securities and Commodity Exchanges			
52321	Securities and Commodity Exchanges	E	6231	Security and Commodity Exchanges
5239	Other Financial Investment Activities			
52391	Miscellaneous Intermediation	N	*6211	Securities Brokers, Dealers and Flotation Companies (except securities and commodity dealers)
			*6799	Investors, NEC (venture capital companies)
52392	Portfolio Management	N	*6282	Investment Advice (portfolio managers)
			*6371	Pension, Health, and Welfare Funds (managers)
			*6733	Trust, Except Educational, Religious, and Charitable (managers)
			*6799	Investors, NEC (pool operators)
52393	Investment Advice	R	*6282	Investment Advice (except portfolio managers)
52399	All Other Financial Investment Activities			

523991	Trust, Fiduciary and Custody Activities	N	*6021	National Commercial Banks (trust services)
			*6022	State Commercial Banks (trust services)
			6091	Nondeposit Trust Facilities
			*6099	Functions Related to Depository Banking, NEC (escrow and fiduciary agencies)
			*6289	Services Allied With the Exchange of Securities or Commodities, NEC (securities custodians)
			*6733	Trusts, Except Educational, Religious, and Charitable (administrators of private estates)
523999	Miscellaneous Financial Investment Activities	R	*6099	Functions Related to Depository Banking, NEC (deposit brokers)
			*6211	Security Brokers, Dealers, and Flotation Companies (dealers, except security and commodity)
			*6289	Services Allied With the Exchange of Securities or Commodities, NEC (except security custodians)
			*6792	Oil Royalty Traders (investors on own account)
524	Insurance Carriers and Related Activities			
5241	Insurance Carriers			
52411	Direct Life Insurance Carriers	R	*6311	Life Insurance (life insurers-direct)
52412	Direct Non-Life Insurance Carriers			
524121	Property and Casualty Insurance Carriers	R	*6331	Fire, Marine, and Casualty Insurance (fire, marine, and casualty insurers-direct)
			*6351	Surety Insurance (financial responsibility insurers-direct)
524122	Health and Medical Insurance Carriers	R	*6324	Hospital and Medical Service Plans (health and medical insurers-direct)
			*6321	Accident and Health Insurance (health and medical insurers-direct)
524123	Title Insurance Carriers	R	*6361	Title Insurance (title insurers-direct)
524129	Other Direct Non-Life Insurance Carriers	E	6399	Insurance Carriers, NEC
52413	Reinsurance Carriers	N	*6311	Life Insurance (reinsurers)
			*6321	Accident and Health Insurance (reinsurers)

			*6324	Hospital and Medical Service Plans (reinsurers)
			*6331	Fire, Marine, and Casualty Insurance (reinsurers)
			*6351	Surety Insurance (reinsurers)
			*6361	Title Insurance (reinsurers)
5242	Agencies, Brokerages and Other Insurance Related Activities			
52421	Insurance Agencies and Brokerages	R	*6411	Insurance Agents, Brokers and Service (insurance agents and brokers)
52429	Other Insurance Related Activities			
524291	Claims Adjusters	N	*6411	Insurance Agents, Brokers and Service (insurance claims adjusters)
524292	Third Party Administration for Insurance and Pension Funds	N	*6371	Pension, Health, and Welfare Funds (administrators)
			*6411	Insurance Agents, Brokers and Service (processors)
524299	All Other Activities Related to Insurance	N	*6411	Insurance Agents, Brokers and Service (except processors, agents and brokers, and claims adjusters)
525	Funds, Trusts and Other Financial Vehicles (U.S. Only)			
5251	Holding Companies			
52511	Holding Companies			
525111	Bank Holding Companies	E	6712	Offices of Bank Holding Companies
525119	Other Holding Companies	E	6719	Offices of Holding Companies, NEC
5252	Insurance and Employee Benefit Funds			
52521	Pension Funds	N	*6371	Pension, Health, and Welfare Funds (pension funds)
52522	Health and Welfare Funds	N	*6371	Pension, Health, and Welfare Funds (health and welfare funds)
52523	Insurance and Other Employee Benefit Funds	N	*6321	Accident and Health Insurance (self insurers)
			*6324	Hospital and Medical Service Plans (self insurers)
			*6331	Fire, Marine, and Casualty Insurance (self insurers)



				*6733	Trusts, Except Educational, Religious, and Charitable (vacation funds for employees)
5259	Other Investment Pools and Funds				
52591	Open-End Investment Funds	E	6722	Management Investment Offices, Open-End	
52592	Personal Trusts, Estates, and Agency Accounts	N	*6733	Trusts, Except Educational, Religious, and Charitable (personal trusts, estates, and agency accounts)	
52593	Mortgage Investment Funds	E	6798	Real Estate Investment Trusts (REIT funds)	
52599	Other Financial Vehicles	E	6726	Unit Investment Trusts, Face-Amount Certificate Offices, and Closed-End Management Investment Offices	

## Table 2

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

1987 USIC code	1987 USIC description	1997 U.S. description
5932	Used Merchandise Stores	
	Pawnshops	All Other Non-Depository Credit Intermediation (pt)
	Except Pawnshops	Used Merchandise Stores
6011	Federal Reserve Banks	Monetary Authorities-Central Banks
6019@	Central Reserve Depository Institutions, NEC	Financial Transactions Processing, Reserve, and Clearing House Activities (pt)
6021@	National Commercial Banks	
	Commercial Banks	Commercial Banking (pt)
	Credit Card Issuing	Credit Card Issuing (pt)
	Trust Services	Trust, Fiduciary and Custody Activities (pt)
6022@	State Commercial Banks	
	Commercial Banks	Commercial Banking (pt)
	Credit Card Issuing	Credit Card Issuing (pt)
	Trust Services	Trust, Fiduciary and Custody Activities (pt)
6029@	Commercial Banks, NEC	Commercial Banking (pt)
6035@	Savings Institutions, Federally Chartered	Savings Institutions (pt)
6036@	Savings Institutions, Not Federally Chartered	Savings Institutions (pt)
6061@	Credit Unions, Federally Chartered	Credit Unions (pt)
6062@	Credit Unions, Not Federally Chartered	Credit Unions (pt)
6081@	Branches and Agencies of Foreign Banks	

	International Trade Financing	International Trade Financing (pt)
	Branches of Foreign Banks	Commercial Banking (pt)
	Agencies of Foreign Banks	All Other Non-Depository Credit Intermediation (pt)
6082@	Foreign Trade and International Banking Institutions	International Trade Financing (pt)
6091@	Nondeposit Trust Facilities	Trust, Fiduciary, and Custody Activities (pt)
6099@	Functions Related to Deposit Banking, NEC	
	Money Order Issuance	Other Depository Credit Intermediation (pt)
	Clearinghouses	Financial Transactions Processing, Reserve, and Clearing House Activities (pt)
	Foreign Currency Exchange	Commodity Contracts Dealing (pt)
	Escrow and Fiduciary Agencies	Trust, Fiduciary, and Custody Activities (pt)
	Deposit Brokers	Miscellaneous Financial Investment Activities (pt)
	Other	Other Activities Related to Credit Intermediation (pt)
6111@	Federal and Federally Sponsored Credit Agencies	
	Trade Banks	International Trade Financing (pt)
	Secondary Market Financing	Secondary Market Financing
	Other	All Other Non-Depository Credit Intermediation (pt)
6141@	Personal Credit Institutions	
	Credit Card Issuing	Credit Card Issuing (pt)
	Installment Sales Financing	Sales Financing and Finance Leasing (pt)
	Other	Consumer Credit (pt)
6153@	Short-Term Business Institutions, Except Agricultural	
	Business Sales Finance	Sales Financing and Finance Leasing (pt)
	Credit Card Service	Financial Transactions Processing, Reserve, and Clearing House Activities (pt)
	Other	All Other Non-Depository Credit Intermediation (pt)
6159@	Miscellaneous Business Credit Institutions	

	Finance Leasing	Sales Financing and Finance Leasing
	Trade Banks	International Trade Financing (pt)
	Other	All Other Non-Depository Credit Intermediation (pt)
6162@	Mortgage Bankers and Loan Correspondents	
	Mortgage Bankers and Originators	Real Estate Credit
	Mortgage Servicing	Other Activities Related to Credit Intermediation (pt)
6163	Loan Brokers	Mortgage and Other Loan Brokers
6211@	Security Brokers, Dealers, and Flotation Companies	
	Security Dealers and Underwriters	Investment Banking and Securities Dealing (pt)
	Security Brokers	Securities Brokerage
	Dealers, Except Securities and Commodities	Miscellaneous Intermediation (pt)
	Other	Miscellaneous Financial Investment Activities (pt)
6221@	Commodity Contracts Brokers and Dealers	
	Commodity Dealers	Commodity Contracts Dealing (pt)
	Commodity Brokers	Commodity Brokerage (pt)
6231	Security and Commodity Exchanges	Securities and Commodity Exchanges
6282@	Investment Advice	
	Portfolio Managers	Portfolio Management (pt)
	Other	Investment Advice (pt)
6289@	Services Allied With the Exchange of Securities or Commodities, NEC	
	Securities Custodians	Trust, Fiduciary, and Custody Activities (pt)
	Other	Miscellaneous Financial Investment Activities (pt)
6311@	Life Insurance	
	Life Insurers-Direct	Direct Life Insurance Carriers (pt)

	Reinsurance Carriers, Life	Reinsurance Carriers (pt)
6321@	Accident and Health Insurance	
	Health and Medical Insurers-Direct	Health and Medical Insurance Carriers (pt)
	Reinsurance Carriers, Accident and Health	Reinsurance Carriers (pt)
	Self Insurers	Insurance and Other Employee Benefit Funds (pt)
6324@	Hospital and Medical Service Plans	
	Health and Medical Insurers-Direct	Health and Medical Insurance Carriers (pt)
	Reinsurance Carriers, Health and Medical	Reinsurance Carriers (pt)
	Self Insurers	Insurance and Other Employee Benefit Funds (pt)
6331@	Fire, Marine, and Casualty Insurance	
	Fire, Marine, and Casualty Insurers-Direct	Property and Casualty Insurance Carriers (pt)
	Reinsurance Carriers, Fire, Marine, and Casualty	Reinsurance Carriers (pt)
	Self Insurers	Insurance and Other Employee Benefit Funds (pt)
6351@	Surety Insurance	
	Financial Responsibility Insurers-Direct	Property and Casualty Insurance Carriers (pt)
	Reinsurance Carriers, Financial Responsibility	Reinsurance Carriers (pt)
6361@	Title Insurance	
	Title Insurers-Direct	Title Insurance Carriers (pt)
	Reinsurance Carriers, Title	Reinsurance Carriers (pt)
6371@	Pension, Health, and Welfare Funds	
	Managers	Portfolio Management
	Administrators	Third Party Administration for Insurance and Pension Funds (pt)
	Pension Funds	Pension Funds (pt)
	Health and Welfare Funds	Health and Welfare Funds (pt)
6399	Insurance Carriers, NEC	Other Direct Non-Life Insurance Carriers

6411@	Insurance Agents, Brokers, and Service	
	Insurance Agents and Brokers	Insurance Agencies and Brokerages
	Claim Adjusters	Claims Adjusters
	Claim Processors	Third Party Administrators for Insurance and Pension Funds (pt)
	Other	All Other Activities Related to Insurance
6712	Offices of Bank Holding Companies	Bank Holding Companies
6719	Offices of Holding Companies, NEC	Other Holding Companies
6722	Management Investment Offices, Open-End	Open-End Investment Funds
6726	Unit Investment Trusts, Face-Amount Certificate Offices, and Closed-End Management Investment Offices	Other Financial Vehicles
6732	Educational, Religious and Charitable Trusts	Grantmaking Foundations
6733@	Trusts, Except Educational, Religious, and Charitable	
	Managers	Portfolio Management (pt)
	Administrators of Private Estates	Trust, Fiduciary, and Custody Services (pt)
	Vacation Funds for Employees	Insurance and Other Employee Benefit Funds (pt)
	Personal Trusts, Estates, and Agency Accounts	Personal Trusts, Estates, and Agency Accounts (pt)
6792@	Oil Royalty Traders	
	Investors on Own Account	Miscellaneous Financial Investment Activities (pt)
	Oil Royalty Trading Companies	Owners and Lessors of Other Non-Financial Assets
6794	Patent Owners and Lessors	Owners and Lessors of Other Non-Financial Assets
6798	Real Estate Investment Trusts	Mortgage Investment Funds
6799@	Investors, NEC	
	Venture Capital Companies	Miscellaneous Intermediation (pt)
	Pool Operators	Portfolio Management (pt)

7389      Other  
Business Services, NEC  
Credit Card Service  
Other Business Services

Miscellaneous Financial Investment Activities (pt)  
  
Financial Transactions Processing, Reserve, and Clearing House Activities (pt)  
Included in Other Subsectors of NAICS

## *Overview of the U.S. Classification Structure*

1987 SIC Major Group 60, Depository Institutions, differs from industry group Depository Credit Intermediation in that the new industry group does not include the central bank, which is in a subsector of its own; industries are no longer defined by charter; and a number of activities are broken out as industries and classified in other industry groups or subsectors—trust, fiduciary, and custody services, for example. In addition, activities such as clearing houses and reserve services, which were part of 1987 SIC Major Group 60, are classified to the new industry group Activities Related to Credit Intermediation.

1987 SIC Major Group 61, Non-Depository Credit Institutions, is similar in coverage to the new industry group Non-Depository Credit Intermediation, but, in the latter, industry detail is based on production differences in granting particular types of credit, not on class of customers or on the extent of government sponsorship. In particular, the activities previously included in 1987 Industry Group 615, Business Credit Institutions, are now more clearly specified. In addition, NAICS recognizes the lending activities of pawnbrokers in this subsector; pawnbrokers were classified in 1987 SIC 5932, Used Merchandise Stores. In addition, activities such as mortgage brokers and financial transactions processing are classified to the new industry group Activities Related to Credit Intermediation.

1987 SIC Major Group 62, Security and Commodity Brokers, Dealers, Exchanges, and Services, differs from NAICS subsector Securities, Commodity Contracts, and Other Intermediation and Related Activities in that the NAICS subsector separates brokerage from underwriting and dealing; it more clearly delineates the distinction between portfolio management (classified here) and the assets under management (excluded from NAICS but shown as U.S. detail); and it includes the trust, fiduciary, and custody activities of banks and other financial institutions.

1987 SIC Major Groups 63, Insurance Carriers, and 64, Insurance Agents, Brokers, and Service, differ from NAICS subsector Insurance Carriers and Related Activities in that in NAICS, reinsurance carriers are separated from direct insurance carriers; pension and other employee benefit funds (now in the U.S. subsector Funds, Trusts, and Other Financial Vehicles) are no longer included; and separate industries are defined for several insurance-related services.

1987 Major Group 67, Holding and Other Investment Offices, differs from the U.S.-only subsector Funds, Trusts, and Other Financial Vehicles, in that the latter includes 1987 SIC 6371, Pension, Health and Welfare Funds, but excludes 1987 SIC 6732, Educational, Religious, and Charitable Trusts; 1987 SIC 6792, Oil Royalty Traders; 1987 SIC 6794, Patent Owners and Lessors; and 1987 SIC 6799, Investors NEC. 1987 SIC 6732 has been transferred to the Religious, Grantmaking, Civic, and Other Membership Association subsector on the grounds that they are essentially treasury establishments supporting the charitable purposes of the entities that own the assets under management. Part of 1987 SIC 6792, Oil Royalty Traders, and part of 1987 SIC 6794, Patent Owners and Lessors, have been transferred to a new subsector. The remainder of 1987 SIC 6792, Oil Royalty Traders, and 1987 SIC 6799, Investors, NEC, are classified in Miscellaneous Financial Investment Activities.



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

There are 44 industries in this sector, of which 23 are new, 14 are revised, and 7 remain the same as in the 1987 SIC.

1. Monetary Authorities - Central Bank: There were two industries in this subsector for 1987. One, 1987 SIC 6011, Federal Reserve Banks, remains in this subsector; the other, 1987 SIC 6019, Central Reserve Depository Institutions, NEC, is moved to Credit Intermediation and Related Activities.

2. Credit Intermediation and Related Activities: Eight new industries are added to the 1997 industry structure for this subsector. New industries are the following:

Other Depository Credit Intermediation from part of 1987 SIC 6099, Functions Related to Depository Banking, NEC.

Credit Card Issuing from part of 1987 SIC 6021, National Commercial Banks; part of 1987 SIC 6022, State Commercial Banks; and part of 1987 SIC 6141, Personal Credit Institutions.

Sales Financing and Finance Leasing from part of 1987 SIC 6141, Personal Credit Institutions; part of 1987 SIC 6153, Short-Term Business Credit Institutions, Except Agricultural; and part of 1987 SIC 6159, Miscellaneous Business Credit Institutions.

International Trade Financing from part of 1987 SIC 6081, Branches and Agencies of Foreign Banks; from 1987 SIC 6082, Foreign Trade and International Banking Institutions; part of 1987 SIC 6111, Federal and Federally-Sponsored Credit Agencies; and part of 1987 SIC 6159, Miscellaneous Business Credit Institutions.

Secondary Market Financing from part of 1987 SIC 6111, Federal and Federally-Sponsored Credit Agencies.

All Other Non-Depository Credit Intermediation from part of 1987 SIC 5932, Used Merchandise Stores; part of 1987 SIC 6081, Branches and Agencies of Foreign Banks; part of 1987 SIC 6111, Federal and Federally-Sponsored Credit Agencies; part of 1987 SIC 6153, Short-Term Business Credit Institutions, Except Agriculture; and part of 1987 SIC 6159, Miscellaneous Business Credit Institutions.

Financial Transactions Processing, Reserve, and Clearing House Activities from 1987 SIC 6019, Central Reserve Depository Institutions, NEC; part of 1987 SIC 6099, Functions Related to Depository Banking, NEC; part of 1987 SIC 6153, Short-Term Business Credit Institutions, Except Agricultural; and part of 1987 SIC 7389, Business Services, NEC.

Other Activities Related to Credit Intermediation from part of 1987 SIC 6099, Functions Related to Depository Banking, NEC, and part of 1987 SIC 6162, Mortgage Bankers and Loan Correspondents.

Five industries are revised for the 1997 industry structure for this subsector. The revised industries are the following:

Commercial Banking revised from part of 1987 SIC 6021, National Commercial Banks; part of 1987 SIC 6022, State Commercial Banks; 1987 SIC 6029, Commercial Banks, NEC; and part of 1987 SIC 6081, Branches and Agencies of Foreign Banks.

Savings Institutions revised to include 1987 SIC 6035, Savings Institutions, Federally Chartered, and 1987 SIC 6036, Savings Institutions, Not Federally Chartered.

Credit Unions revised to include 1987 SIC 6061, Credit Unions, Federally Chartered, and

1987 SIC 6062, Credit Unions, Not Federally Chartered.

Consumer Credit revised to include part of 1987 SIC 6141, Personal Credit Institutions.

Real Estate Credit revised from part of 1987 SIC 6162, Mortgage Bankers and Loan Correspondents.

The number of Credit Intermediation and Related Activities industries decreased from 18 in 1987 to 14 in 1997. For time series linkage, there is one 1987 industry that is comparable within 3 percent of the 1997 industry.

3. Securities, Commodity Contracts, and Other Intermediation and Related Activities: Seven new industries are added to the 1997 industry structure for this subsector. New industries are the following:

Investment Banking and Securities Dealing from part of 1987 SIC 6211, Security Brokers, Dealers, and Flotation Companies.

Securities Brokerage from part of 1987 SIC 6211, Security Brokers, Dealers, and Flotation Companies.

Commodity Contracts Dealing from part of 1987 SIC 6099, Functions Related to Depository Banking, NEC, and part of 1987 SIC 6221, Commodity Contracts Brokers and Dealers.

Commodity Brokerage from part of 1987 SIC 6221, Commodity Contracts Brokers and Dealers.

Miscellaneous Intermediation from part of 1987 SIC 6211, Security Brokers, Dealers, and Flotation Companies; and part of 1987 SIC 6799, Investors, NEC.

Portfolio Management from part of 1987 SIC 6282, Investment Advice; part of 1987 SIC 6371, Pension, Health, and Welfare Funds; part of 1987 SIC 6733, Trusts, Except Educational, Religious, and Charitable; and part of 1987 SIC 6799, Investors, NEC.

Trust, Fiduciary and Custody Activities from part of 1987 SIC 6021, National Commercial Banks; part of 1987 SIC 6022, State Commercial Banks; 1987 SIC 6091, Non-deposit Trust Facilities; part of 1987 SIC 6099, Functions Related to Depository Banking, NEC; part of 1987 SIC 6289, Services Allied With the Exchange of Securities or Commodities, NEC; and part of 1987 SIC 6733, Trusts, Except Educational, Religious, and Charitable.

Two industries are revised for the 1997 industry structure for this subsector. The revised industries are the following:

Investment Advice revised to include part of 1987 SIC 6282, Investment Advice.

Miscellaneous Financial Investment Activities revised to include part of 1987 SIC 6099, Functions Related to Depository Banking, NEC; part of 1987 SIC 6211, Security Brokers, Dealers, and Flotation Companies; part of 1987 SIC 6289, Services Allied With the Exchange of Securities or Commodities, NEC; part of 1987 SIC 6792, Oil Royalty Traders; and part of 1987 SIC 6799, Investors, NEC.

The number of Securities, Commodity Contracts, and Other Intermediation and Related Activities industries increased from 5 in 1987 to 10 in 1997. For time series linkage, one 1987 industry is comparable within 3 percent of the 1997 industry.

4. Insurance Carriers and Related Activities: Four new industries are added to the 1997 industry structure for this subsector. New industries are the following:

Reinsurance Carriers from part of 1987 SIC 6311, Life Insurance; part of 1987 SIC 6321, Accident and Health Insurance; part of 1987 SIC 6324, Hospital and Medical Service Plans;

part of 1987 SIC 6331, Fire, Marine, and Casualty Insurance; part of 1987 SIC 6351, Surety Insurance; and part of 1987 SIC 6361, Title Insurance.

Claims Adjusters from part of 1987 SIC 6411, Insurance Agents, Brokers, and Service.

Third Party Administrators for Insurance and Pension funds from part of 1987 SIC 6371, Pension, Health, and Welfare Funds, and part of 1987 SIC 6411, Insurance Agents, Brokers and Service.

All Other Activities Related to Insurance from part of 1987 SIC 6411, Insurance Agents, Brokers and Service.

Five industries are revised for the 1997 industry structure for this subsector. The revised industries are the following:

Direct Life Insurance Carriers revised to include part of 1987 SIC 6311, Life Insurance, and part of 1987 SIC 6321, Accident and Health Insurance.

Property and Casualty Insurance Carriers revised to include part of 1987 SIC 6331, Fire, Marine, and Casualty Insurance, and part of 1987 SIC 6351, Surety Insurance.

Health and Medical Insurance Carriers revised to include part of 1987 SIC 6324, Hospital and Medical Service Plans, and part of 1987 SIC 6321, Accident and Health Insurance.

Title Insurance Carriers revised to include part of 1987 SIC 6361, Title Insurance.

Insurance Agencies and Brokerages revised to include part of 1987 SIC 6411, Insurance Agents, Brokers and Service.

The number of Insurance Carriers and Related Activities industries increased from 9 in 1987 to 10 in 1997. For time series linkage, there is one 1987 industry that is comparable within 3 percent of the 1997 industry.

5. Funds, Trusts, and Other Financial Vehicles: Four new industries are added to the 1997 industry structure for this (U.S. only) subsector. New industries are the following:

Pension Funds from part of 1987 SIC 6371, Pension, Health, and Welfare Funds.

Health and Welfare Funds from part of 1987 SIC 6371, Pension, Health, and Welfare Funds.

Insurance Funds and Other Employee Benefit Funds from part of 1987 SIC 6321, Accident and Health Insurance; part of 1987 SIC 6324, Hospital and Medical Service Plans; part of 1987 SIC 6331, Fire, Marine, and Casualty Insurance; and part of 1987 SIC 6733, Trusts, Except Educational, Religious, and Charitable.

Personal Trusts, Estates, and Agency Accounts from part of 1987 SIC 6733, Trusts, Except Educational, Religious, and Charitable.

Two industries were revised for 1987. The revised industries are as follows:

Financial Holding Companies from 1987 SIC 6712, Offices of Bank Holding Companies and part of 1987 SIC 6719, Offices of Holding Companies, NEC.

Managing Holding Companies from part of 1987 SIC 6719, Offices of Holding Companies, NEC.

The number of Funds, Trusts, and Other Financial Vehicles industries decreased from 10 in 1987 to nine in 1997. For time series linkage, four 1987 industries are comparable within 3 percent of the 1997 industries.

For time series linkage, 10 of the 43 1987 industries are comparable within 3 percent of the 1997 industries. Nine of the 44 1997 industries are included in the subsector Funds, Trusts, and Other Financial Vehicles.