ISIC Rev.4 draft, Section N "Professional, scientific and technical activities"

United Nations Statistics Division

WS-ECE 09/04

Concept, scope

- Comprises professional, scientific and technical activities performed for others
- Comprises activities that require a high degree of expertise and training
- Services provided to other industries or to households
- Responds to increasing importance of these services
- Responds to increasing need for better recognition of specific categories

- ISIC Rev. 3.1 section K "Real estate, renting and business activities" has been broadly "split" into:
 - ISIC Rev. 4 draft, Section M "Real estate, rental and leasing activities"
 - ISIC Rev. 4 draft, Section N "Professional, scientific and technical activities"
 - Covers specialized activities typically provided to businesses
 - ISIC Rev. 4 draft, Section O "Administrative and support service activities"
 - Covers general support activities typically provided to businesses

Structure of Section N

- ◆ 64 Legal and accounting activities
- ◆ 65 Activities of holding companies; management and management consultancy activities
- ◆ 66 Architecture and engineering activities; technical testing and analysis
- ◆ 67 Scientific research and development
- 68 Advertising and market research
- 69 Photographic activities and other professional, scientific and technical activities
- ♦ 70 Veterinary activities

		Legal and accounting activities	ISIC 3.1
641	6410	Legal activities	7411
642	6420	Accounting, bookkeeping and auditing activities, tax consultancy	7412
			activities 641 6410 Legal activities 642 6420 Accounting, bookkeeping and auditing activities, tax

ISIC 4 draft, Div.64

- Continuity at class level with ISIC Rev. 3.1
- Legal and accounting activities individually recognized at group level to reflect specialization and expertise
 - ISIC Rev. 3.1
 - K Real estate, renting and business activities
 - 74 Other business activities
 - 741 Legal, accounting, bookkeeping and auditing activities; tax consultancy; market research and public opinion polling; business and management consultancy

ISIC 4 draft, Div.64

Question in the draft:

Currently, two separate groups have been created for:

- a. Legal activities and
- b. Accounting, bookkeeping and auditing activities; tax consultancy

Should these be combined into one group and disaggregated only at the class level or is the current proposal acceptable?

ISIC 4, 65			Activities of holding	ISIC 3.1
			companies; management and	
P			management consultancy activities	
	651		Activities of holding companies	
		6511	Activities of financial holding companies	6599*
		6512	Activities of non-financial holding companies	7414*
	652	6520	Activities of head offices	7414*
	653	6530	Management and	7414*,
			management consultancy activities	0501*

ISIC 4 draft, Div.65

- Activities are individually recognized
- Continuity with ISIC Rev. 3.1 disrupted
- The group level delineates three levels in the hierarchy of the company:
 - guidance and financial asset management for the purpose of exercising influence and control—holding companies
 - strategic management and organizational planning, decision making, operational control – head offices
 - management and management consultancy when conducted separately from the operational company

ISIC Rev.4 draft, Div.65

Questions in the draft:

- Revision of SNA: bank holding companies vs. other holding companies?
- Are the activities of financial holding companies better placed here or in Division 59 "Financial intermediation, except insurance and pension funding"

ISIC 4, 66			Architecture and engineering activities, technical testing and analysis	ISIC 3.1
	661	6610	Architecture and engineering activities and related technical consultancy	7421
	662	6620	Technical testing and analysis	7422

ISIC 4, 67			Scientific research and development	ISIC 3.1
	671		Research and experimental development on natural sciences and engineering	
		6711	Research and experimental development in biotechnology	7310*
		6719	Other research and experimental development on natural sciences and engineering	7310*
	672	6720	Research and experimental development on social sciences and humanities	7320

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ISIC Rev.4 draft, Div. 67

- Continuity with ISIC Rev. 3.1 preserved at group level
- A new class for R&D in biotechnology
- Question in the draft:

A new class has been created to give more importance to Biotechnology as an area of potential growth. Is this split a welcome innovation in ISIC?

ISIC 4, 68			Advertising and market research	ISIC 3.1
	681	6810	Advertising	7430
	682	6820	Market research and public opinion polling	7413

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ISIC 4, 69			Photographic activities and other professional, scientific and technical activities	ISIC 3.1
	691	6910	Photographic activities	7494
	699	6990	Other professional, scientific and technical activities	6309*, 7499*
ISIC 4, 70			Veterinary activities	
	700	7000	Veterinary activities	8520

ISIC Rev.4 draft, Div. 68, 69,70

Questions in the draft:

Should division 68 be combined with division 69, given the relatively small size of the latter?

Veterinary activities are now separated from human health activities, with which they were grouped in ISIC 3.1. Do you support this new treatment?