



ISIC and CPC: The Business Case for Regular Revision Cycles

UN Committee of Experts on
International Statistical Classifications
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Overview

- Background: Mandate from UNSC 55th Meeting
- Data Quality and Relevance
- Impact on users
- Operational effects
- North American Experience
- Questions for the Committee



Background

- UNCEISC recommended regular 5-year revision cycles for ISIC and CPC (October 2023)
- Statistical Commission 55th Session (2024): endorsed recommendation for more frequent revision, while acknowledging concerns about a 5-year cycle
- UNSC also directed UNCEISC to report back by 2028 with implementation plan for regular revision cycles

Regular Revision Cycles: Data Quality and Relevance

Maintain relevance and improve accuracy, by:

- ✓ Reflecting contemporary economic conditions
- ✓ Improving data collection and analysis
- ✓ Giving visibility to rapidly emerging sectors, activities, and products
- ✓ Maintaining relevance to data users, producers, and policy makers

Regular Revision Cycles: Data Quality and Relevance

Enhance comparability, by:

- ✓ Enabling consistent comparisons over time
- ✓ Avoiding comparisons of definitions and scope within classes over long periods, e.g., 15-20 years
- ✓ Providing concordances to ensure comparability for time-series analysis

Regular Revision Cycles: Impact on Data Users

Condition expectations for data users:

- ✓ Public knows when to anticipate revisions and when to prepare proposals for changes.
- ✓ Time to gather supporting evidence, engage with NSOs.
- ✓ Facilitates planning for users' own processes that rely on classifications.

Regular Revision Cycles: Operational Effects

Fosters sustainability of statistical infrastructure:

- Consistent budgeting and work programs
- Staffing and training
- System maintenance and upgrades

Reduces burden and scope of revisions:

- Long gaps between revisions raises stakes for each revision, more issues accumulate. Result: Revisions of significant scale and scope.
- Shorter and stable gaps reduce these burdens.

Regular Revision Cycles: Operational Effects

Maintain institutional memory:

- Long gaps means fewer staff available with experience implementing revisions
- Regular cycles allow NSOs to maintain capacity and draw upon previous experience
- Facilitates management of ruling requests when expertise remains in place

Leverage technology:

- Advancements in AI and semantic web technologies can aid implementation.
- Reduce burden of revisions with technology...with appropriate support.

North American Experience

- Canada, Mexico and the U.S. review NAICS every five years.
- Every review since 1997 resulted in revision.
- Mexico and U.S.: Periodicity aligns with Econ Census. Collection experience informs next revision.
- Canada: Business register and other programs align to 5-yr cycle, sometimes revising national version even sooner.





QUESTIONS for the Committee

If regular revision cycles for ISIC and CPC
are adopted...

Framing questions for the standing task team

1. What is the appropriate frequency of revision for international classifications of activities and products?
 - What factors should the standing task team consider when evaluating this?
 - Should ISIC and CPC revision cycles be concurrent, overlapping, sequential?
2. What is the appropriate scope of a regular revision? Is it practical to limit the scope of review?
 - How would we characterize comprehensive and limited revision?
 - Structural changes with an impact on scope vs limiting changes to class or lower levels of structure, or only to explanatory notes and examples.
3. Other relevant considerations?

Thank you

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