

INTRODUCTION

Purpose and Background

1. This document has been prepared to provide users of the Australian Standard Industrial Classification (ASIC) and users of statistics compiled in accordance with it with information on the nature and extent of the differences between the 1969 preliminary edition and the 1978 edition of the Classification. It illustrates the overall relationship and degree of alignment between the two editions of the Classification and also identifies the detailed differences in the definitions of individual classes.
2. The 1978 edition of the ASIC (Catalogue No. 1201.0) updates and replaces the 1969 preliminary edition of the Classification. It was prepared following an extensive review of the 1969 edition involving a substantial programme of empirical investigation and analytical work. The review took account of problems encountered with the preliminary edition of the ASIC, was cognisant of the changes in technology and products in the last decade and aimed at having the revised Classification reflect more realistically the current composition and structure of Australian industry. As a result of the review numerous changes have been made to the Classification, mainly affecting the definitions of industry classes and the composition of industry groups.

Number of Industries

3. As a result of the review the overall number of industries in the ASIC has increased. The number of subdivisions, groups and classes within each division is shown in the table below. (The corresponding number of the subdivisions, groups and classes in the previous (1969) edition of the ASIC is shown in brackets.)

Division	Number of:		
	Subdivisions	Groups	Classes
A	4 (4) (4*)	9 (11) (10*)	31 (27) (33*)
B	6 (6)	8 (6)	23 (20)
C	12 (12)	41 (41)	173 (173)
D	2 (2)	3 (3)	4 (4)
E	2 (2)	4 (3)	18 (14)
F	2 (2)	16 (18)	77 (78)
G	5 (5)	6 (6)	15 (15)
H	1 (1)	1 (1)	1 (1)
I	3 (3)	12 (10)	38 (32)
J	2 (2)	4 (2)	6 (6)
K	4 (4)	11 (11)	37 (34)
L	4 (5)	8 (9)	27 (28)
M	1 (-)	1 (-)	1 (-)
TOTAL	48 (48)	124(121)	451 (432)

* Division A including 'Interim Revised' Subdivision 01 Agriculture issued in 1974.

Nature of the Key

4. The similarities and differences between the 1969 and 1978 editions of the ASIC are identified and presented in this key in three tables which contain the following information :
- Table 1 : Broad alignment between ASIC divisions and subdivisions in the two editions of the Classification.
- Table 2 : Broad alignment between ASIC groups and classes in the two editions of the Classification.
- Table 3 : Detailed differences between the industry classes in the two editions of the Classification, in terms of those activities for which a change in ASIC treatment is documented. The detailed differences identified in Table 3 may be aggregated to determine the differences at the broader levels of the ASIC (i.e. at the ASIC group, subdivision and division levels).

Kinds of Changes to ASIC

5. The changes implemented in the 1978 edition of the ASIC were generally of the following kinds :
- i introduction of new industry classes formed by the splitting or amalgamation of industry classes which were in the 1969 preliminary edition of the Classification,
 - ii introduction of new industry groups formed by the splitting or amalgamation of industry groups which were in the 1969 edition of the Classification,
 - iii revisions to the definition of industry classes involving the transfer of primary activities from one industry class to another,
 - iv introduction of new primary activities in industry class definitions,
 - v deletion of some primary activity entries from industry class definitions in the 1969 preliminary edition of the Classification without usually involving the removal of the activities as such,
 - vi introduction of new codes for ASIC groups and classes,
 - vii treatment of Subdivision 99, Non-Classifiable Economic Units, as a separate division (Division M), and
 - viii adoption of new or revised generalised treatments for some broad types of activity such as repair, packing and installation.

Changes Not Covered by Tables 1 to 3

6. The kinds of changes described in i to vii above have been incorporated in the key. However, this could not be done for the kinds of changes mentioned in viii above. They relate to general rules for the treatment of particular types of activity and are therefore included in the ASIC introductory chapters rather than in individual class definitions.
7. The following provides a summary of the major differences in approach to the treatment of these activities :

i Repair (including maintenance) and Installation

Activities which are not specified as primary activities of particular industry classes in the 1978 edition of the ASIC are to be referred to Classification Section for individual determination. Previously, repair, maintenance and installation activities which were not specified as primary activities of particular industry classes in the 1969 preliminary edition of the ASIC were treated as primary to the class in Division C, Manufacturing, which covered the manufacture of the goods being repaired or installed.

ii Leasing

Apart from changes in the treatment of certain individual leasing activities (which are identified in Table 3), no change in the general approach with respect to the ASIC treatment of leasing/hiring activities has occurred.

iii Packing

In the 1978 edition of the ASIC, two distinct categories of packing activity have been identified, namely captive packing and contract packing, and extensive rules/guidelines set down with regard to their treatment.

The treatment of captive packing, although not specifically identified in the 1969 preliminary edition of the ASIC, remains unchanged. (i.e. establishments which undertake captive packing activities continue to be classified in accordance with their main revenue earning activity.)

With regard to contract packing however, a major change in ASIC treatment has occurred with respect to the contract packing of goods whose manufacture is primary to industry classes in Subdivisions 23 to 34 inclusive within Division C, Manufacturing. According to the guidelines set down in the 1969 preliminary edition of the ASIC, contract packing of such goods was regarded as primary to the same industry classes in Subdivisions 23 to 34 as the manufacture of the goods being packed. In the 1978 edition of the ASIC a separate class (Class 6388) in Division I, Finance, Property and Business Services, has been created to cover establishments mainly engaged in these activities. This major change in approach is identified in Table 3.

iv

Treatment of Sales of Goods Produced for the Selling
Establishment on Contract or Commission

In the 1969 edition of the ASIC establishments engaged in wholesale or retail trade which had goods manufactured for them on commission (e.g., establishments of oil marketing companies or of wholesale textile distributors, known as converters) had all such commission manufacturing done for them treated as manufacturing activity of the establishment if the establishment also carried out some manufacturing activity itself. If they were not engaged in manufacturing activity all their sales were treated, for classification purposes, as wholesale or retail sales, as appropriate.

In the 1978 edition of the ASIC the foregoing has been generalised and revised as follows:

Sales of goods produced for a 'client establishment' on a contract, commission or fee basis should normally be treated (for industry classification purposes) as sales of goods produced by the client establishment in the following conditions:

- (a) the contractor operates (i.e. has been engaged to operate) production facilities which the client establishment possesses on its premises,
- (b) the client establishment itself produces goods and the goods produced for it on contract, commission or for a fee are of a similar type or are goods produced from raw materials produced by the client establishment (provided the production of the raw materials is primary to the same ASIC division as the goods produced on commission from them), or
- (c) the goods produced for the client establishment on contract are construction goods, i.e. houses, other buildings or other structures, and the client establishment actively organises or manages the construction projects.
(Note: The terms 'organise' or 'manage' in this context refer to project management as specified in Division E, Construction, and do not mean mere inspection activities for the purpose of authorising payment to contractors or ensuring adherence to building regulations.)

Sales of goods produced for the 'client establishment' on a contract, commission or fee basis should be treated (for industry classification purposes) as wholesale or retail sales of the client establishment if the conditions in (a), (b) or (c) above do not apply.

8. A fuller description of the above activities is contained in Chapter 5 of the 1978 edition of the Australian Standard Industrial Classification (ASIC).

Changes to Code Numbers

9. The changes to the industry code numbers, mentioned in 5 vi above, have involved the following:
- i Previously hyphenated subdivision codes have been replaced by non-hyphenated codes.
 - ii Division and subdivision codes (in all other respects) have been retained. However, Subdivision 99, Non-Classifiable Establishments, previously part of Division L, has become a separate division with code M and has been retitled: Non-Classifiable Economic Units.
 - iii Previously hyphenated group codes have been replaced by non-hyphenated codes.
 - iv Where there was no choice but to reuse a previous group code to designate a different group the previous class codes within that group were not reused (if at all possible).
 - v New class codes have been used in all cases where the basic character or composition of the class had changed.
 - vi A previous code was never reused for a completely different class.
 - vii Most other group and class codes have also been replaced by new codes, regardless of whether the industries had undergone change or not. However, where the previous class code had been retained to designate the same class, care was taken to ensure that this occurred only in cases where the basic character or composition of the class had remained largely unchanged.

