

Summary of Development of the Japan Standard Industrial Classification (JSIC) and Its Thirteenth Revision

1. The Japan Standard Industrial Classification - Background and Development

The Japan Standard Industrial Classification is a set of statistical standards established to ensure the accuracy and objectivity of statistics, and to make it easier to compare statistics and obtain maximum benefit from them. It classifies all economic activities by industry.

This revision of the Japan Standard Industrial Classification (as revised in October 2013) is based on the state of new industries and new systems, as well as changes, etc. in the state of existing industries since the twelfth revision in November 2007, and marks the thirteenth revision since the Classification was first devised in October 1949.

The following provides some historical background up to this revision of the Japan Standard Industrial Classification (hereinafter referred to as JSIC) since its establishment, along with before its establishment.

The occupational classification (Cabinet Instruction No. 1 dated December 24, 1920) that was drawn up in 1920 when the first Population Census was taken includes areas that correspond to industrial classifications, but it would be reasonable to say that Japan's first industrial classification is the one that was created in 1930 when the third Population Census was taken. In this classification (Cabinet Instruction No. 3 dated December 27, 1930), industry and occupation are separated distinctly. This industrial classification consisted of a three-level hierarchy of division, major group, and group—this structure was made up of 10 divisions, 42 major groups, and 280 groups. However, although it was specified that each ministry and agency use the classification in a uniform manner, at the same time, when there was a particular need, it was possible to change each item so that they still corresponded to the original classification.

In concert with the 1950 World Census that was advocated by the United Nations, various large-scale censuses came to be conducted in Japan as well. This enabled for a Central Planning Commission for the 1950 Census as well as various special sub-committees to be established under the Statistics Commission, which was formed as an administrative commission with jurisdiction over comprehensive coordination of statistics. In addition to conducting censuses, progress was made on research on various types of classification, which was a fundamental project.

The Industrial Classification Special Sub-committee, which was one of these special sub-committees, commenced the task of creating a standard industrial classification in March 1948. With cooperation from experts in the United States, reviews on research, etc. of standard industrial classifications in the United States and the International Standard Classification by the United Nations was implemented, and a provisional draft for JSIC was created in August 1948. Furthermore, the final version was approved in October of the same year, after revisions were made based on trial surveys by Statistics Bureau, the Prime Minister's Agency (currently Statistics Bureau, the Ministry of Internal Affairs and Communications) and

Research and Statistics Bureau, the Ministry of Commerce and Industry (currently Research and Statistics Department, Minister's Secretariat, the Ministry of Economy, Trade and Industry). This final version was published as “The Japan Standard Industrial Classification Volume 1 – Items, Explanatory Notes, and Examples (October 1949)” and “The Japan Standard Industrial Classification Volume 2 – Index by Japanese Alphabet (March 1950)” by the Statistics Commission Secretariat.

The twelfth Statistics Commission and the seventeenth Statistics Commission deliberated on the issue of measures to enable for unified use of JSIC by the government on December 23, 1949 and April 28, 1950, respectively. As a result, a cabinet order was to be instituted based on the Statistics Act (Act No. 18 of 1947), and its use was to be made compulsory.

At this time, what became an issue for examination was whether JSIC could be applied reasonably to numerous statistical surveys. Consequently, following a review of the actual state of use of JSIC and of changes in the industrial structure of Japan, the conclusion that it was necessary to revise this standard classification was reached. Revision work was conducted based on establishing working groups by industrial sector under the Industrial Classification Special Sub-committee, and as a final draft for the revision was obtained in March 1951, the “Cabinet Order for Creating an Industrial Classification and Classification of Diseases, Injuries and Causes of Death to be Used for Statistical Surveys (Cabinet Order No. 127 dated April 30, 1951; hereinafter referred to as Cabinet Order for Classification) was formulated and issued as the abovementioned cabinet order. At the same time, the first revision of JSIC as well as publication in the Official Gazette, as a public notification of the Statistics Commission, was implemented.

The Statistics Commission was integrated into the Administrative Management Agency under the reformation of government administration implemented in August 1952, resulting in attachment of the Statistics Council. The Industrial Classification Special Sub-committee under the Statistics Council was thus assigned responsibility for deliberating on issues related to JSIC, and in March 1953, the second revision of JSIC was implemented based on deliberations by this sub-committee. In the first Statistics Council of September 18, 1952, Inquiry No. 1 (Re: “Setting Standards of Industrial Classification to be Used for Statistical Surveys”) was presented to the Chair of the Statistics Council by the Director-General of the Administrative Management Agency. After the second Report to this Inquiry, a third revision and fourth revision were implemented in February 1954 and May 1957, respectively. Even afterwards, as multiple problems continued to occur in the application of JSIC to various types of statistical surveys in a reflection of the diverse changes in the industrial structure of Japan, a series of revisions was implemented in response to each renewed inquiry to the Statistics Council concerning revisions.

In the 166th Diet session in May 2007, the Statistics Act (Act No. 53 of 2007) was established with the purpose of systematically and efficiently developing official statistics and ensuring their effectiveness, and in Article 28 of this Act, “Statistical Standards,” which are technical standards for ensuring uniformity and comprehensiveness in producing official statistics, were established. “Statistical Standards” were set by Minister for Internal Affairs and Communications, according to the above article.

The Statistics Council was reorganized into the Statistics Commission which was also established in accordance with the stipulations of the Statistics Act.

Since the Cabinet Order for Classification was abolished in association with complete enforcement of the Statistics Act, it became necessary to set JSIC as statistical standards. The Minister of Internal Affairs and Communications presented an inquiry to the Statistics Commission dated January 19, 2009, upon obtaining a report that it is allowable to establish JSIC as statistical standards, JSIC was set as statistical standards and a public announcement was made in March 2009.

This thirteenth revision in October 2013 is the first revision after JSIC was set as statistical standards.

The following is a list of the dates, etc. of revisions, which can be used as a reference.

History of Revision of the Japan Standard Industrial Classification (Established in October 1949)

	Statistics Council (Note 1)			Notifications	
	Inquiry No.	Inquiry Dates	Reporting Dates	Notification Dates	Application Dates
1 st	-	-	-	April 30, 1951	May 1, 1951
2 nd	-	-	-	March 31, 1953	April 1, 1953
3 rd	1	Sept. 18, 1952	(1) Feb 12, 1954	Feb. 27, 1954	March 1, 1954
4 th			(2) April 26, 1957	May 1, 1957	Jan. 1, 1958
5 th	92	Nov. 19, 1962	Dec. 14, 1962	Jan. 12, 1963	April 1, 1963
6 th	105	Feb. 18, 1966	Feb. 17, 1967	May 1, 1967	Jan. 1, 1968
7 th	139	June 16, 1971	Feb. 18, 1972	March 31, 1972	Apr. 1, 1972
8 th	164	Dec. 5, 1975	April 16, 1976	May 15, 1976	Jan. 1, 1977
9 th	195	Dec. 17, 1982	April 15, 1983	Jan. 10, 1984	April 1, 1985
10 th	233	June 14, 1991	July 9, 1993	Oct. 4, 1993	April 1, 1994
11 th	268	Feb. 16, 2001	Jan. 11, 2002	Mar. 7, 2002	Oct. 1, 2002
12 th	320	April 13, 2007	Sept. 14, 2007	Nov. 6, 2007	April 1, 2008
Establishment as statistical standards (Note 2)	14	Jan. 19, 2009	Jan 19, 2009	Mar. 23, 2009	April 1, 2009
13 th	53	May 17, 2013	Sept. 27, 2013	Oct. 30, 2013	April 1, 2014

(Note 1) As the Statistics Commission was held in place of the Statistics Council in October 2007, deliberations regarding the third to twelfth revisions were conducted by the Statistics Council, and subsequent deliberations were conducted by the Statistics Commission.

(Note 2) In association with enforcement of the current Statistics Act, the establishment in 2009 was implemented due to the change in positioning to statistical standards, and there are no changes in the twelfth revision in relation to the contents of classifications.

2. The Japan Standard Industrial Classification: Purpose and Major Points of Revision

(1) Inquiry to the Statistics Commission Regarding the Revision of the Japan Standard Industrial Classification

Office of Director-General for Policy Planning (Statistical Standards)

Ministry of Internal Affairs and Communications

Document No. 103

May 17, 2013

Mr. Yoshio Higuchi

Chair of the Statistics Commission

Yoshitaka Shindo

Minister for Internal Affairs and Communications

Inquiry No. 53

Re: Changes to the Japan Standard Industrial Classification (Inquiry)

The opinion of the Statistics Commission is hereby requested in accordance with the provisions of Article 28, Paragraph 2 of the Statistics Act (Act No. 53 of 2007), in changing the Statistical Standards specified in Article 2, Paragraph 9 of the same Act as indicated in the Attachment.

(2) Statistics Commission Report

Office of Statistics Commission
Cabinet Office
Document No. 122
September 27, 2013

Mr. Yoshitaka Shindo
Minister for Internal Affairs and Communications

Yoshio Higuchi
Chair of the Statistics Commission

Report to Inquiry No. 53
Re: Changes to the Japan Standard Industrial Classification

The Statistics Commission hereby reports on the conclusions obtained based on deliberating on changes to the Japan Standard Industrial Classification as based on Inquiry No. 53.

1 Suitability of changes

The contents of Attachment 1 are deemed as being appropriate with regard to the Japan Standard Industrial Classification based on the reasons below.

2 Reasons

(1) Clarification that “General Rules” are statistical standards

The Ministry of Internal Affairs and Communications reclarifies that “General Rules,” which were not publicly announced as being included in statistical standards despite them having been specified in a unified manner with classification items, are statistical standards.

“General Rules” describe fundamental principles in the Japan Standard Industrial Classification, such as “definition of industry” and “definition of establishment,” and based on this, the designs for various statistical surveys are implemented. Accordingly, as the definition of statistical standards corresponds to “technical standards for ensuring uniformity and comprehensiveness in producing official statistics” in Article 2, Paragraph 9 of the Statistics Act (Act No. 53 of 2007), which specifies the definition of statistical standards, it is appropriate to include this in statistical standards.

(2) Changes to classification items

In the “Master Plan Concerning the Development of Official Statistics” (Cabinet Decision dated March 13, 2009), the Ministry of Internal Affairs and Communications deems that reexamination of statistical standards are conducted in a way where “the necessity of revising applicable standards is reviewed based on environmental changes in the economy and society approximately every five years, and a conclusion that includes the pros and cons of reexaminations is obtained.” Since six years have passed from the previous revision (2007), the following changes are implemented based on changes in the state of new industries and new systems, as well as the state of existing industries.

Prior to individual deliberations regarding the above, agreement is to be obtained from each committee member and expert committee member regarding the fundamental concept (Attachment 2) when reviewing the new establishment, abolition, etc. of classification items, deliberations are to be implemented based on this agreement, and conclusions are to be obtained.

A. New classification items (1 group, 5 industries)

i Integrated centers for early childhood education and care (Group and Industry)

Based on the establishment and announcement of the so-called “Three Bills Related to Children and Child-Rearing” in August 2012, the current approved child institution system was improved, and the new “integrated centers for early childhood education and care” was systemized as the single accredited facility with the legal positioning of schools and child welfare facilities. In association with this, “Group 819 Integrated centers for early childhood education and care” and “Industry 8191 Integrated centers for early childhood education and care” were newly established under “Division O – EDUCATION, LEARNING SUPPORT” and “Major Group 81 School education”

With regard to this, since such institutions have the functions of a kindergarten (Group belonging to “Division O – EDUCATION, LEARNING SUPPORT”) and day nursery (industry belonging to “Division P – MEDICAL, HEALTH CARE AND WELFARE”) as a new system, and because it is difficult to distinguish which one is the main business, it is necessary to establish a new classification item. With regard to positioning such institutions as “Division O – EDUCATION, LEARNING SUPPORT,” they become of the same group as elementary schools and junior high schools, etc., and can be oriented in continuity of children receiving education such as in elementary school and junior high school; with regard to positioning them as “Division P – MEDICAL, HEALTH CARE AND WELFARE,” if they become classified alongside “day nursery,” they become industries and compared to group, it becomes even more difficult to obtain results of statistical surveys; thus, both are considered as being appropriate.

ii Market research, opinion survey and social survey services (Industry)

Establishments that conduct surveys and analyses related to the market, opinions, and society are currently included in “Industry 3929 Miscellaneous data processing and

information services” under “Division G – INFORMATION AND COMMUNICATIONS,” “Major Group 39 Information services,” “Group 392 Data processing and information services,” but this was newly established as “Industry 3923 Market research, opinion survey and social survey services” under the same group.

This is considered as being appropriate as it fulfills numerical standards when newly establishing a classification item, it can be clearly categorized as an economic activity of an establishment, there is a corresponding classification item in the International Standard Industrial Classification (ISIC), and the international comparability increases.

iii Relaxation services (using manual techniques) (Industry)

Establishments engaged in practice in the relieving of stress in mind and body, using manual techniques, are considered as currently being included in “Industry 7899 Laundry, beauty and bath services, n.e.c.,” under “Division N – LIVING-RELATED AND PERSONAL SERVICES AND AMUSEMENT SERVICES,” “Major Group 78 Laundry, beauty and bath services,” “Group 789 Miscellaneous laundry, beauty and bath services,” but this is to be newly established as “Industry 7893 Relaxation services (using manual techniques)” under the same Group.

This is deemed as being appropriate, as numerical standards for when establishing a new classification item are fulfilled, it is possible to clearly categorize this as an economic activity of an establishment by limiting it to those where “manual techniques are used,” and the necessity to comprehend the results of statistical surveys as an industry that makes up healthcare in future policy expansion, such as promotion of the healthcare industry, planning of consumer protection policies, etc., is anticipated.

iv Nail salon services (Industry)

Establishments where nail care, nail art, etc. is implemented on the nails of hands and feet using nail cosmetics are currently included in “Industry 7899 Laundry, beauty and bath services, n.e.c.” under “Division N – LIVING-RELATED AND PERSONAL SERVICES AND AMUSEMENT SERVICES,” “Major Group 78 Laundry, beauty and bath services,” “Group 789 Miscellaneous laundry, beauty and bath services,” but this is to be newly established as “Industry 7894 Nail salon services” under the same group.

This is deemed as being appropriate, as numerical standards for when establishing a new classification item are fulfilled, consumers’ recognition of nail salon services is steadily becoming fixated, and the necessity to comprehend the results of statistical surveys in future policy expansion, such as promotion of the nail salon services industry and planning of consumer protection policies, is anticipated.

v Call center services (Industry)

Establishments solely engaged in counter services for client relations, including customer support and complaint handling, etc. are currently included in “Industry 9299 Miscellaneous

business services, n.e.c.,” under Division R – SERVICES, N.E.C.,” Major Group 92 Miscellaneous business services,” “Group 929 Business services, n.e.c.,” but this is to be newly established as “Industry 9294 Call center services” under the same group.

This is deemed as being appropriate, as numerical standards for when establishing a new classification item are fulfilled, it is possible to clearly categorize this as an economic activity of an establishment, it is necessary to comprehend the results of statistical surveys in future policy expansion, such as measures for attraction of enterprises as employment measures, and the international comparability increases as there are corresponding classification items in the International Standard Industrial Classification.

B. Shift of classification items (Shift of industries between groups: 1)

“Industry 1213 Flooring wood,” which is located under “Division E – MANUFACTURING,” “Major Group 12 Manufacture of lumber and wood products, except furniture,” “Group 121 Sawing, planing and wood products,” will be moved to “Group 122 Millwork, plywood and prefabricated structural wood products,” and turned into “Industry 1228 Flooring wood.”

This is deemed as being appropriate as 95% of flooring that is currently produced in Japan is complex flooring, and the group “millwork” reflects the actual conditions more appropriately than “manufacture of lumber.”

C. Change in classification item names (2 groups, 5 industries)

The following changes will be made to classification item names in order to deal with changes in the system and clarify expressions.

After change	Before change
(Within “Division E MANUFACTURING, Major Group 24 Manufacture of fabricated metal products”) Group 243 Heating and <u>cooking apparatus</u> , and plumbing supplies	(Within “Division E MANUFACTURING, Major Group 24 Manufacture of fabricated metal products”) Group 243 Heating <u>apparatus</u> and plumbing supplies
(Within “Division J FINANCE AND INSURANCE, Major Group 65 Financial products transaction dealers and futures commodity transaction dealers”) Group 652 Futures commodity transaction dealers and commodity <u>investment advisors</u> Note 1)	(Within “Division J FINANCE AND INSURANCE, Major Group 65 Financial products transaction dealers and futures commodity transaction dealers”) Group 652 Futures commodity transaction dealers and commodity investors
(Within “Division J FINANCE AND INSURANCE, Major Group 65 Financial products transaction dealers and futures commodity transaction dealers, Group 652 Futures commodity transaction dealers and commodity <u>investment advisors</u> ”) Industry 6521 Futures commodity transaction dealers Note 2)	(Within “Division J FINANCE AND INSURANCE, Major Group 65 Financial products transaction dealers and futures commodity transaction dealers, Group 652 Futures commodity transaction dealers and commodity investors”) Industry 6521 <u>Domestic</u> futures commodity transaction dealers

(Within "Division J FINANCE AND INSURANCE, Major Group 65 Financial products transaction dealers and futures commodity transaction dealers, Group 652 Futures commodity transaction dealers and commodity <u>investment advisors</u> ") Industry 6522 Commodity <u>investment advisors</u> ^{Note 1)}	(Within "Division J FINANCE AND INSURANCE, Major Group 65 Financial products transaction dealers and futures commodity transaction dealers, Group 652 Futures commodity transaction dealers and commodity investors") Industry 6522 Commodity investors
(Within "Division J FINANCE AND INSURANCE, Major Group 65 Financial products transaction dealers and futures commodity transaction dealers, Group 652 Futures commodity transaction dealers and commodity <u>investment advisors</u> ") Industry 6529 Miscellaneous futures commodity transaction dealers and commodity <u>investment advisors</u> ^{Note 1)}	(Within "Division J FINANCE AND INSURANCE, Major Group 65 Financial products transaction dealers and futures commodity transaction dealers, Group 652 Futures commodity transaction dealers and commodity investors") Industry 6529 Miscellaneous futures commodity transaction dealers and commodity investors
(Within "Division M ACCOMMODATIONS, EATING AND DRINKING SERVICES, Major Group 76 Eating and drinking places, Group 769 Miscellaneous eating and drinking places") Industry 7699 Eating and drinking places, n.e.c.	(Within "Division M ACCOMMODATIONS, EATING AND DRINKING SERVICES, Major Group 76 Eating and drinking places, Group 769 Miscellaneous eating and drinking places") Industry 7699 <u>Miscellaneous</u> eating and drinking places, n.e.c.
(Within "Division N LIVING-RELATED AND PERSONAL SERVICES AND AMUSEMENT SERVICES, Major Group 79 Miscellaneous living-related and personal services, Group 799 Living-related and personal services, n.e.c.") Industry 7993 <u>Photographic print, film</u> developing and finishing	(Within "Division N LIVING-RELATED AND PERSONAL SERVICES AND AMUSEMENT SERVICES, Major Group 79 Miscellaneous living-related and personal services, Group 799 Living-related and personal services, n.e.c.") Industry 7993 Film developing and finishing

<Items related to changes in systems>

Note 1) In the previous revision (2007), between "commodity investors" and "commodity investment dealers," which were exemplified in "Industry 6522 Commodity investors," "commodity investment dealers" moved to a different industry due to a change in the system, and only "commodity investors" came to correspond to this classification. However, since the classification item name did not change, the name will be changed at this time in order to clarify the situation.

Note 2) Based on revision of the Commodity Derivatives Act, for persons who conduct domestic commodity market transactions, foreign commodity market transactions, and store commodity derivative transactions as a business, a cross-sectoral regulatory system was organized as "futures commodity transaction dealers." In accordance with this, the current "Domestic futures commodity transaction dealers" will change its name to "Futures commodity transaction dealers." With regard to "foreign commodity market transaction dealers," they are currently included in "Industry 6529 Miscellaneous futures commodity transaction dealers and commodity investors," but will be categorized under "Industry 6521 Futures commodity transaction dealers" after the name change.

The above is deemed as being appropriate as they represent names that reflect the changes in industry-related systems as well as contents of activities in a more accurate manner.

(3) Responses to indicated matters in the previous (twelfth revision) Statistics Council Report

The Ministry of Internal Affairs and Communications responds as follows in relation to indicated matters in the previous (twelfth revision) Statistics Council Report.

Indicated matters in the previous report	Response
<p>○About Division “AGRICULTURE AND FORESTRY” (Integration/new establishment)</p> <p>Considering a state in which statistical data from the population census is used as evidence information in executing various government policies, it is necessary to coordinate among relevant ministries and establish measures so that data that corresponds to political needs can be comprehended, and interferences do not occur in the execution of government policies.</p>	<p>○Together with the results of “A AGRICULTURE AND FORESTRY,” the results of “Of which, agriculture” is represented in industry (division) results for the 2010 Population Census.</p>
<p>○About Division “MINING AND QUARRYING OF STONE AND GRAVEL” (Name change)</p> <p>The number of establishments for Division “MINING AND QUARRYING OF STONE AND GRAVEL” is extremely small, and has been consistently decreasing up to the present day. In the future, it is necessary to review the ideals for the classification, based on further researching the actual state of mining, and taking into consideration the form in which data related to mining, etc. should be provided to make it most effective.</p>	<p>○Upon comprehensively reviewing the ideals for this classification, including the possibility of integration with another Division, taking into consideration the similarity of business activities, the perspective of international comparability, and whether there is a future prospect from a business scale, it has been decided to continue this classification as Division “MINING AND QUARRYING OF STONE AND GRAVEL.”</p>
<p>○About Division “REAL ESTATE AND GOODS RENTAL AND LEASING” (Integration/new establishment)</p> <p>“Real estate” has been hitherto represented independently in terms of results for the majority of statistics, and as there are many statistics users, ministries conducting statistical surveys wish to consider from the perspective of ensuring continuity when implementing representation of the results of statistical surveys.</p>	<p>○ Statistical surveys in which “real estate” can continue to be comprehended include the Ministry of Finance’s Financial Statements Statistics of Corporations by Industry, the Ministry of Internal Affairs and Communications’ Labor Force Survey, Economic Census – Basic Survey, etc. and considerations are made by ministries implementing statistical surveys from the perspective of ensuring continuity.</p>
<p>○About Major Group “Nonstore retailers” (New establishment)</p> <p>With regard to the newly-established Major Group “Nonstore retailers,” it is necessary to comprehend and verify the issues, etc. in conducting statistical surveys in the future.</p>	<p>○ Upon verifying the conduct for the 2009 Economic Census – Basic Survey and industrial classifying work, etc. regarding issues in conducting statistical surveys, certain establishments were recognized and there were no particular issues in terms of industrial classifying as well.</p>
<p>○About Group “Establishments engaged in administrative or ancillary economic activities” that was established common to Major Groups (New establishment)</p> <p>It is necessary to comprehend and verify issues, etc. in conducting statistical surveys in the future.</p>	

Although the above is generally deemed as being appropriate, comprehension and verification of issues, etc. in conducting statistical surveys related to “nonstore retailer” and “establishments engaged in administrative or ancillary economic activities” are described in “3 Future challenges.”

(4) Others

Among the items regarding which the Ministry of Internal Affairs and Communications has conducted reviews although they were not included in this revision proposal, opinions are sought after regarding the issue of adequacy of inquiries and issues in future review work on change to the division to which “Pharmacies” should belong and the new establishment of the industry “Tow truck services.”

The following is in relation to this.

- A. For “Pharmacies,” since the Japan Standard Industrial Classification is not a classification based on industry laws and regulations, it is designated as retailing by focusing on the economic activity of selling pharmaceuticals, and it is oriented as retailing in the International Standard Industrial Classification as well as industrial classifications of various foreign countries from the perspective of the international comparability, it is appropriate not to change the division. However, pharmacy is defined by laws as a “place where dispensing of pharmaceuticals is conducted by a pharmacist with the purpose of sale or bestowment,” and as it has been pointed out by many pharmacies where dispensing is conducted based on prescriptions that the classification item name of “Pharmacies,” which is not a name based on law, is not appropriate, it is necessary to implement reviews in the future based on the perspective of conducting statistical surveys regarding the classification item name of “Pharmacies.”
- B. As there is not enough comprehension of the actual state of “Tow truck services,” it is appropriate to review the suitability of newly establishing an industry item upon continuing to gather information at relevant ministries in the future. When doing so, it is necessary to conduct reviews including on the adequacy of the classification that is higher level, based on the perspective of the international comparability.

3 Future challenges

Reviews were conducted on changes to JSIC this time based on “the necessity of revising applicable standards is reviewed based on environmental changes in the economy and society approximately every five years from the establishment or revision of publicly announced statistical standards, and a conclusion that includes the pros and cons of reexaminations is obtained” as described in the “Master Plan Concerning the Development of Official Statistics” (Cabinet Decision dated March 13, 2009), and although it was decided that necessary changes would be made, it is necessary to conduct reviews of reexaminations at appropriate times in an appropriate manner taking into consideration their

meaning in the future as well. When doing so, it is necessary to sufficiently use the results of the Economic Census – Activities Survey that could not be used in this change as well as the state of implementation, etc. with regard to classification items and general rules, and to conduct reviews from the perspective of improving international comparability.

In addition, it is particularly necessary to conduct reviews in the future on the items below.

(1) General rules

Although three criteria are listed in order in “Section 3 Classification Criteria,” they will be compared to the contents listed in the International Standard Industry Classification and their adequacy will be reviewed.

(2) “Nonstore retailer” and “establishments engaged in administrative or ancillary economic activities”

In “2 (3) Responses to indicated items in the previous (twelfth revision) Statistics Council Report” above, comprehension and verification of the issues in conducting statistical surveys related to “nonstore retailer” and “establishments engaged in administrative or ancillary economic activities” are implemented using “2009 Economic Census – Basic Survey,” but in the future, it is necessary to continue comprehending and verifying issues in “2012 Economic Census – Activities Survey” where sales amounts and accounting items are used as survey items.

With regard to “nonstore retailers,” since they are currently considered as being “retailers with no store,” reviews will be conducted on the necessary of reexaminations from the perspective of further accurately comprehending the actual state of electronic commerce transactions through the internet, which is expanding rapidly, including on the fact that even if mail-order sales via the internet account for the main source of sales, the retailer will not be considered a “nonstore retailer” if they have a store.

Attachment 1 “The Japan Standard Industrial Classification (Proposal for 13th Revision)”* (Omitted)

* Refer to “Division, Major group, Group and Industry titles”, pp. 23-71 of this volume for the contents.

Attachment 2

Fundamental Concept When Reviewing the New Establishment and Abolition, etc. of Group/Industry Items in the Japan Standard Industrial Classification

In reviewing the new establishment, abolition, etc. of group/industry items of the Japan Standard Classification in the government, data and opinions regarding the so-called “quantitative standards” of at least 10% in the classification that is one level higher, the changes in industrial structures, necessities in terms of statistics, the comparability with international classifications, etc. have been hitherto gathered and comprehensively taken into consideration. In the recent reviews, perspectives were formulated by integrating this comprehensive consideration, and were set as the fundamental concept.

1 Objective and quantitative perspectives

The number of establishments, number of employees, production amount, etc. of the industry subject to review are of a scale of at least 10% in relation to the classification that is one level higher (so-called quantitative standards).

2 Perspectives other than 1 above where consideration is necessary in industrial classifications

- (1) Steady presence in the overall domestic industry is recognized.
- (2) From the perspective of usability of statistical surveys, the industry patterns are clearly categorized so that comprehension by survey conductors and reporters is possible.
- (3) From the perspective of utilization in the comprehension of mutual linkage of domestic industries, there are characteristics in linkage with other industries.
- (4) There are needs in terms of industry policies, such as a necessity to produce statistics pertaining to new industries.
- (5) There is the international comparability.
- (6) From the perspective of continuity of statistics, there are no issues in connection with the past, and the future industry scale is a stable one.