

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.

OMB is seeking comments on the usefulness and advisability of the proposed new NAICS as submitted by the Economic Classification Policy Committee (ECPC), an interagency committee established by OMB.

This notice, the sixth related to preparation of NAICS and the fourth in a series seeking comment on proposed industry structures, presents the entire proposed industry structure for NAICS including those sectors not previously published, the hierarchy, and the coding system. The structure and coding system shown in Part IV, Table 1 do not include any changes based on comments received in response to previous **Federal Register** notices regarding NAICS. The ECPC is currently reviewing those comments. Thus comments provided in response to any of the previous notices need not be resubmitted. This fall OMB will publish the ECPC's final recommendations to OMB for comment in a **Federal Register** notice that incorporates all of the ECPC's recommended revisions to the structure and coding system based on comments received in the U.S. and comments received by Canada and Mexico.

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 the 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 Industry 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 plastics manufacturing; for broadcasting and telecommunications; and for food services and drinking places and accommodations. A second **Federal Register** notice was published on February 6, 1996, pp. 4524-4578, requesting comment on proposed industry structures for crop production, animal production, forestry and logging; textile mills, textile product mills, apparel manufacturing, and leather and allied product manufacturing; food manufacturing and beverage and tobacco product manufacturing; fabricated metal product manufacturing; machinery manufacturing; electrical equipment, appliance and component manufacturing; and transportation equipment manufacturing. A third **Federal Register** notice was published on May 28, 1996, pp. 26558-26668, requesting comment on proposed industry structures for health and social assistance; educational services; computers and electronics product manufacturing; furniture manufacturing; printing and related support activities; professional, technical and scientific services; performing arts, spectator sports and related industries; museums, historical sites and similar institutions; recreation, amusement and gambling; information; wood product manufacturing, except furniture; rental and leasing; repair and maintenance; management and support; transportation; mining; paper manufacturing; nonmetallic minerals manufacturing; primary metal manufacturing; miscellaneous manufacturing; and postal service and couriers.

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 September 3, 1996. It is planned that this 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 the "Current Economic Indicators" circular icon, then select "Economy-wide topics" from the "About businesses" theme, then select "North American Industry Classification System (NAICS)", then select this **Federal Register** notice.

To obtain this document via ftp, login to ftp.census.gov as anonymous, and retrieve the file "naicsfr6" 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 naicsfr6.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 dates 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 four parts to this notice. PART I includes the proposals for Finance and Insurance; PART II includes the structure for all of the subsectors not made comparable across all three countries and the structure for the retail and wholesale sectors, the boundaries of which are included in NAICS; PART III includes the proposed NAICS hierarchy; and PART IV presents the entire proposed structure of the new classification system, including the proposed coding system.

Part I of the notice is organized into two sections. The first section includes a copy of the proposed agreement signed by the 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 proposed 5-digit industry level of NAICS, as necessary to meet national needs, so long as this additional detail aggregates to a 5-digit industry NAICS level in order to ensure full comparability among the three countries. The second section 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.

Part II includes the structure for industries that have not been made comparable across all three countries. Because both resources and time for constructing NAICS were limited, the statistical agencies of the three countries agreed on the boundaries of some sectors or subsectors rather than a detailed industry structure. Those sectors (subsectors) are construction; utilities; retail trade; wholesale trade; real estate; lessors of other non-financial assets; waste management and remediation services; and other services that include personal and laundry services and religious, grantmaking, civic, and other membership organizations. For each of these sectors, except wholesale trade, Canada and the United States have agreed on an industry structure and hierarchy to ensure comparability of statistics between those two countries. The United States will provide for additional industries at the national level to reflect important industries in the United States that will not be shown separately in Canada.

Part III includes the proposed hierarchy for NAICS. This structure includes those sectors for which detailed industries have been agreed upon by the three countries and those industries that include only an agreement between Canada and the United States.

Part IV presents the entire structure of the new classification system for the United States including both NAICS and non-NAICS industries. Table 1 shows the proposed 1997 hierarchy, including NAICS and U.S. national detail industries, and the proposed coding system for NAICS with a comparison to the 1987 SIC. Table 2 is in 1987 SIC sequence and relates the 1987 SIC to the 1997 NAICS.

The structure and coding system shown in Part IV, Table 1 do not include any changes based on comments received about previous **Federal Register** notices regarding NAICS. The ECPC is currently reviewing these comments. If you have provided comments on any of the previous notices, you do not need to resubmit those comments. This fall OMB will publish the ECPC's final recommendations to OMB for comment in a **Federal Register** notice that incorporates all of the ECPC's recommended revisions to the structure and coding system based on comments received in the U.S. and comments received by Canada and Mexico.

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 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
5242	Agencies, Brokerages, and Other Insurance Related Activities

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.¹

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 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

¹The Board of Governors of the Federal Reserve System is classified in Public Administration.

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 Monetary Authorities - Central Bank	E	6011	Federal Reserve Banks
522 Credit Intermediation and Related Activities			
5221 Depository Credit Intermediation			
52211 Commercial Banking	R	*6021	National Commercial Banks (banking)
		*6022	State Commercial Banks (banking)
		6029	Commercial Banks, NEC
		*6081	Branches and Agencies of Foreign Banks (banking)
52212 Savings Institutions	R	6035	Savings Institutions, Federally Chartered
		6036	Savings Institutions, Not Federally Chartered
52213 Credit Unions	R	6061	Credit Unions, Federally Chartered
		6062	Credit Unions, Not Federally Chartered
52219 Other Depository Credit Intermediation	N	*6099	Functions Related to Depository Banking, NEC (money order issuance)
5222 Non-Depository Credit Intermediation			
52221 Credit Card Issuing	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, an 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)
	Other	Miscellaneous Financial Investment Activities (pt)
7389	Business Services, NEC	
	Credit Card Service	Financial Transactions Processing, Reserve, and Clearing House Activities (pt)
	Other Business Services	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.

Part II--Proposed New Industry Structure for Construction; Utilities; Waste Management and Remediation Services; Retail Trade; Wholesale Trade; Real Estate; Lessors of Other Non-Financial Assets; Personal and Laundry Services; and Religious, Grantmaking, Civic and Other Membership Organizations

Construction:

This draft classification is provided for the Construction sector.

The Construction sector includes establishments primarily engaged in the construction of buildings and other structures, additions, alterations, reconstruction, installations and maintenance and repairs. The 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. Construction activities are generally administered or managed at a relatively fixed place of business, but the actual construction work is performed at one or more different project sites.

This sector is divided into three subsectors of construction activities: (1) building construction and land subdivision and land development; (2) heavy construction other than buildings, such as highways, tunnels, and pipelines; and (3) construction activity by special trade contractors.

Establishments classified in the Building, Developing and General Contracting subsector and the Heavy Construction (other than buildings) subsector, usually assume responsibility for an entire construction project, and may subcontract some or all of the actual construction work. Operative builders who build on their own account for sale, and Land Subdividers and Land Developers, who engage in subdividing real property into lots for sale, are included in the Building, Developing and General Contracting subsector. Special Trade Contractors can be included in the Heavy Construction subsector if they are engaged in activities primarily relating to heavy construction, such as grading for highways. Some establishments included in these subsectors operate under arrangements such as design-build, engineer-constructor, joint venture, and turnkey construction. Construction management is also included.

The Special Trade Contractors subsector includes establishments that are primarily engaged in specialized construction activities, such as plumbing, painting, and electrical work and work for builders and general contractors under subcontract or directly for project owners.

“Force Account” construction is construction work performed by an establishment primarily engaged in some business other than construction, for its own account and use, and by employees of the establishment. This activity is not included in this industry sector unless the construction work performed is the primary activity of a separate establishment of the enterprise.

The installation of prefabricated building equipment and materials, such as elevators and revolving doors, is classified in the construction industry sector. Installation work incidental to sales by employees of a manufacturing or retail establishment is classified as secondary activity of those establishments.

TABLE 1

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.

1997 NAICS and U.S. description		Status code	1987 SIC code	1987 SIC description
236	Building, Developing and General Contracting			
2361	Land Subdivision and Land Development			
23611	Land Subdivision and Land Development	E	6552	Land Subdividers and Developers, Except Cemeteries
2362	Residential Building Construction			
23621	Single-Family Housing Construction	R	1521	General contractors-Single-Family Houses
			*1531	Operative Builders (single-family housing construction)
23622	Multi-Family Housing Construction	R	*1522	General Contractors-Residential Building, Other Than Single-Family (except hotel and motel construction)
			*1531	Operative Builders (multi-family housing construction)
2363	Nonresidential Building Construction			
23631	Manufacturing and Light Industrial Building Construction	R	*1531	Operative Builders (manufacturing and light industrial building construction)
			*1541	General Contractors-Industrial Buildings and Warehouses (except warehouse construction)
23632	Commercial and Institutional Building Construction	R	*1522	General Contractors-Residential Building Other than Single-Family (hotel and motel construction)
			*1531	Operative Builders (commercial and institutional building construction)
			*1541	General Contractors-Industrial Buildings and Warehouses (warehouse construction)

			1542	General Contractor-Nonresidential Buildings, Other than Industrial Buildings and Warehouses
237	Heavy Construction			
2371	Highway, Street, Bridge and Tunnel Construction			
23711	Highway and Street Construction	E	1611	Highway and Street Construction, Except Elevated Highways
23712	Bridge and Tunnel Construction	R	1622	Bridge, Tunnel, and Elevated Highway Construction
2379	Other Heavy Construction			
23791	Water, Sewer, and Pipeline Construction	N	*1623	Water, Sewer, Pipeline, and Communications and Power Line Construction (water and sewer mains and pipelines construction)
23792	Power and Communication Transmission Line Construction	N	*1623	Water, Sewer, Pipelines, and Communications and Power Line Construction (communications and power line construction)
23793	Industrial Nonbuilding Structure Construction	N	*1629	Heavy Construction, NEC (industrial nonbuilding structures construction)
23799	All Other Heavy Construction	R	*1629	Heavy Construction, NEC (except industrial nonbuilding structures construction)
238	Special Trade Contractors			
2381	Plumbing, Heating and Air-Conditioning Contractors			
23811	Plumbing, Heating and Air-Conditioning Contractors	E	1711	Plumbing, Heating and Air-Conditioning
2382	Painting and Wall Covering Contractors			
23821	Painting and Wall Covering Contractors	R	1721	Painting and Paper Hanging
			*1799	Special Trade Contractors, NEC (paint and wallpaper, stripping and wallpaper removal contractors)
2383	Electrical Contractors			
23831	Electrical Contractors	R	*1731	Electrical Work (except burglar and fire alarm installation)
2384	Masonry and Drywall Insulation, and Tile Contractors			
23841	Masonry and Stone Contractors	E	1741	Masonry, Stone Setting and Other Stone Work

23842	Drywall, Plastering, Acoustical and Insulation Contractors	R	1742	Plastering, Drywall, Acoustical, and Insulation Work
			*1743	Terrazzo, Tile, Marble and Mosaic work (fresco work)
			*1771	Concrete Work (stucco construction)
23843	Tile, Marble, Terrazzo and Mosaic Contractors	R	*1743	Terrazzo, Tile, Marble, and Mosaic Work (except fresco work)
2385	Carpentry and Floor Contractors			
23851	Carpentry Contractors	E	1751	Carpentry Work
23852	Floor Laying and Other Floor Contractors	E	1752	Floor Laying and Other Floor Work, NEC
2386	Roofing, Siding and Sheet Metal Contractors			
23861	Roofing, Siding and Sheet Metal Contractors	E	1761	Roofing, Siding, and Sheet Metal Work
2387	Concrete Contractors			
23871	Concrete Contractors	R	*1771	Concrete Work (except stucco construction)
2388	Water Well Drilling Contractors			
23881	Water Well Drilling Contractors	E	1781	Water Well Drilling
2389	Other Special Trade Contractors			
23891	Structural Steel Erection Contractors	E	1791	Structural Steel Erection
23892	Glass and Glazing Contractors	R	1793	Glass and Glazing Work
			*1799	Specialty Trade Contractors, NEC (tinting glass work)
23893	Excavation Contractors	E	1794	Excavation Work
23894	Wrecking and Demolition Contractors	E	1795	Wrecking and Demolition Work
23895	Building Equipment and Other Machinery Contractors	E	1796	Installation of Erection of Building Equipment, NEC
23899	All Other Special Trade Contractors	R	1799	Special Trade Contractors, NEC (except paint and wallpaper stripping, wall paper removal contractors, and tinting glass work)
			7353	Heavy Construction Equipment Rental and Leasing (with operator)

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 construction work for the 1987 SIC Industry. The abbreviation NEC is used for Not Elsewhere Classified.

1987 SIC code	1987 SIC description	1997 U.S. description
1521@	General Contractors-Single-Family Houses	Single-Family Housing Construction (pt)
1522@	General Contractors-Residential Buildings, Other Than Single-Family	
	Hotel and Motel Construction	Commercial and Institutional Building Construction (pt)
	Except Hotel and Motel Construction	Multi-Family Housing Construction (pt)
1531@	Operative Builders	
	Single-Family Housing	Single-Family Housing Construction (pt)
	Multi-Family Housing	Multi-Family Housing Construction (pt)
	Manufacturing and Light Industrial Buildings	Manufacturing and Light Industrial Building Construction (pt)
	Commercial and Institutional Buildings	Commercial and Institutional Building Construction (pt)
1541@	General Contractors-Industrial Buildings and Warehouses	
	Warehouse Construction	Commercial and Institutional Building Construction (pt)
	Except Warehouse Construction	Manufacturing and Light Industrial Building Construction (pt)
1542@	General Contractors-Nonresidential Buildings, Other than Industrial Buildings and Warehouses	Commercial and Institutional Building Construction (pt)
1611	Highway and Street Construction, Except Elevated Highways	Highway and Street Construction
1622	Bridge, Tunnel, and Elevated Highway Construction	Bridge and Tunnel Construction

1623	Water, Sewer, Pipeline, and Communications and Power Line Construction	
	Water, Sewer and Pipelines	Water, Sewer and Pipeline Construction
	Power and Communication Transmission Lines	Power and Communication Transmission Line Construction
1629	Heavy Construction, NEC	
	Industrial Nonbuilding Structures Construction	Industrial Nonbuilding Structure Construction
	Except Industrial Nonbuilding Structures Construction	All Other Heavy Construction
1711	Plumbing, Heating, and Air-Conditioning	Plumbing, Heating and Air-Conditioning Contractors
1721@	Painting and Paper Hanging	Painting and Wall Covering Contractors (pt)
1731@	Electrical Work	
	Burglar and Fire Alarm Installation	Security Systems Services, except Locksmiths (pt)
	Except Burglar and Fire Alarm Installation	Electrical Contractors
1741	Masonry, Stone Setting and Other Stone Work	Masonry and Stone Contractors
1742	Plastering, Drywall, Acoustical and Insulation Work	Drywall, Plastering, Acoustical and Insulation Contractors (pt)
1743	Terrazzo, Tile, Marble, and Mosaic Work	
	Fresco Work	Drywall, Plastering, Acoustical and Insulation Contractors (pt)
	Except Fresco Work	Tile, Marble, Terrazzo and Mosaic Contractors
1751	Carpentry Work	Carpentry Contractors
1752	Floor Laying and Other Floor Work, NEC	Floor Laying and Other Floor Contractors
1761	Roofing, Siding, and Sheet Metal Work	Roofing, Siding, and Sheet Metal Contractors
1771@	Concrete Work	
	Stucco Construction	Drywall, Plastering, Acoustical and Insulation Contractors (pt)
	Except Stucco Construction	Concrete Contractors
1781	Water Well Drilling	Water Well Drilling Contractors

1791	Structural Steel Erection	Structural Steel Erection Contractors
1793	Glass and Glazing Work	Glass and Glazing Contractors (pt)
1794	Excavation Work	Excavation Contractors
1795	Wrecking and Demolition Work	Wrecking and Demolition Contractors
1796	Installation of Erection of Building Equipment, NEC	Building Equipment and Other Machinery Installation Contractors
1799@	Special Trade Contractors, NEC	
	Paint and Wallpaper Stripping and Wallpaper Removal Contractors	Painting and Wall Covering Contractors (pt)
	Tinted Glass Work	Glass and Glazing Contractors (pt)
	All Other Special Trade Contractors	All Other Special Trade Contractors (pt)
6552	Land Subdividers and Developers, Except Cemeteries	Land Subdivision and Land Development
7353@	Heavy Construction Equipment Rental and Leasing	
	With Operator	All Other Special Trade Contractors (pt)
	Without Operator	Rental and Leasing of Heavy Construction, Mining and Forestry Machinery and Equipment (pt)

Description of Changes to the U.S. System

The overall number of industries for the Construction sector increased from 26 to 28 from the 1987 SIC.

Three new industries were created for the Heavy Construction subsector as follows: 1987 SIC 1623, Water, Sewer, Pipeline, and Communications and Power Line Construction is split into two industries: Water, Sewer and Pipeline Construction and Power and Communication Transmission Line Construction. The third new industry is Industrial Nonbuilding Structure Construction from part of 1987 SIC 1629, Heavy Construction, NEC. The split of 1987 SIC 1623 into two industries reflects the proposal received from outside users. This change improves the comparability with the grouping used in Canada. The split of 1987 SIC 1629 separates heavy construction activities for industrial nonbuilding construction from the nonindustrial nonbuilding construction and groups similar production activities. The result is improved reporting of information in greater detail according to industrial versus nonindustrial nonbuilding grouping and a reduction in the NEC classification.

One industry, 1987 SIC 6552, Land Subdividers and Developers, Except Cemetery was moved from 1987 SIC 65, Real Estate, to the Construction sector because the production process is more closely related to the production process of construction industries in the Building, Developing, and General Contracting subsector.

In addition, part of 1987 SIC 7353, Heavy Construction Equipment Rental and Leasing (with operators), was moved to the Construction sector because these establishments become part of the production process. The move was recommended by the Business Services Subcommittee to improve comparability with Canada and Mexico.

A number of changes were made to 1987 industries in the Construction sector. These changes are:

1987 SIC 1531, Operative Builders, was deleted as a separate industry. These establishments are now included in the Building, Developing, and General Contracting subsector based on type of construction activity. The production process for these establishments is the same as other contractors who engage in constructing buildings and structures with the exception that these buildings are generally for sale on own account. The kinds of construction classified in 1987 SIC 1531 and the production processes associated with them are comparable to and consistent with the types of construction and production processes of building contractors in general. The existence of an operative builder classification is duplicative and only the U.S. includes a separate 4-digit industry specifically for operative builders. Canada and Mexico provide for operative builders within all relevant types of construction. The existence of a separate industry creates an incomparability between the three systems and this change increases comparability among the Canadian, Mexican and the U.S. classification systems.

Hotel and motel construction was moved from part of 1987 SIC 1522, General Contractors-Residential Building, Other Than Single Family, to Commercial and Institutional Building Construction. Also warehouse construction was moved from part of 1987 SIC 1541, General Contractors-Industrial Buildings and Warehouses, to Commercial and Institution Building Construction. The construction activity and physical capital used in hotel, motel, and warehouse construction are closely related to the construction activity and physical capital used by nonresidential building contractors. The reassignment of the hotel and motel construction to commercial and institutional buildings will not create collectability and reportability problems. In fact, such problems may be reduced. Because contractors are more likely to classify hotels and motels within nonresidential or commercial buildings, reassigning the two items enhances the logic of the system and may improve data collectability and reportability. This change will create explicit consistency with the Canadian classification system and implicit comparability with the Mexican classification system.

1987 SIC 1611, Highway and Street Construction, Except Elevated Highways, and 1987 SIC 1622, Bridge, Tunnel, and Elevated Highway Construction, are grouped together in the industry group Highway, Street, Bridge and Tunnel Construction in the Heavy Construction subsector. The establishments in both industries have similar production processes.

Fresco work was moved from part of 1987 SIC 1743, Terrazzo, Tile, Marble, and Mosaic Work, to Drywall, Plastering, Acoustical and Insulation Contractors. Fresco work is similar to the work performed by specialty plaster contractors. In Canada, fresco work is included with the plastering industry.

Stucco construction was moved from part of 1987 SIC 1771, Concrete Work, to Drywall, Plastering, Acoustical and Insulation Contractors. Stucco work is done by plastering contractors on interior ceilings and walls. Stucco work is similar to plastering

and drywall work and is not considered to be concrete work construction. Canada includes stucco work with the plastering industry.

Paint and wallpaper removal was moved from part of 1987 SIC 1799, Specialty Trade Contractors, NEC, to Painting and Wall Covering Contractors. The production process for paint and wallpaper stripping activities are more closely allied with the activities of painting and wall covering contractors than with Other Special Trade contractors. This move achieves comparability with Canada and reduces the U.S. NEC classification.

Tinting glass was moved from part of 1987 SIC 1799, Specialty Trade Contractors, NEC, to Glass and Glazing Contractors. The production process for glass tinting is more closely allied with glass and glazing construction activities. This move improves comparability with Canada. All of the above recommended changes in the classification of fresco, stucco, paint and wallpaper removal, and tinting glass improve comparability with Canada and do not reduce the comparability with

Mexico.

Burglar and fire alarm installation (with incidental installation) was moved from part of 1987 SIC 1731, Electrical Work, to Security System Services, except Locksmiths in the Management and Support Services subsector because more and more establishments that install also offer monitoring services. This change was proposed by an outside user.

Utilities:

The Utilities sector includes three industry groups. The first industry group, Electric Power Generation, Transmission and Distribution, includes establishments that provide electric power, services to both businesses and households. These are grouped together based on the presence of the system required to provide the services to the customers location. The second, Natural Gas Distribution, includes establishments that provide for the distribution of natural gas via pipelines to final customers. The last industry group, Water, Sewerage, and Other Systems, includes establishments that provide water, irrigation, sewerage and other services to customers. This group includes separate classifications for water and irrigation systems, sewerage systems, and steam and air-conditioning supply.

TABLE 1

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.

1997 NAICS and U.S. description		Status Code	1987 SIC Code	1987 SIC description
221	Utilities			
2211	Electric Power Generation, Transmission and Distribution			
22111	Electric Power Generation			
221111	Hydroelectric Power Generation	N	*4911	Electric Services (hydroelectric power generation)
			*4931	Electric and Other Services Combined (hydroelectric power generation)
			*4939	Combination Utilities, NEC (hydroelectric power generation)
221112	Fossil Fuel Electric Power Generation	N	*4911	Electric Services (fossil fuel power generation)
			*4931	Electric and Other Services Combined (fossil fuel power generation)
			*4939	Combination Utilities, NEC (fossil fuel power generation)
221113	Nuclear Electric Power Generation	N	*4911	Electric Services (nuclear electric power generation)
			*4931	Electric and Other Services Combined (nuclear power generation)
			*4939	Combination Utilities, NEC (nuclear power generation)
221119	Other Electric Power Generation	N	*4911	Electric Services (other electric power generation)
			*4931	Electric and Other Services Combined (other electric power generation)
			*4939	Combination Utilities, NEC (other electric power generation)
22112	Electric Power Transmission, Distribution and Control			

221121	Electric Bulk Power Transmission and Control	N	*4911	Electric Services (electric power transmission and control)
			*4931	Electric and Other Services Combined (electric power transmission and control)
			*4939	Combination Utilities, NEC (electric power transmission and control)
221122	Electric Power Distribution	N	*4911	Electric Services (electric power distribution)
			*4931	Electric and Other Services Combined (electric power distribution)
			*4939	Combination Utilities, NEC (electric power distribution)
2212	Natural Gas Distribution			
22121	Natural Gas Distribution	R	*4923	Natural Gas Transmission and Distribution (distribution)
			4924	Natural Gas Distribution
			4925	Mixed, Manufactured, or Liquefied Petroleum Gas Production and/or Distribution (natural gas distribution)
			*4932	Gas and Other Services Combined (natural gas distribution)
			*4939	Combination Utilities, NEC (natural gas distribution)
2213	Water, Sewerage and Other Systems			
22131	Water and Irrigation Systems	R	4941	Water Supply
			4971	Irrigation Systems
22132	Sewerage Systems	E	4952	Sewerage Systems
22133	Steam and Air-Conditioning Supply	E	4961	Steam and Air-Conditioning Supply

TABLE 2

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

1987 SIC code	1987 SIC description	1997 U.S. description
4911	Electric Services	
	Hydroelectric Power Generation	Hydroelectric Power Generation (pt)
	Electric Power Generation by Fossil Fuels	Fossil Fuel Electric Power Generation (pt)
	Electric Power Generation by Nuclear Fuels	Nuclear Electric Power Generation (pt)
	Other Electric Power Generation	Other Electric Power Generation (pt)
	Electric Power Transmission and Control	Electric Bulk Power Transmission and Control (pt)
	Electric Power Distribution	Electric Power Distribution
4922	Natural Gas Transmission	Pipeline Transportation of Natural Gas
4923@	Natural Gas Transmission and Distribution	Natural Gas Distribution (pt)
4924@	Natural Gas Distribution	Natural Gas Distribution (pt)
4925@	Mixed, Manufactured, or Liquefied Petroleum Gas Production and/or Distribution	Natural Gas Distribution (pt)
4931@	Electric and Other Services Combined	
	Hydroelectric Power Generation When Combined with Other Services	Hydroelectric Power Generation (pt)
	Electric Power Generation by Fossil Fuels When Combined with Other Services	Fossil Fuel Electric Power Generation (pt)
	Electric Power Generation by Nuclear Fuels When Combined with Other Services	Nuclear Electric Power Generation (pt)
	Other Electric Power Generation When Combined with Other Services	Other Electric Power Generation (pt)

	Electric Power Transmission When Combined with Other Services	Electric Bulk Power Transmission and Control (pt)
	Electric Power Distribution When Combined with Other Services	Electric Power Distribution (pt)
4932@	Gas and Other Services Combined	Natural Gas Distribution (pt)
4939@	Combination Utilities, Not Elsewhere Classified	
	Hydroelectric Power Generation When Combined with Other Services	Hydroelectric Power Generation (pt)
	Electric Power Generation by Fossil Fuels When Combined with Other Services	Fossil Fuel Electric Power Generation (pt)
	Electric Power Generation by Nuclear Fuels When Combined with Other Services	Nuclear Electric Power Generation (pt)
	Other Power Generation When Combined with Other Services	Other Electric Power Plants (pt)
	Electric Power Transmission When Combined with Other Services	Electric Bulk Power Transmission and Control (pt)
	Electric Power Distribution When Combined with Other Services	Electric Power Distribution
	Natural Gas Distribution When Combined with Other Services	Natural Gas Distribution (pt)
4941	Water Supply	Water and Irrigation Systems (pt)
4952	Sewerage Systems	Sewerage Systems

Description of Changes to the U.S. System

The U.S. detail for the Utilities sector consists of two subsectors, six industry groups, and 21 U.S. detail industries. For 1987, there were 14 industries.

For the electrical power industry group, NAICS has added new detail for four classifications that identify different types of power plants including Hydroelectric Power Generation, Fossil Fuel Electric Power Generation, Nuclear Electric Power Generation, and Other Electric Power Generation. The Electric Power Transmission, Distribution, and Control industry group includes two U.S. detail classifications that identify establishments that provide transmission and control services separately from those that provide for the distribution of power to final customers.

The change to 1987 Industry Group 492, Gas Production and Distribution, separates the activities of transmission and distribution. The natural gas transmission activities included in 1987 SIC 4924, Natural Gas Transmission, and 1987 SIC 4923, Natural Gas Transmission and Distribution, have been moved to the Transportation sector. 1987 SIC 4925, Mixed, Manufactured, or Liquefied Gas Production and/or Distribution, has been eliminated. These activities along with the distribution activities included in 1987 SIC 4923, Natural Gas Transmission and Distribution, have been consolidated with 1987 SIC 4922, Natural Gas Distribution. The industries for combination utilities, 1987 SIC 4931, Electric and Other Services Combined, and 1987 SIC 4932, Gas and Other Services Combined, and 1987 SIC 4939, Combination Utilities, Not Elsewhere Classified, have been eliminated. These activities will be classified according to their primary activity.

Waste Management and Remediation Services:

The Waste Management and Remediation Services subsector includes establishments engaged in collection, treatment, and disposal of waste materials. This includes establishments providing related services like materials recovery facilities (those that sort recyclable materials from the trash stream), remediation services (those that provide for the cleanup of polluted ground, ground water, etc.), septic and sewer services, and other sanitary services. There are three industry groups within the subsector which separate these activities into Waste Collection, Waste Treatment and Disposal, and Remediation Services and Other Waste Management.

TABLE 1

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.

1997 NAICS and U.S. description	Status Code	1987 SIC Code	1987 SIC description
572			Waste Management and Remediation Services
5721			Waste Collection
57211			Waste Collection
572111	N	*4212	Local Trucking Without Storage (solid waste collection)
		*4953	Refuse Systems (solid waste collection)
572112	N	*4212	Local Trucking Without Storage (hazardous waste collection)
		*4953	Refuse Systems (hazardous waste collection)
572119	N	*4212	Local Trucking Without Storage (other waste collection without disposal)
5722			Waste Treatment and Disposal
57221			Waste Treatment and Disposal
572211	N	*4953	Refuse Systems (hazardous waste treatment and disposal)
572212	N	*4953	Refuse Systems (solid waste landfills)
572213	N	*4953	Refuse Systems (solid waste combustors and incinerators)
572219	N	*4953	Refuse Systems (other nonhazardous waste treatment and disposal)
5723			Remediation Services and Other Waste Management
57231	N	*4953	Refuse Systems (materials recovery facilities)

57232	Remediation Services and All Other Waste Management			
572321	Remediation Services	N	*4959	Sanitary Services, NEC (remediation services)
572322	Septic Tank and Related Services	N	*7359	Equipment Rental and Leasing, NEC (portable toilet rental)
			*7699	Repair Shops and Related Services, NEC (cesspool cleaning, sewer cleaning and rodding)
572329	All Other Miscellaneous Waste Management	R	*4953	Refuse Systems (waste transfer stations)
			*4959	Sanitary Services, NEC (all but remediation services, malaria control, mosquito eradication, snowplowing, street sweeping, and airport runway vacuuming)

TABLE 2

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

1987 SIC code	1987 SIC description	1997 U.S. description
4212	Local Trucking Without Storage	
	Solid Waste Collection Without Disposal	Solid Waste Collection (pt)
	Hazardous Waste Collection Without Disposal	Hazardous Waste Collection (pt)
	Other Waste Collection Without Disposal	Other Waste Collection (pt)
	Other	Included in Transportation subsector
4953	Refuse Systems	
	Solid Waste Collection When Combined with Disposal	Solid Waste Collection (pt)
	Hazardous Waste Collection When Combined with Disposal	Hazardous Waste Collection (pt)
	Materials Recovery Facilities	Materials Recovery Facilities
	Waste Transfer Stations	All Other Miscellaneous Waste Management (pt)
	Other Waste Collection When Combined with Disposal	Other Waste Collection
	Hazardous Waste Disposal	Hazardous Waste Treatment and Disposal
	Solid Waste Landfills	Solid Waste Landfills
	Solid Waste Combustors and Incinerators	Solid Waste Combustors and Incinerators
	Other Waste Treatment and Disposal	Other Nonhazardous Waste Treatment and Disposal
4959	Sanitary Services, NEC	

	Vacuuming of Airport Runways	Airport Operations, Except Air Traffic Control
	Remediation Services	Remediation Services
	Malaria Control and Mosquito Eradication	Exterminating and Pest Control
	Snowplowing and Street Sweeping	Lawn and Garden Services (pt)
	Other	All Other Miscellaneous Waste Management (pt)
4961	Steam and Air-Conditioning Supply	Steam and Air-Conditioning Supply
4971@	Irrigation Systems	Water and Irrigation Systems (pt)
7359	Equipment Rental and Leasing, NEC	
	Portable Toilet Rental	Septic Tank and Related Services (pt)
	Consumer Electronics and Appliances Rental and Leasing	Rental of Consumer Electronics and Appliances
	Home and Garden Tools and Equipment Rental and Leasing	Rental and Leasing of Home and Garden Equipment
	Residential Furniture, Party Supplies, and All Other Miscellaneous Consumer Goods Rental and Leasing	All Other Rental and Leasing of Consumer Goods (pt)
	Oilfield and Well Drilling Machinery and Equipment Rental and Leasing	Rental and Leasing of Heavy Construction, Mining, and Forestry Machinery and Equipment
	Airplane Rental and Leasing	Rental and Leasing of Commercial Air, Rail, and Water Transportation Equipment
	Industrial Trucks Rental and Leasing	Rental and Leasing of Other Machinery and Equipment
	Office Machinery and Equipment Rental and Leasing	Rental and Leasing of Office Machinery and Equipment
7699	Repair Shops and Related Services, NEC	
	Cesspool Cleaning, Sewer Cleaning and Rodding	Septic Tank and Related Services (pt)
	Other Non-Automotive Transportation Equipment	Transportation Equipment Repair and Maintenance (pt)
	Industrial Machines and Equipment	Other Industrial Machinery and Equipment Repair and Maintenance (pt)

Typewriter Repair	Computer and Office Machine Repair and Maintenance (pt)
Ship Scaling	Other Support Activities for Water Transportation (pt)
Dental Instrument Repair, Laboratory Instrument Repair, Medical Equipment and Other Electronic and Precision Equipment Repair, Except Typewriters	Other Electronic and Precision Equipment Repair and Maintenance (pt)
Bicycle Sales Locations Providing Supporting Repair Services as a Major Source of Revenue	Sporting Good Stores (pt)
Furnce Ducts, Chimney and Gutter Cleaning Services	Other Services to Dwellings and Building (pt)
Lawnmower Repair Shops, Sharpening and Repairing Knives, Saws and Tools	Home and Garden Equipment Repair and Maintenance (pt)
Gas Appliance Repair Service, Sewing Machine Repair, Stove Repair Shops, and Other Non-Electrical Appliances	Appliance Repair and Maintenance
Leather Goods Repair Shops, Luggage Repair Shops, Pocketbook Repair Shops	Footwear and Leather Goods Repair (pt)
Locksmith Shops	Locksmiths
Except Industrial, Electronic, Home and Garden, Appliance, Locksmith, and Leather Goods	Other Personal or Household Goods Repair and Maintenance

Description of Changes to the U.S. System

1987 SIC 4953, Refuse Systems, has been restructured to separate the operations of waste collection and waste disposal. This includes moving the garbage collection activity included in 1987 SIC 4212, Local Trucking Without Storage, from Transportation and combining it with the collection activities included in 1987 SIC 4953, Refuse Systems. There are separate classifications for hazardous waste, solid waste landfills, solid waste incinerators and other nonhazardous waste treatment.

The miscellaneous sanitary services classification (1987 SIC 4959, Sanitary Services, Not Elsewhere Classified) has also been split to separate the Remediation Services.

Retail:

In most sectors of NAICS, the statistical agencies of Canada, Mexico, and the United States agreed to a detailed structure that includes subsectors, industry groups, and detailed industry definitions. However, because both resources and time for constructing NAICS were limited, in the the Retail Trade sector, the three statistical agencies agreed that only the boundaries of the sectors will be made comparable internationally at the present time. The structure and detailed definitions of the industries within the boundaries will be determined by national requirements. The three country agreement on the boundaries of retail and wholesale trade was published in the May 28, 1996, **Federal Register**, pp. 26642-26644.

For Retail Trade, Canada and the United States have agreed to restructure their respective existing 4-digit hierarchies to provide for more comparable data at the detailed industry level between the two countries. This resulted primarily in developing a new hierarchy that better reflects the structure of economic activity occurring within the two countries. The United States will provide for additional industries at the national level to reflect important industries in the United States. The ECPC is proposing 5-digit industries that will be comparable with Canada and 6-digit national detail industries as shown in Table 1 for Retail Trade. In that table, where no 6-digit detail is shown, the ECPC is proposing that the NAICS 5-digit industries will also represent the most detailed U.S. industries.

The Retail Trade sector is divided into twelve subsectors: Motor Vehicles and Parts Dealers; Furniture and Home Furnishing Stores; Electronics and Appliance Stores; Building Materials and Garden Equipment and Supplies Dealers; Food and Beverage Stores; Health and Personal Care Stores; Gasoline Stations; Clothing and Accessories Stores; Sports, Hobby, Book and Music Stores; General Merchandise Stores; Miscellaneous Store Retailers; and Nonstore Retailers.

Two types of retailers are identified. Store retailers sell goods through a sales location and/or stores and are differentiated by characteristics of the location and selling equipment, the types and variety of services provided, and the skills of the personnel. Nonstore retailers sell goods by means other than through the sales

location or store. Nonstore retailers include establishments engaged in activities like television and electronic shopping, mail order sales, door-to-door sales, home fuel sales, and sales through portable stands and stalls. The principal distinction is that the business comes to the customer rather than the customer going to the business.

Store retailers are divided into 11 subsectors. Motor Vehicle and Parts Dealers operate from a showroom and/or an open lot where the vehicles are on display. The display of vehicles and the related parts require little by way of display equipment. The personnel include both the sales and sales support staff familiar with the requirements for registering, licensing, and financing a vehicle as well as a staff of parts experts and mechanics trained to provide repair and maintenance services for the vehicles. Specific industries have been included in this subsector to identify the type of vehicle being sold.

The Furniture and Home Furnishing Stores also usually operate from showrooms; however, their expertise is in the areas of decorating and coordinating the furniture and accessories for the home. Many of these establishments offer interior decorating services in conjunction with the sale of products. Furniture Stores provide substantial areas for the proper presentation of the furniture which differentiates them within this group. The Floor Covering Stores maintain special equipment for the handling and display of the rolled carpet. Window Treatment Stores have special display equipment and have expertise in the way curtains, drapes, and shades should be matched to the particular type of window and coordinated with the style of furnishings being used in the room.

Electronics and Appliance Stores operate from locations that have special provisions for floor displays requiring special electrical capacity to accommodate the proper demonstration of the products. The staff includes sales personnel knowledgeable in the characteristics, warranties, etc. of the line of goods sold and may also include trained repairmen to handle the maintenance and repair of the electronic equipment and appliances. The classifications within this subsector are made principally on the type of product and repair knowledge required to operate each store.

Building Materials and Garden Equipment and Supplies Dealers have display equipment designed to handle lumber and related products and garden equipment and supplies that may be kept either indoors or outdoors under covered areas. The staff is usually well versed in the use of the specific products being sold in the construction, repair, and maintenance of the home and associated grounds. Hardware Stores are identified separately based on the display equipment and expertise in the use of tools and related equipment sold at these stores. Home center stores are identified separately based on the display equipment for lumber and the expertise in the use of tools and related equipment. Paint and wallpaper stores have special equipment to color and mix paint and display wallpaper. Outdoor power equipment stores typically have both inside and outside displays of equipment and provide the expertise to repair and maintain the equipment. Nursery and garden centers have the equipment and expertise to maintain a stock of live trees and plants.

Food and beverage stores have special equipment for the display of the goods usually including refrigerators, freezers, and refrigerated display cases. They have staff trained in the processing of food products to guarantee the proper storage and sanitary conditions required by regulatory authority. General grocery stores are separated between convenience stores and supermarket and other grocery stores based on the mix of products. Supermarkets and other grocery stores maintain a broad variety of products including a number of highly perishable goods. Convenience stores sell a narrow line of products that includes very few perishable products. Meat markets are separated based on the equipment (extensive use of refrigeration) and the expertise to properly prepare meat products. Fish and seafood markets share much of the same refrigeration equipment but also have special equipment and skill to properly process the seafood products safely. Fruit and vegetable markets have many health and safety considerations but have far less by way of refrigeration equipment. Baked goods stores and candy, nut, and confectionery stores are separated based on the product.

Health and personal care stores are characterized principally by specialized staff trained in dealing with the products. This includes pharmacists, beauticians, opticians, and other professionals that sell and may fit the product sold to the customer needs. This expertise is the principal basis for the distinctions within this subsector.

Gasoline stations are establishments that sell gasoline and diesel fuel. As such, they have specialized equipment for the storage and dispensing of automotive fuels.

Clothing and accessories stores have similar display equipment and staff that are knowledgeable regarding fashion trends and the proper match of styles, colors, and combinations of clothing and accessories to the characteristics and tastes of the customer.

Sports, hobby, book and music stores are establishments that provide expertise on use of sporting equipment or other specific activities such as needlework, musical instruments, etc. Book stores are also included in this grouping.

General merchandise stores are unique in that they have the equipment and staff capable of selling a large variety of goods from a single location. This includes a variety of display equipment and staff trained to provide information on many lines of products. Department Stores have been identified separately based on the operation of separate subunits or departments within the stores. The warehouse clubs and other general merchandise stores are separated based on the use of equipment for both the processing of food and nonfood items. This is a new and emerging industry that has not previously been identified in the classification system.

Miscellaneous store retailers include stores with unique characteristics like florists, used merchandise stores, and pet and pet supply stores as well as other store retailers.

TABLE 1

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.

1997 NAICS and description	Status Code	1987 SIC Code	1987 SIC description
441			Motor Vehicle and Parts Dealers
4411			Automobile Dealers
44111	E	5511	Motor Vehicle Dealers (New and Used)
44112	E	5521	Motor Vehicle Dealers (Used Only)
4412			Other Motor Vehicle Dealers
44121	E	5561	Recreational Vehicle Dealers
44122			Motorcycles, Boats and Other Motor Vehicle Dealers
441221	E	5571	Motorcycle Dealers
441222	E	5551	Boat Dealers
441229	E	5599	Automotive Dealers, NEC
4413			Automotive Parts, Tires and Supplies Stores
44131	N	*5013	Motor Vehicle Supplies and New Parts (Wholesale) (auto parts sold via retail method)
		*5731	Radio, Television, and Consumer Electronics Stores (automobile radios)
		*5531	Auto and Home Supply Stores (except tires and tubes)
44132	N	*5014	Tires and Tubes (Wholesale) (tires and tubes sold via retail method)

			*5531	Auto and Home Supply Stores (tires and tubes)
442	Furniture and Home Furnishings Stores			
4421	Furniture Stores			
44211	Furniture Stores	R	*5021	Furniture (Wholesale) (sold via the retail method)
			*5712	Furniture Stores (except custom furniture and cabinets)
4422	Home Furnishings Stores			
44221	Floor Covering Stores	R	*5023	Homefurnishings (Wholesale) (floor covering sold via retail method)
			5713	Floor Coverings Stores
44229	Other Home Furnishings Stores			
442291	Window Treatment Stores	N	*5714	Drapery, Curtain, and Upholstery Stores (drapery and curtain stores)
			*5719	Miscellaneous Homefurnishings Stores (blinds and shades)
442299	All Other Home Furnishings Stores	R	*5719	Miscellaneous Homefurnishings Stores (except pottery and crafts made and sold on site and frame shops, and window furnishings)
443	Electronics and Appliance Stores			
4431	Electronics and Appliance Stores			
44311	Appliance, Television and Other Electronics Stores			
443111	Household Appliance Stores	R	5722	Household Appliance Stores
			*5999	Miscellaneous Retail Stores, NEC (personal appliance stores)
			*7623	Refrigeration and Air-Conditioning Service and Repair Shops (sales location providing supporting refrigerator repair services as major source of receipts)
			*7629	Electrical and Electronic Repair Shops, NEC (Services) (Sales location providing supporting appliance repair services as major source of receipts)

443112	Radio, Television and Other Electronics Stores	R	*5731	Radio, Television, and Consumer Electronics Stores (except auto radios)
			*5999	Miscellaneous Retail Stores, NEC (typewriters and telephones)
			*7622	Radio and Television Repair Shops (sales locations providing supporting repair services as major source of receipts)
44312	Computer and Software Stores	R	*5045	Computers and Computer Peripheral Equipment and Software (sold via retail method)
			*7378	Computer Maintenance and Repair (sales locations providing supporting repair services as major source of receipts)
			5734	Computer and Computer Software Stores
44313	Camera and Photographic Supply Stores	E	5946	Camera and Photographic Supply Stores
444	Building Materials and Garden Equipment and Supplies Dealers			
4441	Building Materials and Supplies Dealers			
44411	Home Centers	N	*5211	Lumber and Other Building Materials Dealers (home center stores)
44412	Paint and Wallpaper Stores	R	*5198	Paints, Varnishes, and Supplies (sold via retail method)
			*5231	Paint, Glass, and Wallpaper Stores (paint and wallpaper)
44413	Hardware Stores	E	5251	Hardware Stores
44419	Other Building Materials Dealers	R	*5031	Lumber, Plywood, Millwork, and Wood Panels (Wholesale) (sold via retail method)
			*5032	Brick, Stone, and Related Construction Materials (Wholesale) (sold via retail method)
			*5039	Construction Materials, NEC (Wholesale) (glass sold via retail method)
			*5063	Electrical Apparatus and Equipment, Wiring Supplies, and Construction Materials (Wholesale) (sold via retail method)

			*5074	Plumbing and Heating Equipment and Supplies (Hydronics) (sold via retail method)
			*5211	Lumber and Other Building Materials Dealers (except home centers)
			*5231	Paint, Glass, and Wallpaper Stores (glass)
4442	Lawn and Garden Equipment and Supplies Stores			
44421	Outdoor Power Equipment Stores	N	*5083	Farm and Garden Machinery and Equipment (Wholesale) (sold via retail method)
			*5261	Retail Nurseries, Lawn and Garden Supply Stores (outdoor power equipment)
44422	Nursery and Garden Centers	R	*5191	Farm Supplies (sold via retail method)
			*5193	Flowers, Nursery Stock, and Florists' Supplies (sold via retail method)
			*5261	Retail Nurseries, Lawn and Garden Supply Stores (except outdoor power equipment and cut Christmas trees)
445	Food and Beverage Stores			
4451	General Food Stores			
44511	Supermarkets and Grocery Stores	N	*5411	Grocery Stores (except convenience stores)
44512	Convenience Stores	N	*5411	Grocery Stores (convenience stores without gas)
4452	Specialty Food Stores			
44521	Meat Markets	R	*5421	Meat and Fish (Seafood) Markets, Including Freezer Provisioners (meat except freezer provisioners)
			*5499	Miscellaneous Food Stores (poultry and poultry products)
44522	Fish and Seafood Markets	N	*5421	Meat and Fish (Seafood) Markets, Including Freezer Provisioners (seafood)
44523	Fruit and Vegetable Markets	E	5431	Fruit and Vegetable Markets
44529	Other Specialty Food Stores			

445291	Baked Goods Stores	R	*5461	Retail Bakeries (selling only)
445292	Candy, Nut and Confectionery Stores	R	*5441	Candy, Nut and Confectionery Stores (selling only)
445299	All Other Specialty Food Stores	R	*5499	Miscellaneous Food Stores (except food supplements)
			5451	Dairy Products Stores
4453	Beer, Wine and Liquor Stores			
44531	Beer, Wine and Liquor Stores	E	5921	Liquor Stores
446	Health and Personal Care Stores			
4461	Health and Personal Care Stores			
44611	Drug Stores and Pharmacies	E	5912	Drug Stores and Proprietary Stores
44612	Cosmetics, Beauty Supplies and Perfume Stores	N	*5087	Service Establishment Equipment and Supplies (beauty and barber supplies sold via retail method)
			*5999	Miscellaneous Retail Stores, NEC (cosmetics and perfumes)
44613	Optical Goods Stores	R	*5995	Optical Goods Stores (except grinding prescription lenses)
44619	Other Health and Personal Care Stores			
446191	Food (Health) Supplement Stores	N	*5499	Miscellaneous Food Stores (food supplements)
46199	All Other Health and Personal Care Stores	N	*5047	Medical, Dental, and Hospital Equipment and Supplies (sold via retail method)
			*5999	Miscellaneous Retail Stores, NEC (hearing aids and artificial limbs)
447	Gasoline Stations			
4471	Gasoline Stations			
44711	Gasoline Stations with Convenience Stores	N	*5541	Gasoline Service Station (gasoline station with convenience store)
			*5411	Grocery Stores (convenience store with gas)

44719	Other Gasoline Stations	N	*5541	Gasoline Service Station (gasoline station without convenience store)
448	Clothing and Accessories Stores			
4481	Clothing Stores			
44811	Men's Clothing Stores	R	*5611	Men's and Boys' Clothing and Accessory Stores (clothing stores)
44812	Women's Clothing Stores	E	5621	Women's Clothing Stores
44813	Children's and Infants' Clothing Stores	E	5641	Children's and Infants' Wear Stores
44814	Family Clothing Stores	E	5651	Family Clothing Stores
44819	Other Clothing Stores	R	*5632	Women's Accessory and Specialty Stores (specialty clothing)
			*5699	Miscellaneous Apparel and Accessory Stores (miscellaneous apparel)
4482	Jewelry and Accessories Stores			
44821	Jewelry Stores	R	*5999	Miscellaneous Retailer, NEC (rough gems)
			5944	Jewelry Stores
44822	Luggage and Leather Goods Stores	E	5948	Luggage and Leather Goods Stores
44823	Accessories Stores	N	*5611	Men's and Boys' Clothing and Accessory Stores (accessories)
			*5632	Women's Accessory and Specialty Stores (accessories)
			*5699	Miscellaneous Apparel and Accessory Stores (accessories)
4483	Shoe Stores			
44831	Shoe Stores	E	5661	Shoe Stores
451	Sports, Hobby, Book and Music Stores			
4511	Sports, Hobby and Music Stores			

45111	Sporting Goods Stores	R	*7699	Repair Shops and Related Services, NEC (bicycle sales locations providing supporting repair services as major source of receipts)
			5941	Sporting Goods Stores and Bicycle Shops
45112	Hobby, Toy and Game Stores	E	5945	Hobby, Toy, and Game Stores
45113	Sewing, Needlework and Piece Goods Stores	R	*5714	Drapery, Curtain, and Upholstery Stores (upholstery materials)
			5949	Sewing, Needlework, and Piece Goods Stores
45114	Musical Instrument and Supply Stores	E	5736	Musical Instruments Stores
4512	Books, Periodicals and Music Stores			
45121	Book Stores and News Dealers			
451211	Book Stores	E	5942	Book Stores
451212	News Dealers and Newsstands	E	5994	News Dealers and Newsstands
45122	Prerecorded Tape, Compact Disk and Record Stores	E	5735	Record and Prerecorded Tape Stores
452	General Merchandise Stores			
4521	Department Stores			
45211	Department Stores	E	5311	Department Stores
4522	Other General Merchandise Stores			
45221	Warehouse Clubs and Other General Merchandise Stores with Food	N	*5399	Miscellaneous General Merchandise Stores (warehouse clubs and supermarket/general merchandise combination)
			*5411	Grocery Stores (grocery stores and supermarkets selling substantial amounts of nonfood items)
45229	All Other General Merchandise Stores	R	*5399	Miscellaneous General Merchandise Stores (except warehouse club and supermarket/general merchandise combination)
			5331	Variety Stores
453	Miscellaneous Store Retailers			

4531	Florists				
45311	Florists	E	5992	Florists	
4532	Office Supply and Stationery and Gift Stores				
45321	Office Supply and Stationery Stores	R	*5049	Professional Equipment and Supplies, NEC (school and church supplies sold via retail method)	
			*5112	Stationery and Office Supplies (sold via retail method)	
			5943	Stationery Stores	
45322	Gift, Novelty and Souvenir Stores	E	5947	Gift, Novelty, and Souvenir Shops	
4533	Used Merchandise Stores				
45331	Used Merchandise Stores	R	*5932	Used Merchandise Stores (except pawn shops)	
4539	Other Miscellaneous Store Retailers				
45391	Pet and Pet Supply Stores	N	*5999	Miscellaneous Retail Stores, NEC (pet and pet supplies)	
45392	Art Dealers	N	*5999	Miscellaneous Retail Stores, NEC (art dealer)	
45393	Manufactured (Mobile) Home Dealers	E	5271	Mobile Home Dealers	
45399	All Other Miscellaneous Store Retailers				
453991	Tobacco Stores	E	5993	Tobacco Stores and Stands	
453999	All Other Miscellaneous Store Retailers	R	*5999	Miscellaneous Retail Stores, NEC (except art, pet and pet supplies, hearing aids, artificial limbs, cosmetics, live Christmas trees, telephones, typewriters, personal appliances and rough gems)	
			*5261	Retail Nurseries, Lawn and Garden Supply Stores (cut Christmas trees)	
454	Nonstore Retailers				
45411	Electronic Shopping and Mail-Order Houses				
45411	Electronic Shopping and Mail-Order Houses	E	5961	Catalog and Mail-Order Houses	

4542	Vending Machine Operators				
45421	Vending Machine Operators	E	5962	Automatic Merchandise Machine Operators	
4543	Direct Selling Establishments				
45431	Fuel Dealers				
454311	Heating Oil Dealers	R	*5171	Petroleum Bulk Stations and Terminals (heating oil sold to final consumer)	
			5983	Fuel Oil Dealers	
454312	Liquefied Petroleum Gas (Bottled Gas) Dealers	R	*5171	Petroleum Bulk Stations and Terminals (LP gas sold to final consumer)	
			5984	Liquefied Petroleum Gas (Bottled Gas) Dealers	
454319	Other Fuel Dealers	E	5989	Fuel Dealers, NEC	
45439	Other Direct Selling Establishments	R	*5421	Meat and Fish (Seafood) Markets, Including Freezer Provisioners (freezer provisioners)	
			*5963	Direct Selling Establishments (except mobile food services)	

TABLE 2

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

1987 SIC code	1987 SIC Description	1997 U.S. Description
5013	Motor Vehicle Supplies and New Parts	
	Sold Via Retail Method	Automotive Parts and Supplies Stores (pt)
	Sold Via Wholesale Method	Motor Vehicle Supplies and New Parts (pt)
5014	Tires and Tubes	
	Sold Via Retail Method.	Tire Dealers (pt)
	Sold Via Wholesale Method	Tires and Tubes
5021	Furniture	
	Sold Via Retail Method	Furniture Stores (pt)
	Sold Via Wholesale Method	Furniture
5023	Home Furnishings	
	Sold Via Retail Method	Floor Covering Stores (pt)
	Sold Via Wholesale Method	Homefurnishings (pt)
5031	Lumber, Plywood, Millwork and Wood Panels	
	Sold Via Retail Method	Other Building Materials Dealers (pt)
	Sold Via Wholesale Method	Lumber, Plywood, Millwork, and Wood Panels (pt)
5032	Brick, Stone and Related Construction Materials	
	Sold Via Retail Method	Other Building Materials Dealers (pt)
	Sold Via Wholesale Method	Brick, Stone and Related Construction Materials

5039	Construction Materials, NEC	
	Sold Via Retail Method	Other Building Materials Dealers (pt)
	Sold Via Wholesale Method	Other Construction Materials
5045	Computers and Computer Peripheral Equipment and Software	
	Sold Via Retail Method	Computer and Software Stores (pt)
	Sold Via Wholesale Method	Computers and Computer Peripheral Equipment and Software
5047	Medical, Dental and Hospital Equipment	
	Sold Via Retail Method	All Other Health and Personal Care Stores (pt) - (Retail)
	Sold Via Wholesale Method	Medical, Dental and Hospital Equipment and Supplies - Wholesale
5049	Professional Equipment and Supplies, NEC	
	Religious and School Supplies Sold Via Retail Method	Office Supply and Stationery Stores (pt)
	Sold Via Wholesale Method	Other Professional Equipment and Supplies
5063	Electrical Apparatus and Equipment Wiring Supplies and Construction Materials	
	Sold Via Retail Method	Other Building Materials (pt)
	Sold Via Wholesale Method	Electrical Apparatus and Equipment Wiring Supplies and Construction Materials
5074	Plumbing and Heating Equipment and Supplies (Hydronics)	
	Sold Via Retail Method	Other Building Materials (pt)
	Sold Via Wholesale Method	Plumbing and Heating Equipment and Supplies
5083	Farm and Garden Machinery and Equipment	
	Garden and Lawn Equipment Sold Via Retail Method	Outdoor Power Equipment Stores (pt)

	Sold Via Wholesale Method	Farm and Garden Machinery and Equipment
5087	Service Establishment Equipment and Supplies	
	Sold Via Retail Method	Cosmetics, Beauty Supplies and Perfume Stores (pt)
	Sold Via Wholesale Method	Service Establishment Equipment and Supplies
5112	Stationery and Office Supplies	
	Sold Via Retail Method	Office Supply and Stationery Stores (pt)
	Sold Via Wholesale Method	Stationery and Office Supplies
5171	Petroleum Bulk Stations and Terminals	
	Heating Oil Sold Via Retail Method	Heating Oil Dealers (pt)
	LP Gas Sold Via Retail Method	Liquefied Petroleum Gas (Bottled Gas) Dealers (pt)
	All Other Petroleum and Bulk Stations and Terminals	Petroleum Bulk Stations and Terminals
5191	Farm Supplies	
	Lawn and Garden Supplies Sold Via Retail Method	Nursery and Garden Centers (pt)
	Except Lawn and Garden Supplies Sold Via Retail Method	Farm Supplies
5193	Flowers, Nursery Stock, and Florists' Supplies	
	Sold Via Retail Method	Nursery and Garden Centers (pt)
	Sold Via Wholesale Method	Flowers, Nursery Stock and Florists' Supplies
5198	Paints, Varnishes, and Supplies	
	Sold Via Retail Method	Paint and Wallpaper Stores (pt)
	Sold Via Wholesale Method	Paints, Varnishes and Supplies
5211	Lumber and Other Building Materials Dealers	
	Sold Via Wholesale Method	Lumber, Plywood, Millwork and Wood Panels - Wholesale (pt)

	Sold Via Retail Method, Except Home Centers and Glass	Other Building Materials Dealers (pt)
	Home Centers	Home Centers
5231	Paint, Glass, and Wallpaper Stores	
	Paint and Wallpaper Sold Via Wholesale Method	Paint, Varnishes and Supplies - Wholesale (pt)
	Glass Stores	Other Building Materials Dealers (pt)
	Paint and Wallpaper Sold Via Retail Method	Paint and Wallpaper Stores (pt)
5251	Hardware Stores	Hardware Stores
5261	Retail Nurseries, Lawn and Garden Supply Stores	
	Except Cut Christmas Trees	Nursery and Garden Centers (pt)
	Cut Christmas Trees	All Other Miscellaneous Store Retailers (pt)
	Outdoor Power Equipment Stores	Outdoor Power Equipment Stores
5271	Mobile Home Dealers	Manufactured (Mobile) Home Dealers
5311	Department Stores	Department Stores
5331	Variety Stores	All Other General Merchandise Stores (pt)
5399	Miscellaneous General Merchandise Stores	
	Warehouse Clubs and General Merchandise Combination Stores	Warehouse Clubs and Other General Merchandise Stores with Food
	All Other General Merchandise Stores	All Other General Merchandise Stores (pt)
5411	Grocery Stores	
	Convenience Stores with Gas	Gasoline Stations with Convenience Stores (pt)
	Supermarkets and Grocery Stores with Little General Merchandise	Supermarkets and Grocery Stores
	Supermarkets and Grocery Stores with Substantial General Merchandise	Warehouse Clubs and Other General Merchandise Stores with Food

	Convenience Stores	Convenience Stores
5421	Meat and Fish (Seafood) Markets, Including Freezer Provisioners	
	Freezer Provisioners	Other Direct Selling Establishments (pt)
	Meat Markets	Meat Markets
	Fish and Seafood Markets	Fish and Seafood Markets
5431	Fruit and Vegetable Markets	Fruit and Vegetable Markets
5441	Candy, Nut, and Confectionery Stores	
	Candy Makers that Sell at Same Location	Confectionery Manufacturing from Purchased Chocolate (pt)
	Candy Makers that Sell at Same Location	Non-Chocolate Confectionery Manufacturing (pt)
	Sales Only	Candy, Nut, and Confectionery Stores
5451	Dairy Products Stores	All Other Specialty Food Stores (pt)
5461	Retail Bakeries	
	Doughnut Shops, Pretzel Shops, Cookie Shops, Bagel Shops, and Other Such Shops that Make and Sell For Immediate Consumption.	Refreshment Places (pt)
	Bakeries that Make and Sell at the Same Location.	Retail Bakeries
	Sales Only of All Other Baked Goods	Baked Goods Stores
5499	Miscellaneous Food Stores	
	Poultry and Poultry Products	Meat Markets (pt)
	Coffee Shops Making and Serving Food and Beverages for Immediate Consumption	Limited-Service Restaurants (pt)
	Food Supplement Stores	Food (Health) Supplement Stores
	All Other Miscellaneous Food Stores	All Other Specialty Food Stores (pt)
5511	Motor Vehicle Dealers (New and Used)	New Car Dealers

5521	Motor Vehicle Dealers (Used Only)	Used Car Dealers
5531	Auto and Home Supply Stores	
	Tire Dealers	Tire Dealers
	All Other Auto and Home Supply Stores	Automotive Parts and Supplies Stores (pt)
5541	Gasoline Service Stations	
	Convenience Store with Gas	Gasoline Stations with Convenience Store (pt)
	Except with Convenience Stores	Other Gasoline Stations
5551	Boat Dealers	Boat Dealers
5561	Recreational Vehicle Dealers	Recreational Vehicle Dealers
5571	Motorcycle Dealers	Motorcycle Dealers
5599	Automotive Dealers, NEC	All Other Motor Vehicle Dealers
5611	Men's and Boys' Clothing and Accessory Stores	
	Men's Clothing Stores	Men's Clothing Stores
	Men's Accessory Stores	Accessories Stores (pt)
5621	Women's Clothing Stores	Women's Clothing Stores
5632	Women's Accessory and Specialty Stores	
	Specialty stores	Other Clothing Stores (pt)
	Accessory stores	Accessories Stores (pt)
5641	Children's and Infants' Wear Stores	Children's and Infants' Clothing Stores
5651	Family Clothing Stores	Family Clothing Stores
5661	Shoe Stores	Shoe Stores
5699	Miscellaneous Apparel and Accessory Stores	
	Custom Tailors and Seamstresses	Included in Apparel Manufacturing subsector based on type of garment produced

	Miscellaneous Apparel	Other Clothing Stores (pt)
	Miscellaneous Accessories	Accessories Stores (pt)
5712	Furniture Stores	
	Custom Made Furniture, Except Cabinets	Wood Household Furniture Manufacturing, Except Upholstered (pt)
	Custom Wood Cabinets	Wood Kitchen Cabinet Manufacturing (pt)
	Upholstered Custom Made Furniture	Upholstered Wood Household Furniture Manufacturing (pt)
	Except Custom Cabinet and Furniture Builders	Furniture Stores
5713	Floor Covering Stores	Floor Covering Stores (pt)
5714	Drapery, Curtain and Upholstery Stores	
	Drapery and Curtain Stores	Window Treatment Stores (pt)
	Upholstery Stores	Sewing, Needlework and Piece Goods Stores (pt)
	Custom Drapes	Curtain and Drapery Mills (pt)
5719	Miscellaneous Homefurnishings Stores	
	Blinds and Shades	Window Treatment Stores
	Pottery and Crafts Made and Sold on Site	Included in Manufacturing sector based on article produced
	Except Blinds, Shades, and Pottery and Crafts Made and Sold on Site	All Other Home Furnishings Stores
5722	Household Appliance Stores	Household Appliance Stores
5731	Radio, Television, and Consumer Electronics Stores	
	Except Auto Radio Stores	Radio, Television, and Other Electronics Stores
	Auto Radio Stores	Automotive Parts and Supplies Stores (pt)
5734	Computer and Computer Software Stores	Computer and Software Stores
5735	Record and Prerecorded Tape Stores	Prerecorded Tape, Compact Disk and Record Stores
5736	Musical Instrument Stores	Musical Instrument and Supply Stores

5912	Drug Stores and Proprietary Stores	Drug Stores and Pharmacies
5921	Liquor Stores	Beer, Wine and Liquor Stores
5932	Used Merchandise Stores	
	Pawn Shops	All Other Non-Depository Credit Intermediation (pt)
	Except Pawn Shops	Used Merchandise Stores
5941	Sporting Goods Stores and Bicycle Shops	Sporting Goods Stores (pt)
5942	Book Stores	Book Stores
5943	Stationery Stores	Office Supply and Stationery Stores (pt)
5944	Jewelry Stores	Jewelry Stores
5945	Hobby, Toy and Game Shops	Hobby, Toy and Game Stores
5946	Camera and Photographic Supply Stores	Camera and Photographic Supply Stores
5947	Gift, Novelty, and Souvenir Shops	Gift, Novelty and Souvenir Stores
5948	Luggage and Leather Goods Stores	Luggage and Leather Goods Stores
5949	Sewing, Needlework, and Piece Goods Stores	Sewing, Needlework and Piece Goods Stores (pt)
5961	Catalog and Mail-Order Houses	Electronic Shopping and Mail-Order Houses
5962	Automatic Merchandising Machine Operator	Vending Machine Operators
5963	Direct Selling Establishments	
	Mobile Food Service	Mobile Caterers
	All Other Direct Selling Establishments	Other Direct Selling Establishments (pt)
5983	Fuel Oil Dealers	Heating Oil Dealers (pt)
5984	Liquefied Petroleum Gas (Bottled Gas) Dealers	Liquefied Petroleum Gas (Bottled Gas) Dealers (pt)
5989	Fuel Dealers, NEC	Other Fuel Dealers
5992	Florists	Florists

5993	Tobacco Stores and Stands	Tobacco Stores
5994	News Dealers and Newsstands	News Dealers and Newsstands
5995	Optical Goods Stores	
	Optical Stores Grinding Prescription Lenses, except 1-Hour Labs	Eyeglass and Contact Lens Manufacturing (pt)
	Except Optical Laboratories Grinding Prescription Lenses	Optical Goods Stores
5999	Miscellaneous Retail Stores, NEC	
	Cosmetic Stores	Cosmetics, Beauty Supplies and Perfume Stores (pt)
	Hearing Aid and Artificial Limb Stores	All Other Health and Personal Care Stores (pt)
	Pets and Pet Supply Stores	Pet and Pet Supply Stores
	Art Dealers	Art Dealers
	Personal Appliance Stores	Household Appliance Stores (pt)
	Telephone and Typewriter Stores	Radio, Television and Other Electronics Stores (pt.)
	Rough Gem Stores	Jewelry Stores (pt)
	Other Miscellaneous Retail Stores	All Other Miscellaneous Store Retailers (pt)
7378	Computer Maintenance and Repair	
	Sales Locations Providing Supporting Repair Services as Major Source of Revenue	Computer and Software Stores (pt)
	All Other Repair and Maintenance	Computer and Office Machine Repair and Maintenance (pt)
7622	Radio and Television Repair Shops	
	Radio and TV Sales Locations Providing Supporting Repair Services as Major Source of Revenue	Radio, Television and Other Electronics Stores (pt.)
	Stereo, TV, VCR and Radio Repair	Consumer Electronics Repair and Maintenance (pt)

	Telecommunication Equipment Repair	Communication Equipment Repair and Maintenance (pt)
7623	Refrigeration and Air-Conditioning Services and Repair Shops	
	Refrigerator and A/C Sales Locations Providing Supporting Repair Service as Major Source of Revenue	Household Appliance Stores (pt.)
	Commercial Refrigerator Equipment Repair Except Commercial	Other Industrial Machinery and Equipment Repair and Maintenance (pt) Appliance Repair and Maintenance (pt)
7629	Electrical and Electronic Repair Shops, NEC	
	Appliance Sales Locations Providing Supporting Repair Services as Major Source of Revenue	Household Appliance Stores (pt.)
	All Other Repair and Maintenance	Included in Repair and Maintenance subsector
7699	Repair Shops and Related Services, NEC	
	Bicycle Sales Locations Providing Supporting Repair Services as Major Source of Revenue	Sporting Goods Stores (pt.)
	All Other Repair and Maintenance	Included in Repair and Maintenance subsector

Description of Changes to the U.S. System

Seventeen new industries have been added to the Retail Trade sector. These new industries are the following:

Automotive Parts and Supplies Stores from part of 1987 SIC 5013, Motor Vehicle Supplies and New Parts; part of 1987 SIC 5731, Radio, Television and Consumer Electronics Stores; and part of 1987 SIC 5531, Auto and Home Supply Stores.

Tire Dealers from part of 1987 SIC 5014, Tires and Tubes, and part of 1987 SIC 5531, Auto and Home Supply Stores. These changes were made to incorporate the revised boundaries of retail/wholesale and improve comparability with Canada.

Window Treatment Stores from part of 1987 SIC 5714, Drapery, Curtain, and Upholstery Stores, and 1987 SIC 5719, Miscellaneous Home Furnishings Stores, to recognize a growing and unique type of store.

Home Centers from part of 1987 SIC 5211, Lumber and Other Building Materials Dealers. Home Centers are identified separately based on the equipment and personnel expertise required to sell both lumber and the related products included in this classification.

Outdoor Power Equipment Stores from part of 1987 SIC 5083, Farm and Garden Machinery and Equipment, and part of 1987 SIC 5261, Retail Nurseries, Lawn and Garden Supply Stores. Outdoor power equipment stores provide trained staff to sell and service power equipment while nursery and garden centers employ staff that are

knowledgeable about plants. These stores also have the equipment necessary to maintain a stock of living plants, etc.

Supermarkets and Grocery Stores from part of 1987 SIC 5411, Grocery Stores.

Convenience Stores from part of 1987 SIC 5411, Grocery Stores.

Fish and Seafood Markets from part of 1987 SIC 5421, Meat and Fish (Seafood) Markets, Including Freezer Provisioners. These three new industries employ distinct production processes.

Cosmetics, Beauty Supplies and Perfume Stores from part of 1987 SIC 5087, Service Establishment Equipment and Supplies, and part of 1987 SIC 5999, Miscellaneous Retail Stores, Not Elsewhere Classified. These types of stores are growing in number and are more like each other than the stores in the industries in which they were formerly classified.

Food (Health) Supplement Stores from part of 1987 SIC 5499, Miscellaneous Food Stores.

All Other Health and Personal Care Stores from part of 1987 SIC 5047, Medical, Dental and Hospital Equipment and Supplies, and part of 1987 SIC 5999, Miscellaneous Retail Stores, Not Elsewhere Classified. These are distinct types of stores and also reduce the size of the miscellaneous category.

Gasoline Stations with Convenience Stores from part of 1987 SIC 5541, Gasoline Stations, and part of 1987 SIC 5541, Gasoline Service Stations. Gasoline

stations with convenience stores combine the processes of gas stations (requiring special equipment

like gas pumps) and convenience stores (requiring food display and refrigeration equipment).

Other Gasoline Stations from part of 1987 SIC 5541, Gasoline Stations. These gasoline stations do not have a convenience store.

Accessories Stores from part of 1987 SIC 5611, Men's and Boys' Clothing and Accessories Stores; part of 1987 SIC 5632, Women's Accessory and Specialty Stores; and part of 1987 SIC 5699, Miscellaneous Apparel and Accessory Stores.

Warehouse Clubs and Other General Merchandise Stores from part of 1987 SIC 5399, Miscellaneous General Merchandise Stores and part of 1987 SIC 5411, Grocery Stores. These stores are separated based on the equipment and personnel required to handle a wide variety of products.

Pet and Pet Supply Stores from part of 1987 SIC 5999, Miscellaneous Retail Stores, Not Elsewhere Classified.

Art Dealers from part of 1987 SIC 5999, Miscellaneous Retail Stores.

The number of industries in this industry sector increased from 64 in 1987 to 72 in 1997. For time series linkage, 44 of the 64 industries are comparable within three percent of the 1997 industries. For five other industries, changes involve splitting a part of 1987 industries to obtain more industry detail in response to new economic developments in this sector. For these industries, the new, more detailed industries can readily be reaggregated for analytical purposes where time series comparability is important.

Wholesale:

For Wholesale Trade, the ECPC is proposing only those changes necessary to define the boundaries of Wholesale Trade agreed upon with Canada and Mexico. Rather, the ECPC proposes to undertake a thorough review of the wholesale sector, in cooperation with its North American partners, within the next five years that may result in a complete restructuring of the wholesale sector in the next revision. That review will focus on the different types of wholesalers that undertake different activities and provide different services. For example, some wholesalers may be directly associated with a manufacturer, such as a manufacturer's sales branches. Manufacturer's sales branches promote and sell a particular manufacturers' product to a wide range of other wholesalers or retailers. Other wholesalers may be connected to a retail chain or a limited number of retail chains and only provide a variety of products needed by that particular retail operation(s). Still other wholesalers may take title to goods and provide a wide range of products to a wide range of retailers. Some analysts have suggested that these types of distinctions, based on activities and services provided, should be made in the industry classification system rather than the product distinction that is imbedded in the current system.

Therefore, to avoid disrupting time series, the ECPC proposes to make no changes for 1997 except those needed for clarification of the boundaries of wholesale trade. Proposals to restructure the wholesale sector may be made in the next revision based on the study to be undertaken. This delay also will allow the U.S. to consult more thoroughly with its North American partners and design a system that provides for more

comparability with Canada and Mexico. The proposed structure for Wholesale Trade for 1997 is shown in Table 1.

Table 1

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.

1997 NAICS and U.S. description	Status Code	1987 SIC Code	1987 SIC description
431			Wholesale Trade, Durable Goods
4311			Motor Vehicles and Motor Vehicle Parts and Supplies
43111	E	5012	Automobiles and Other Motor Vehicles
43112	R	*5013	Motor Vehicle Supplies and New Parts (except parts sold via retail methods)
43113	R	*5014	Tires and Tubes (except tires sold via retail method)
43114	E	5015	Motor Vehicle Parts, Used
4312			Furniture and Home Furnishings
43121	R	*5021	Furniture (except furniture sold via retail method)
43122	R	*5023	Homefurnishings (except homefurnishings sold via retail method)
4313			Lumber and Other Construction Materials
43131	R	*5031	Lumber, Plywood, Millwork, and Wood Panels (except construction materials sold via retail method)
		5211	Lumber and Other Building Materials Dealers - Retail (construction materials sold by establishments “known as retail in the trade” selling via wholesale method)
43132	R	*5032	Brick, Stone, and Related Construction Materials (except construction materials sold via retail method)
43133	E	5033	Roofing, Siding, and Insulation Materials

43139	Other Construction Materials	R	*5039	Construction Materials, NEC (sold via wholesale method)
4314	Professional and Commercial Equipment and Supplies			
43141	Photographic Equipment and Supplies	E	5043	Photographic Equipment and Supplies
43142	Office Equipment	E	5044	Office Equipment
43143	Computers and Computer Peripheral Equipment and Software	R	*5045	Computers and Computer Peripherals Equipment and Software (except computers, equipment, and software sold via retail method)
43144	Other Commercial Equipment	E	5046	Commercial Equipment, NEC
43145	Medical, Dental and Hospital Equipment and Supplies	R	*5047	Medical, Dental and Hospital Equipment and Supplies (except medical, dental, and hospital equipment and supplies sold via retail method)
43146	Ophthalmic Goods	E	5048	Ophthalmic Goods
41349	Other Professional Equipment and Supplies	R	*5049	Professional Equipment and Supplies, NEC (except religious and school supplies sold via retail method)
4315	Metals and Minerals, Except Petroleum			
43151	Metals Service Centers and Offices	E	5051	Metals Service Centers and Offices
43152	Coal and Other Minerals and Ores	E	5052	Coal and Other Mineral and Ores
4316	Electrical Goods			
43161	Electrical Apparatus and Equipment, Wiring Supplies and Construction Materials	R	*5063	Electrical Apparatus and Equipment, Wiring Supplies and Construction Materials (except electrical supplies sold via retail method)
43162	Electrical Appliances, Television and Radio Sets	E	5064	Electrical Appliances, Television and Radio Sets
43169	Other Electronic Parts and Equipment	E	5065	Electronic Parts and Equipment, NEC
4317	Hardware, and Plumbing and Heating Equipment and Supplies.			
43171	Hardware	E	5072	Hardware
43172	Plumbing and Heating Equipment and Supplies (Hydronics)	R	*5074	Plumbing and Heating Equipment and Supplies (Hydronics) (except plumbing equipment sold via retail method)

43173	Warm Air Heating and Air-Conditioning Equipment and Supplies	E	5075	Warm Air Heating and Air-Conditioning Equipment and Supplies
43174	Refrigeration Equipment and Supplies	E	5078	Refrigeration Equipment and Supplies
4318	Machinery, Equipment and Supplies			
43181	Construction and Mining (Except Petroleum) Machinery and Equipment	E	5082	Construction and Mining (Except Petroleum) Machinery and Equipment
43182	Farm and Garden Machinery and Equipment	R	*5083	Farm and Garden Machinery and Equipment (except lawn and garden equipment sold via retail method)
43183	Industrial Machinery and Equipment	R	5084	Industrial Machinery and Equipment
			*5085	Industrial Supplies (fluid power accessories)
43184	Industrial Supplies	R	*5085	Industrial Supplies (except fluid power accessories and reconditioning barrels)
43185	Service Establishment Equipment and Supplies	R	*5087	Service Establishment Equipment and Supplies (except sales of the service establishment equipment and supplies sold via retail method.
43186	Transportation Equipment and Supplies, Except Motor Vehicles	E	5088	Transportation Equipment and Supplies, Except Motor Vehicles
4319	Miscellaneous Durable Goods			
43191	Sporting and Recreational Goods and Supplies	E	5091	Sporting and Recreational Goods and Supplies
43192	Toys and Hobby Goods and Supplies	E	5092	Toys and Hobby Goods and Supplies
43193	Recyclable Materials	E	5093	Scrap and Waste Materials
43194	Jewelry, Watches, Precious Stones and Precious Metals	E	5094	Jewelry, Watches, Precious Stones, and Precious Metals
43199	Other Miscellaneous Nondurable Goods	R	5099	Durable Goods, NEC
			7822	Motion Picture and Video Tape Distribution (prerecorded video tapes - distribution)
432	Wholesale Trade Nondurable Goods			
4321	Paper and Paper Products			

43211	Printing and Writing Paper	E	5111	Printing and Writing Paper
43212	Stationary and Office Supplies	R	*5112	Stationery and Office Supplies (except stationary and office supplies sold via retail method)
43213	Industrial and Personal Service Paper	E	5113	Industrial and Personal Service Paper
4322	Drugs, Drug Proprietaries and Druggists' Sundries			
43221	Drugs, Drug Proprietaries and Druggists' Sundries	E	5122	Drugs, Drug Proprietaries, and Druggists' Sundries
4323	Apparel, Piece Goods, and Notions			
43231	Piece Goods, Notions and Other Dry Goods	R	*5131	Piece Goods, Notions, and Other Dry Goods (except piece goods converters)
43232	Men's and Boys' Clothing and Furnishings	E	5136	Men's and Boys' Clothing and Furnishings
43233	Women's, Children's, and Infants' and Accessories	E	5137	Women's, Children's, and Infants' Clothing and Accessories
43234	Footwear	E	5139	Footwear
4324	Groceries and Related Products			
43241	Groceries, General Line	E	5141	Groceries, General Line
43242	Packaged Frozen Foods	E	5142	Packaged Frozen Foods
43243	Dairy Products, Except Dried or Canned	E	5143	Dairy Products, Except Dried or Canned
43244	Poultry and Poultry Products	E	5144	Poultry and Poultry Products
43245	Confectionery	E	5145	Confectionery
43246	Fish and Seafoods	E	5146	Fish and Seafoods
43247	Meats and Meat Products	R	*5147	Meats and Meat Products (except boxed beef)
43248	Fresh Fruits and Vegetables	E	5148	Fresh Fruits and Vegetables
43249	Other Groceries and Related Products	E	5149	Groceries and Related Products, NEC
4325	Farm Product Raw Materials			

43251	Grain and Field Beans	E	5153	Grain and Field Beans
43252	Livestock	E	5154	Livestock
43259	Other Farm Product Raw Materials	E	5159	Farm-Product Raw Materials, NEC
4326	Chemicals and Allied Products			
43261	Plastics Materials and Basic Forms and Shapes	E	5162	Plastics Materials and Basic Forms and Shapes
43269	Other Chemicals and Allied Products	E	5169	Chemicals and Allied Products, NEC
4327	Petroleum and Petroleum Products			
43271	Petroleum Bulk Stations and Terminals	R	*5171	Petroleum Bulk Stations and Terminals (except petroleum sold via retail method)
43272	Petroleum and Petroleum Products Wholesalers, Except Bulk Stations and Terminals	E	5172	Petroleum and Petroleum Products Wholesalers, Except Bulk Stations and Terminals
4328	Beer, Wine, and Distilled Alcoholic Beverages			
43281	Beer and Ale	E	5181	Beer and Ale
43282	Wine and Distilled Alcoholic Beverages	E	5182	Wine and Distilled Alcoholic Beverages
4329	Miscellaneous Nondurable Goods			
43291	Farm Supplies	R	*5191	Farm Supplies (except lawn and garden supplies sold via retail method)
43292	Books, Periodicals and Newspapers	E	5192	Books, Periodicals, and Newspapers
43293	Flowers, Nursery Stock and Florists' Supplies	E	*5193	Flowers, Nursery Stock, and Florists' Supplies (except nursery stock sold via retail method)
43294	Tobacco and Tobacco Products	E	5194	Tobacco and Tobacco Products
43295	Paints, Varnishes and Supplies	R	*5198	Paints, Varnishes, and Supplies (except paints, etc. sold via retail method)
			*5231	Paint, Glass and Wallpaper Stores (sold via wholesale method)
43299	Other Miscellaneous Nondurable Goods	R	*5199	Nondurable Goods, NEC (except specialty advertising)

TABLE 2

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

1987 SIC code	1987 SIC description	1997 U.S. description
5012	Automobiles and Other Motor Vehicles	Automobiles and Other Motor Vehicles
5013	Motor Vehicle Supplies and New Parts	
	Sold Via Retail Method	Automotive Parts and Supplies Stores (pt) - Retail
	Sold Via Wholesale Method	Motor Vehicle Supplies and New Parts (pt) - Wholesale
5014	Tires and Tubes	
	Sold Via Retail Method	Tire Dealers (pt.) - Retail
	Sold Via Wholesale Method	Tires and Tubes - Wholesale
5015	Motor Vehicle Parts, Used	Motor Vehicle Parts, Used
5021	Furniture	
	Sold Via Retail Method	Furniture Stores (pt) - Retail
	Sold Via Wholesale Method	Furniture - Wholesale
5023	Home Furnishings	
	Sold Via Retail Method	Floor Covering Stores (pt.) - Retail
	Sold Via Wholesale Method	Homefurnishings
5031	Lumber, Plywood, Millwork, and Wood Panels	
	Sold Via Retail Method	Other Building Materials Dealers (pt.)- Retail
	Sold Via Wholesale Method	Lumber, Plywood, Millwork and Wood Panels (pt) - Wholesale
5032	Brick, Stone, and Related Construction Materials	
	Sold Via Wholesale Method	Brick, Stone, and Related Construction Materials - Wholesale

	Sold Via Retail Method	Other Building Materials Dealers (pt.) - Retail
5033	Roofing, Siding, and Insulation Materials	Roofing, Siding, and Insulation Materials
5039	Construction Materials, NEC	
	Sold Via Retail Method	Other Building Materials Dealers - Retail
	Sold Via Wholesale Method	Other Construction Materials
5043	Photographic Equipment and Supplies	Photographic Equipment and Supplies
5044	Office Equipment	Office Equipment
5045	Computers and Computer Peripheral Equipment and Software	
	Sold Via Wholesale Method	Computers and Computer Peripheral Equipment and Software
	Sold Via Retail Method	Computer and Software Stores (pt) - Retail
5046	Commercial Equipment, NEC	Other Commercial Equipment
5047	Medical, Dental, and Hospital Equipment and Supplies	
	Sold Via Wholesale Method	Medical, Dental and Hospital Equipment and Supplies - Wholesale
	Sold Via Retail Method	All Other Health and Personal Care Stores (pt) - (Retail)
5048	Ophthalmic Goods	Ophthalmic Goods
5049	Professional Equipment and Supplies, NEC	
	Sold Via Wholesale Method	Other Professional Equipment and Supplies
	Religious and School Supplies Sold Via Retail Method	Office Supply and Stationery Stores (pt) - Retail
5051	Metals Service Centers and Offices	Metals Service Centers and Offices
5052	Coal and Other Minerals and Ores	Coal and Other Minerals and Ores
5063	Electrical Apparatus and Equipment, Wiring Supplies, and Construction Materials	

	Sold Via Wholesale Method	Electrical Apparatus and Equipment, Wiring Supplies, and Construction Materials
	Sold Via Retail Method	Other Building Materials (pt) - Retail
5064	Electrical Appliances, Television and Radio Sets	Electrical Appliances, Television and Radio Sets
5065	Electronic Parts and Equipment, NEC	Other Electronic Parts and Equipment
5072	Hardware	Hardware
5074	Plumbing and Heating Equipment and Supplies (Hydronics)	
	Sold Via Wholesale Method	Plumbing and Heating Equipment and Supplies (Hydronics) - Wholesale
	Sold Via Retail Method	Other Building Materials Dealers (pt) - Retail
5075	Warm Air Heating and Air-Conditioning Equipment and Supplies	Warm Air Heating and Air-Conditioning Equipment and Supplies
5078	Refrigeration Equipment and Supplies	Refrigeration Equipment and Supplies
5082	Construction and Mining (Except Petroleum) Machinery and Equipment	Construction and Mining (Except Petroleum) Machinery and Equipment
5083	Farm and Garden Machinery and Equipment	
	Sold Via Wholesale Method	Farm and Garden Machinery and Equipment - Wholesale
	Sold Via Retail Method	Outdoor Power Equipment Stores (pt) - Retail
5084	Industrial Machinery and Equipment	Industrial Machinery and Equipment
5085	Industrial Supplies	
	Fluid Power Accessories	Industrial Machinery and Equipment (pt)
	Reconditioning Barrels and Drums	Other Metal Container Manufacturing
	Except Fluid Power Accessories and Reconditioning Barrels and Drums	Industrial Supplies
5087	Service Establishment Equipment and Supplies	
	Sold Via Wholesale Method	Service Establishment Equipment and Supplies

	Sold Via Retail Method	Cosmetics, Beauty Supplies, and Perfume Stores (pt) - (Retail)
5088	Transportation Equipment and Supplies, Except Motor Vehicles	Transportation Equipment and Supplies, Except Motor Vehicles
5091	Sporting and Recreational Goods and Supplies	Sporting and Recreational Goods and Supplies
5092	Toys and Hobby Goods and Supplies	Toys and Hobby Goods and Supplies
5093	Scrap and Waste Materials	Recyclable Materials
5094	Jewelry, Watches, Precious Stones, and Precious Metals	Jewelry, Watches, Precious Stones, and Precious Metals
5099	Durable Goods, NEC	Other Miscellaneous Durable Goods (pt)
5111	Printing and Writing Paper	Printing and Writing Paper
5112	Stationery and Office Supplies	
	Sold Via Wholesale Method	Stationery and Office Supplies
	Sold Via Retail Method	Office Supply and Stationery Stores (pt) - Retail
5113	Industrial and Personal Service Paper	Industrial and Personal Service Paper
5122	Drugs, Drug Proprietaries, and Druggists' Sundries	Drugs, Drug Proprietaries, and Druggists' Sundries
5131	Piece Goods, Notions, and Other Dry Goods	
	Except Converters	Piece Goods, Notions, and Other Dry Goods
	Piece Good Converters, Broadwoven Fabrics	Broadwoven Fabric Finishing Mills (pt)
	Piece Good Converters, Except Broadwoven Fabrics	Textile and Fabric Finishing Mills, Except Broadwoven Fabrics (pt)
5136	Men's and Boys' Clothing and Furnishings	Men's and Boys' Clothing and Furnishings
5137	Women's, Children's, and Infants' Clothing and Accessories	Women's, Children's, and Infants' Clothing and Accessories
5139	Footwear	Footwear
5141	Groceries, General Line	Groceries, General Line
5142	Packaged Frozen Foods	Packaged Frozen Foods

5143	Dairy Products, Except Dried or Canned	Dairy Products, Except Dried or Canned
5144	Poultry and Poultry Products	Poultry and Poultry Products
5145	Confectionery	Confectionery
5146	Fish and Seafoods	Fish and Seafoods
5147	Meats and Meat Products	
	Boxed Beef	Meat Processed from Carcasses (pt)
	Except Boxed Beef	Meats and Meat Products
5148	Fresh Fruits and Vegetables	Fresh Fruits and Vegetables
5149	Groceries and Related Products, NEC	Other Groceries and Related Products
5153	Grain and Field Beans	Grain and Field Beans
5154	Livestock	Livestock
5159	Farm-Product Raw Materials, NEC	Other Farm-Product Raw Materials
5162	Plastics Materials and Basic Forms and Shapes	Plastics Materials and Basic Forms and Shapes
5169	Chemicals and Allied Products, NEC	Other Chemicals and Allied Products
5171	Petroleum Bulk Stations and Terminals	
	Heating Oil Sold Via Retail Method	Heating Oil Dealers (pt) - Retail
	LP Gas Sold Via Retail Method	Liquefied Petroleum Gas (Bottled Gas) Dealers (pt) - Retail
	Sold Via Wholesale Method	Petroleum Bulk Stations and Terminals
5172	Petroleum and Petroleum Products Wholesalers, Except Bulk Stations and Terminals	Petroleum and Petroleum Products Wholesalers, Except Bulk Stations and Terminals
5181	Beer and Ale	Beer and Ale
5182	Wine and Distilled Alcoholic Beverages	Wine and Distilled Alcoholic Beverages
5191	Farm Supplies	
	Lawn and Garden Supplies Sold Via Retail Method	Nursery and Garden Centers (pt) - Retail

	Except Lawn and Garden Supplies Sold Via Retail Method	Farm Supplies - Wholesale
5192	Books, Periodicals, and Newspapers	Books, Periodicals and Newspapers
5193	Flowers, Nursery Stock, and Florists' Supplies	
	Sold Via Wholesale Method	Flowers, Nursery Stock and Florists' Supplies
	Sold Via Retail Method	Nursery and Garden Centers (pt) - Retail
5194	Tobacco and Tobacco Products	Tobacco and Tobacco Products
5198	Paint, Varnishes, and Supplies	
	Sold Via Wholesale Method	Paint, Varnishes and Supplies - Wholesale
	Sold Via Retail Method	Paint and Wallpaper Stores (pt) - (Retail)
5199	Nondurable Goods, NEC	
	Advertising Specialty Goods Distributors	Other Services Related to Advertising (pt)
	Except Specialty Advertising	Other Miscellaneous Nondurable Goods - Wholesale
5211	Lumber and Other Building Materials Dealers	
	Home Centers	Home Centers
	Sold Via Retail Method, Except Home Centers and Glass	Other Building Materials Dealers - Retail
	Sold Via Wholesale Method	Lumber, Plywood, Millwork, and Wood Panels (pt) - Wholesale
5231	Paint, Glass and Wallpaper Stores	
	Paint and Wallpaper Sold Via Wholesale Method	Paint, Varnishes, and Supplies (pt)
	Glass Stores	Other Building Materials Dealer (pt)
	Paint and Wallpaper Sold Via Retail Method	Paint and Wallpaper Stores - Retail
7822	Motion Picture and Video Tape Distribution	
	Prerecorded Video Tapes (Wholesaling of)	Other Miscellaneous Nondurable Goods (pt)

All Other

Motion Picture and Video Distribution

Description of Changes to the U.S. System

Changes to the Wholesale Trade sector were generally the result of the movement of activities to or from wholesale trade from other sectors in NAICS.

Four activities that were in Wholesale Trade in the 1987 SIC are moved to Manufacturing. These activities are reconditioning and sale of drums and barrels, boxed beef processors, and piece goods converters. The sale of reconditioned drums and barrels was included in 1987 SIC 5085, Industrial Supplies. Dealers in boxed beef receive carcasses, cut them up, and then vacuum seal the cuts. These establishments were in 1987 SIC 5147, Meat and Meat Products. Establishments that purchase fabrics in the gray and contract to have the fabric dyed are referred to as piece goods converters. They were in 1987 SIC 5131, Piece Goods, Notions, and Other Dry Goods. Establishments that sell advertising specialties were 1987 SIC 5199, Nondurable Goods, Not Elsewhere Classified. For NAICS, this activity is included in Advertising Services.

Establishments engaged in the wholesale distribution of prerecorded video tapes were included in 1987 SIC 7822, Motion Picture and Video Tape Distribution. In NAICS, this activity is included in Wholesale Trade as Other Miscellaneous Durable Goods.

In the 1987 SIC, the principal determination of whether an establishment was included in wholesale or retail was whether the goods were sold to business consumers (wholesale) or household consumers (retail). In NAICS, an establishment is included in either retail or wholesale based on its production characteristics (see Agreement 25 published in the May 28, 1996 **Federal Register**, pp.26642-26644). Thus, establishments that sell goods to business users through retail methods are included in the Retail Trade sector in NAICS. This affects several industries within Wholesale but primarily those establishments selling such items as computers, office supplies, and electrical building materials.

Real Estate

This draft classification provides for the subsector Real Estate.

The Real Estate subsector comprises establishments that rent real estate to others, manage real estate for others, and/or facilitate the sale and/or rental of real estate.

The industry group Lessors of Real Estate comprises establishments that own real estate that in turn is leased to others. Rent is the major source of revenue for these establishments. The industries, Lessors of Residential Buildings and Dwellings, Lessors of Nonresidential Buildings, Except Warehouses, Lessors of Miniwarehouses and Self Storage Units, and Lessors of Other Real Estate Property, are based on processes needed for the different types of properties being leased.

The industry group Activities Related to Real Estate comprises establishments primarily engaged in providing real estate services, other than those owning and leasing. The industries included in this industry group are the following:

Real Estate Property Managers comprises establishments responsible for ensuring

that various activities associated with the overall operation of property are performed (property managers do not own the property). Property managers are usually hired by the property owners, and their major source of revenue is fees charged for their management services. The industries, Condominium Management, Cooperative Housing, and Homeowners' Associations, Other Residential Property Managers, and Other Nonresidential Property Managers are distinguished by the types of property managed by the establishment.

The industry Offices of Real Estate Agents and Brokers comprises establishments engaged in renting, buying, and selling real property on behalf of others. The establishments usually receive commission as revenue. The staff at these establishments receive special certification and licensing to perform the specific duties.

The remaining discrete industries, Offices of Real Estate Appraisers and Title Abstract Offices, use staff who receive specialized training, certification, and licensing to perform the specific duties.

TABLE 1

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.

1997 NAICS and U.S. description		Status Code	1987 SIC Code	1987 USIC description
531	Real Estate			
5311	Lessors of Real Estate			
53111	Lessors of Residential Buildings and Dwellings	R	6513	Operators of Apartment Buildings
			6514	Operators of Dwellings Other Than Apartment Buildings
53112	Lessors of Nonresidential Buildings, Except Miniwarehouses	E	6512	Operators of Nonresidential Buildings
53113	Lessors of Miniwarehouses and Self Storage Units	N	*4225	General Warehousing and Storage (miniwarehouses and self-storage units)
53119	Lessors of Other Real Estate Property	R	6515	Operators of Residential Mobile Home Sites
			6517	Lessors of Railroad Property
			6519	Lessors of Real Property, NEC
5312	Activities Related to Real Estate			
53121	Real Estate Property Managers			
531211	Condominium Management, Cooperative Housing, and Homeowners' Associations	N	*6531	Real Estate Agents and Managers (condominium and cooperative management)
			*8641	Civic, Social, and Fraternal Associations (condominium and homeowners associations, except property management)
531212	Other Residential Property Managers	N	*6531	Real Estate Agents and Managers (managers-residential, real estate)

531213	Other Nonresidential Property Managers	N	*6531	Real Estate Agents and Managers (managers-nonresidential, real estate)
53122	Offices of Real Estate Agents and Brokers	N	*6531	Real Estate Agents and Managers (agents and brokers)
53123	Offices of Real Estate Appraisers	N	*6531	Real Estate Agents and Managers (appraisers)
53129	Other Activities Related to Real Estate			
531291	Title Abstract Offices	E	6541	Title Abstract Offices
531299	All Other Activities Related to Real Estate	N	*6531	Real Estate Agents and Managers (except real estate managers, agents and brokers, and appraisers)

TABLE 2

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, The abbreviation NEC is used for Not Elsewhere Classified.

1987 SIC code	1987 SIC description	1997 U.S. description
4225	General Warehousing and Storage	
	Miniwarehouses and Self-Storage Units	Lessors of Miniwarehouses and Self Storage Units
	General Warehousing and Storage	General Storage Facilities (pt)
6512	Operators of Nonresidential Buildings	
	Stadium and Arena Owners	Promoters of Arts, Sports and Similar Events With Facilities (pt)
	Except Stadium and Arena Owners	Lessors of Nonresidential Buildings, Except Miniwarehouses
6513@	Operators of Apartment Buildings	Lessors of Residential Buildings and Dwellings (pt)
6514@	Operators of Dwellings Other Than Apartment Buildings	Lessors of Residential Buildings and Dwellings (pt)
6515@	Operators of Residential Mobile Home Sites	Lessors of Other Real Estate Property (pt)
6517@	Lessors of Railroad Property	Lessors of Other Real Estate Property (pt)
6519@	Lessors of Real Property, NEC	Lessors of Other Real Estate Property (pt)
6531@	Real Estate Agents and Managers	
	Real Estate Agents and Brokers	Offices of Real Estate Agents and Brokers
	Condominium and Cooperative Managers	Condominium Management, Cooperative Housing, and Homeowners' Associations (pt)
	Residential Property Managers, Except Condominium and Cooperative	Other Residential Property Managers

	Nonresidential Property Managers, Except Condominium and Cooperative	Other Nonresidential Property Managers
	Real Estate Appraisers	Offices of Real Estate Appraisers
	Cemetery Management	Cemeteries and Crematories (pt)
	Other	All Other Activities Related to Real Estate
6541	Title Abstract Offices	Title Abstract Offices
6552	Land Subdividers and Developers, Except Cemeteries	Land Subdivision and Development
6553	Cemetery Subdividers and Developers	Cemeteries and Crematories (pt)
8641	Civic, Social, and Fraternal Associations	
	Homeowner and Condominium Associations, Except Property Management	Condominium Management, Cooperative Housing, and Homeowners' Associations (pt)
	With Restaurants and Bars	Civic and Social Associations with Restaurants and Bars (pt)
	Without Restaurants and Bars	Civic and Social Associations without Restaurants and Bars (pt)

Description of Changes to the U.S. System

Seven new industries were created for this subsector as follows:

Lessors of Miniwarehouses and Self Storage Units from part of 1987 SIC 4225, General Warehousing and Storage. These establishments collect rent from a person (company) who uses the facility and has access to the space without undue interference or assistance from the facility operator. This activity is more like lessors of real estate than general warehousing and storage.

Condominium Management, Cooperative Housing, and Homeowners' Associations from part of 1987 SIC 6531, Real Estate Agents and Managers, and part of 1987 SIC 8641, Civic, Social, and Fraternal Associations.

Other Residential Property Managers; Other Nonresidential Property Managers; Offices of Real Estate Agents and Brokers; Offices of Real Estate Appraisers; and All Other Activities Related to Real Estate were each created from part of 1987 SIC 6531, Real Estate Agents and Managers. These five new industries are all significant and can be better represented under the new classification system. On a production orientation basis, each industry is unique.

Two industries were moved from the Real Estate subsector.

1987 SIC 6552, Land Subdividers and Developers, was moved to the Construction sector because the production process for this industry is more closely related to the production process of construction industries.

1987 SIC 6553, Cemetery Subdivision and Developers, was moved to Cemeteries and Crematories in the Other Services sector. Most of this activity is conducted by establishments that operate the cemetery after development; therefore, it is not possible to separate the subdivision and development of cemeteries from their operation. Neither of these two types of operations is closely related to the production activity of real estate establishments.

Lessors of Other Non-Financial Assets:

The subsector Lessors of Other Non-Financial Assets comprises establishments primarily engaged in holding non-financial assets other than real estate and equipment and in allowing others to use or reproduce those assets for a fee. The establishments did not themselves produce the assets that they hold and permit others to use.

Examples of the assets involved are trademarks, industrial designs, and artistic works not subject to copyright.

Excluded from this industry are: (a) establishments engaged in the creation, production, reproduction, and/or distribution of artistic and literary works subject to copyright, such as newspapers, periodicals, books, databases, software and multimedia products, film and videos, and musical works--that is, publishing industries, motion picture and video production and distribution industries, record

production companies, integrated record companies, music publishers, broadcasters, and independent artists, writers and performers (Information Sector and the Arts, Entertainment, and Recreation Sector); (b) establishments engaged in the leasing of real property, subsector Lessors of Real Estate; and © establishments engaged in the leasing of equipment, NAICS subsector Rental and Leasing Services.

Provision for the activities of lessors of intangible assets and of tangible assets other than real estate and equipment has been inadequate in existing classifications. In the United States, establishments engaged in franchising, licensing trademarks, leasing taxi medallions, etc., have been assigned to 1987 SIC 6794, Patent Owners and Lessors. It is desirable to create a broader industry in which to classify these activities.

TABLE 1

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.

1997 NAICS and U.S. description		Status Code	1987 SIC Code	1987 SIC description
534	Lessors of Other Non-Financial Assets			
5341	Lessors of Other Non-Financial Assets			
53411	Lessors of Other Non-Financial Assets	R	*6792	Oil Royalty Traders (except investors on own account)
			6794	Patent Owners and Lessors

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
6792@	Oil Royalty Traders	
	Investors on Own Account	Miscellaneous Financial Investment Activities
	Oil Royalty Companies	Lessors of Other Non-Financial Assets (pt)
6794	Patent Owners and Lessors	Lessors of Other Non-Financial Assets (pt)

Description of Changes to the U.S. System

One new industry, Lessors of Other Non-Financial Assets, has been created from part of 1987 SIC 6792, Oil Royalty Traders, and 1987 SIC 6794, Patent Owners and Lessors.

Personal and Laundry Services:

This draft classification provides for the subsector Personal and Laundry Services.

The Personal and Laundry Services subsector includes establishments that provide a range of services to individuals and businesses. The industries are distinguished by their use of specialized human resources and specialized physical facilities. The subsector contains four industry groups.

The industry group Personal Care Services comprises establishments that provide appearance-care services to individual consumers such as barber and beauty services. The industry group contains the industry Hair Care and Esthetic Services that is subdivided into Barber Shops, Beauty Salons, and Nail Salons. The industry Other Personal Care Services is subdivided into Diet and Weight Reducing Centers and Other Personal Care Services.

The industry group Funeral Services comprises establishments that provide funeral services such as preparation of bodies for burial and operation of cemeteries and crematories. The group contains two industries, Funeral Homes and Cemeteries and Crematories.

The industry group Laundry Services comprises establishments that provide a range of laundry, drycleaning, and related services to individual and business customers. The industry group contains the industries Coin-Operated Laundries and Drycleaning; Drycleaning and Laundry Services, except Coin-Operated that is subdivided into the Laundries, Family and Commercial, and Drycleaning Plants; Linen and Uniform Supply that is subdivided into Linen Supply and Industrial Launderers; and Other Laundry Services that is subdivided into Garment Pressing and Agents for Laundries and All Other Laundry Services.

The industry group Miscellaneous Personal Services comprises establishments that provide a wide variety of consumer-related services. The industry group contains the industries Pet Care Services, Except Veterinary Services; Photo Finishing that is subdivided into Photo Finishing Laboratories, except One-Hour and One-Hour Photo Finishing; Parking Lots and Garages; and Other Miscellaneous Personal Services.

TABLE 1

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.

1997 NAICS and U.S. description	Status Code	1987 SIC Code	1987 SIC description
812 Personal and Laundry Services			
8121 Personal Care Services			
81211 Hair Care and Esthetic Services			
812111 Barber Shops	R	*7241	Barber Shops (except barber colleges)
812112 Beauty Salons	R	*7231	Beauty Shops (except beauty and cosmetology schools and manicure and pedicure salons)
812113 Nail Salons	N	*7231	Beauty Shops (manicure and pedicure salons)
81219 Other Personal Care Services			
812191 Diet and Weight Reducing Centers	N	*7299	Miscellaneous Personal Services, NEC (diet and weight reducing services)
812199 Other Personal Care Services	N	*7299	Miscellaneous Personal Services, NEC, (personal care services)
8122 Funeral Services			
81221 Funeral Homes	R	7261	Funeral Services and Crematories (funeral homes)
81222 Cemeteries and Crematories	R	*6531	Real Estate Agents and Managers (cemetery management)
		6553	Cemetery Subdividers and Developers
		*7261	Funeral Services and Crematories (except funeral homes)
8123 Laundry Services			
81231 Coin-Operated Laundries and Drycleaning	E	7215	Coin-Operated Laundry and Drycleaning

81232	Drycleaning and Laundry Services, Except Coin-Operated				
812321	Laundries, Family and Commercial	E	7211	Power Laundries, Family and Commercial	
812322	Drycleaning Plants	E	7216	Drycleaning Plants, Except Rug Cleaning	
81233	Linen and Uniform Supply				
812331	Linen Supply	R	7213	Linen Supply	
			*7219	Laundry and Garment Services, NEC, (diaper service)	
812332	Industrial Launderers	E	7218	Industrial Launderers	
81239	Other Laundry Services				
812391	Garment Pressing, and Agents for Laundries	E	7212	Garment Pressing and Agents for Laundries	
812399	All Other Laundry Services	R	*7219	Laundry and Garment Services, NEC (except diaper service and clothing alteration and repair)	
8129	Miscellaneous Personal Services				
81291	Pet Care Services, Except Veterinary Services	R	*0752	Animal Speciality Services, Except Veterinary (pet care services, except veterinary)	
			*8734	Testing Laboratories (veterinary testing labs)	
81292	Photo Finishing				
812921	Photo Finishing Laboratories, Except One-Hour	N	*7384	Photofinishing Laboratories (except one-hour)	
812922	One-Hour Photo Finishing	N	*7384	Photofinishing Laboratories (one-hour)	
81293	Parking Lots and Garages	E	7521	Automobile Parking	
81299	Other Miscellaneous Personal Services	R	*7299	Miscellaneous Personal Services, NEC (except diet and weight reducing services, personal care services, and formal wear and costume rental service)	

TABLE 2

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.

1987 SIC code	1987 SIC description	1997 U.S. description
0752@	Animal Specialty Services, Except Veterinary Pet Care Services Horses and Equines Services and Animal Production Breeding	Pet Care Services, Except Veterinary Services (pt.) Support Activities for Animal Production (pt)
6553@	Cemetery Subdividers and Developers	Cemeteries and Crematories (pt.)
7211	Power Laundries, Family and Commercial	Laundries, Family and Commercial
7212	Garment Pressing and Agents for Laundries	Garment Pressing and Agents for Laundries
7213@	Linen Supply	Linen Supply (pt.)
7215	Coin-Operated Laundry and Drycleaning	Coin-Operated Laundries and Drycleaning
7216	Drycleaning Plants, Except Rug Cleaning	Drycleaning Plants
7217	Carpet and Upholstery Cleaning	Carpet and Upholstery Cleaning Services
7218	Industrial Launderers	Industrial Launderers
7219@	Laundry and Garment Services, NEC Diaper Service Clothing Alteration and Repair Except Diaper Service and Clothing Alteration and Repair	Linen Supply (pt.) Other Personal or Household Goods Repair and Maintenance (pt) All Other Laundry Services
7221	Photographic Studios, Portrait	Photography Studios, Portrait
7231@	Beauty Shops	

	Beauty Shops and Salons	Beauty Salons
	Manicure and Pedicure Salons	Nail Salons
	Beauty and Cosmetology Schools	Cosmetology and Barber Schools (pt)
7241@	Barber Shops	
	Barber Shops	Barber Shops
	Barber Colleges	Cosmetology and Barber Schools (pt)
7251	Shoe Repair Shops and Shoeshine Parlors	Footwear and Leather Goods Repair (pt)
7261	Funeral Services and Crematories	
	Funeral Homes	Funeral Homes
	Except Funeral Homes	Cemeteries and Crematories (pt.)
7291	Tax Return Preparation Services	Tax Preparation Services
7299@	Miscellaneous Personal Services, NEC	
	Locker Rental, Except Cold Storage	All Other Rental and Leasing of Consumer Goods (pt)
	Diet and Weight Reducing Centers	Diet and Weight Reducing Centers
	Formal Wear and Costume Rental	Rental of Formal Wear and Costumes
	Personal Care Services	Other Personal Care Services
	All Other Miscellaneous Personal Services, NEC	Other Miscellaneous Personal Services
7384	Photofinishing Laboratories	
	Photo Finishing Laboratories (Except One-Hour)	Photo Finishing Laboratories (except one-hour)
	One-Hour Photo Finishing	Photo Finishing Laboratories (one-hour)
7521	Automobile Parking	Parking Lots and Garages
8734	Testing Laboratories	
	Veterinary Testing Labs	Pet Care Services, Except Veterinary Services (pt.)

Except Veterinary Testing Labs

Testing Laboratories

Description of Changes to the U.S. System

Five new industries were created for this subsector as follows:

Nail Salons from part of 1987 SIC 7231, Beauty Shops. These establishments specialize in providing pedicure and other nail care and design services.

Diet and Weight Reducing Centers from part of 1987 SIC 7299, Miscellaneous Personal Services. These establishments provide specialized counseling, weight reduction programs, and nutritional supplements to individual clients.

Other Personal Care Services from part of 1987 SIC 7299, Miscellaneous Personal Services. This is a residual industry containing a variety of personal care service establishments.

Photo Finishing Laboratories, Except One-Hour from part of 1987 SIC 7384, Photo Finishing Laboratories. These establishments provide a range of developing and photo processing services clients.

One-Hour Photo Finishing from part of 1987 SIC 7384, Photo Finishing Laboratories. These establishments offer a limited range of photo finishing services with work usually being done on-site in short period of time.

One industry was moved to this subsector from the Agriculture sector:

Pet Care Services, Except Veterinary Services from part of 1987 SIC 0752, Animal Speciality Services, Except Veterinary. These establishments provide a range of pet care services to customers such as grooming and boarding.

Religious, Grantmaking, Civic and other Membership Organizations

This draft classification provides for the subsector Religious, Grantmaking, Civic and Other Membership Organizations.

The Religious, Grantmaking, Civic and Other Membership Organizations subsector comprises establishments that are typically defined as religious, grantmaking, civic and/or membership organizations. These establishments solicit members, promote and advocate causes, and provide donations or funding of causes.

There are five industry groups within this subsector.

The industry group Religious Organizations comprises establishments related to the activities of organized religion.

The industry group Grantmaking and Giving Services comprises establishments that provide competitive funding for specific causes from a trust fund or raise money to distribute for a variety of charitable causes. The industry group Grantmaking and Giving Services is subdivided into Grantmaking Foundations, Voluntary Health Organizations, and Other Grantmaking and Giving Services.

The industry group Social Advocacy Organizations comprises establishments that advocate and actively promote causes and beliefs for the public good. The industry Social Advocacy Organizations are subdivided into Human Rights Organizations; Environment, Conservation, and Wildlife Organizations; and Other Social Advocacy Organizations.

The industry group Civic and Social Associations comprises establishments that have an active membership structure and are engaged in a wide array of civic, social, or fraternal activities. The industry group contains the industry Civic and Social Associations that is subdivided into Civic and Social Associations with Restaurants and Bars and Civic and Social Associations without Restaurants and Bars.

The industry group Other Membership Organizations comprises establishments that have an active membership structure to promote causes or represent the interests of the members at large. The industry group includes the following industries: Business Associations, Professional Membership Organizations, Labor Unions and Similar Labor Organizations, Political Organizations, and All Other Membership Organizations.

TABLE 1

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.

1997 NAICS and description	Status Code	1987 SIC Code	1987 SIC description
813 Religious, Grantmaking, Civic and Other Membership Organizations			
8131 Religious Organizations			
81311 Religious Organizations	E	8661	Religious Organizations
8132 Grantmaking and Giving Services			
81321 Grantmaking and Giving Services			
813211 Grantmaking Foundations	E	6732	Educational, Religious, and Charitable Trust
813212 Voluntary Health Organizations	N	*8399	Social Services, NEC (voluntary health organizations)
813219 Other Grantmaking and Giving Services	N	*8399	Social Services, NEC (except grantmaking and voluntary health organizations)
8133 Social Advocacy Organizations			
81331 Social Advocacy Organizations			
813311 Human Rights Organizations	N	*8399	Social Services, NEC (human rights organizations)
813312 Environment, Conservation and Wildlife Organizations	N	*8399	Social Services, NEC (environment, conservation, and wildlife advocacy)
		*8699	Membership Organizations, NEC (humane societies)
813319 Other Social Advocacy Organizations	N	*8399	Social Services, NEC (except human rights, environment, conservation and wildlife organizations)
8134 Civic and Social Associations			

81341	Civic and Social Associations			
813411	Civic and Social Organizations, with Restaurants and Bars	N	*8641	Civic, Social, and Fraternal Organizations (except condominium and homeowner associations)
			*8699	Membership Organizations, NEC (farm granges with restaurant and bars)
813412	Civic and Social Organizations, without Restaurants and Bars	N	*8641	Civic, Social, and Fraternal Organizations (except condominium and homeowner associations)
			*8699	Membership Organizations, NEC (farm granges without restaurant, and bars)
8139	Other Membership Organizations			
81391	Business Associations	R	8611	Business Associations
			*8699	Membership Organizations, NEC (farm business organizations)
81392	Professional Membership Organizations	E	8621	Professional Membership Organizations
81393	Labor Unions and Similar Labor Organizations	E	8631	Labor Unions and Similar Labor Organizations
81394	Political Organizations	E	8651	Political Organizations
81399	All Other Membership Organizations	R	*8699	Membership Organizations, NEC (except farm business organizations, farm granges, and environmental, conservation, and wildlife organizations)

TABLE 2

The abbreviation “pt” means “part of”. @ means a time series break has been created that is greater than 3% of the 1992 revenues for the 1989 SIC industry.

1987 SIC Code	1987 SIC description	1997 U.S. description
6732	Education, Religious, and Charitable Trusts	Grantmaking Foundations
8399	Social Services, NEC	
	Voluntary Health Organizations	Voluntary Health Organizations
	Grantmaking and Giving	Other Grantmaking and Giving Services
	Human Rights Organizations	Human Rights Organizations
	Environment, Conservation, and Wildlife Organizations	Environment, Conservation and Wildlife Organizations (pt)
	All Other Social Advocacy Organizations	Other Social Advocacy Organizations
8611	Business Associations	Business Associations (pt)
8621	Professional Membership Organizations	Professional Membership Organizations
8631	Labor Unions and Similar Labor Organizations	Labor Unions and Similar Labor Organizations
8641	Civic, Social, and Fraternal Associations	
	With Restaurants and Bars	Civic and Social Associations with Restaurants and Bars (pt.)
	Without Restaurants and Bars	Civic and Social Associations without Restaurants and Bars (pt.)
	Homeowner and Condominium Associations, Except Property Management	Condominium Associations (pt)
8651	Political Organizations	Political Organizations
8661	Religious Organizations	Religious Organizations

8699 @

Membership Organizations, Not Elsewhere Classified

Farm Granges With Restaurants and Bars

Farm Granges Without Restaurants and Bars

Farm Business Organizations

Environmental, Conservation, and Wildlife Organizations

Except Farm Granges, Farm Business Organizations and Environmental Conservation and Wildlife Organizations

All Other Membership Organizations

Civic and Social Associations with Restaurants and Bars (pt.)

Civic and Social Associations without Restaurants and Bars (pt)

Business Associations (pt)

Environment, Conservation, and Wildlife Organizations (pt)

All Other Membership Organizations

Description of Changes to the U.S. System

There are seven new industries in this 1997 subsector. Five of these industries were created from 1987 SIC 8399, Social Services, NEC. These new industries are

- Voluntary Health Organizations
- Other Grantmaking and Giving Services
- Human Rights Organizations
- Environment, Conservation and Wildlife Organizations
- Other Social Advocacy Organizations
- Civic and Social Associations, with Restaurants and Bars
- Civic and Social Organizations, without Restaurants and Bars

Two new industries were created from parts of 1987 SIC 8641, Civic, Social and Fraternal Organizations and 1987 SIC 8699, Membership Organization, NEC. These new industries are:

- Civic and Social Organizations with Restaurants and Bars
- Civic and Social Organizations without Restaurants and Bars

In addition, a number of activities were moved from this subsector or to different industries within the subsector. These are:

Homeowner, tenant, and condominium associations from part of 1987 SIC 8641, Civic, Social, and Fraternal Associations to the Real Estate subsector.

Farm business organizations from part of 1987 SIC 8699, Membership Organizations, NEC to Business Associations.

Farm granges from part of 1987 SIC 8699, Membership Organizations, NEC to Civic and Social Associations with Restaurants and Bars and Civic and Social Associations without restaurants and bars.

Part III--Proposed Hierarchy for NAICS, including Sectors and Subsectors

NAICS Code	Sector and Subsector
11	Agriculture, Forestry, Hunting and Fishing
111	Crop Production
112	Animal Production
113	Forestry and Logging
114	Fishing, Hunting and Trapping
115	Support Activities for Agriculture and Forestry
21	Mining
211	Oil and Gas Extraction
212	Mining, Except Oil and Gas
213	Support Activities for Mining

22	Utilities
221	Utilities
23	Construction
236	Building, Developing and General Contracting
237	Heavy Construction
238	Special Trade Contractors
31-33	Manufacturing
311	Food Manufacturing
312	Beverage and Tobacco Product Manufacturing
313	Textile Mills
314	Textile Product Mills
315	Apparel Manufacturing
316	Leather and Allied Product Manufacturing
321	Wood Product Manufacturing, Except Furniture
322	Paper Manufacturing
323	Printing and Related Support Activities
324	Petroleum and Coal Product Manufacturing
325	Chemical Manufacturing
326	Rubber and Plastics Product Manufacturing
327	Nonmetallic Mineral Product Manufacturing
331	Primary Metal Manufacturing
332	Fabricated Metal Product Manufacturing
333	Machinery Manufacturing
334	Computer and Electronic Product Manufacturing
335	Electrical Equipment, Appliance and Component Manufacturing
336	Transportation Equipment Manufacturing
337	Furniture Manufacturing
339	Miscellaneous Manufacturing
43	Wholesale Trade
431	Wholesale Trade, Durable Goods
432	Wholesale Trade, Nondurable Goods
44, 45	Retail Trade
441	Motor Vehicle and Parts Dealers
442	Furniture and Home Furnishings Stores
443	Electronics and Appliance Stores
444	Building Materials and Garden Equipment and Supplies Dealers
445	Food and Beverage Stores
446	Health and Personal Care Stores
447	Gasoline Stations
448	Clothing and Accessories Stores

451	Sports, Hobby, Book and Music Stores
452	General Merchandise Stores
453	Miscellaneous Store Retailers
454	Nonstore Retailers
48, 49	Transportation
481	Air Transportation
482	Rail Transportation
483	Water Transportation
484	Truck Transportation
485	Transit and Ground Passenger Transportation
486	Pipeline Transportation
487	Scenic and Sightseeing Transportation
488	Support Activities for Transportation
491	Postal Service
492	Couriers
51	Information
511	Publishing
512	Motion Picture and Sound Recording
513	Broadcasting and Telecommunications
514	Information Services and Data and Transaction Processing
52	Finance and Insurance
521	Monetary Authorities - Central Bank
522	Credit Intermediation and Related Activities
523	Securities, Commodity Contracts and Other Intermediation and Related Activities
524	Insurance Carriers and Related Activities
53	Real Estate and Rental and Leasing
531	Real Estate
533	Rental and Leasing Services
534	Lessors of Other Non-Financial Assets
56	Professional, Scientific and Technical Services
561	Professional, Scientific and Technical Services
57	Management, Support, Waste Management and Remediation Services
571	Management and Support Services
572	Waste Management and Remediation Services

61	Educational Services
611	Educational Services
62	Health and Social Assistance
621	Ambulatory Health Care Services
622	Hospitals
623	Nursing and Residential Care Facilities
624	Social Assistance
71	Arts, Entertainment and Recreation
711	Performing Arts, Spectator Sports and Related Industries
712	Museums, Historical Sites and Similar Institutions
713	Recreation, Amusement and Gambling Industries
72	Food Services, Drinking Places, and Accommodations
721	Accommodations
722	Food Services and Drinking Places
81	Other Services, Except Public Administration
811	Repair and Maintenance
812	Personal and Laundry Services
813	Religious, Grantmaking, Civic and Other Membership Organizations
814	Private Households
93	Public Administration
931	Executive, Legislative, Public Finance and General Government
932	Justice, Public Order and Safety
933	Administration of Human Resource Programs
934	Administration of Environmental Quality Programs
935	Administration of Housing Programs, Urban Planning and Community Development
936	Administration of Economic Programs
937	National Security and International Affairs
98	Funds, Trusts, and Other Financial Vehicles (U.S. Only)
981	Funds, Trusts, and Other Financial Vehicles (U.S. Only)
99	Unclassified Establishments
999	Unclassified Establishments