

Development and use of product classifications – New Zealand

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Background

- ▶ New Zealand has not directly used the Central Product Classification (CPC) as a basis for statistical data about products
- ▶ New Zealand during the 1990's collaborated with the Australian Bureau of Statistics (ABS) to develop joint product classifications
 - ▶ Australian and New Zealand Standard Commodity Classification (ANZSCC) 1996 - based off the Provisional CPC 1991
 - ▶ Australian and New Zealand Standard Product Classification (ANZSPC) 2001 - based off CPC V1.0
- ▶ Both ANZSCC and ANZSPC were intended as a standard framework for classifying business's outputs in official statistics.
- ▶ Intended to use a common classification in all statistical collections and that product statistics would be comparable across surveys and between the two countries.

Australian and New Zealand Standard Commodity Classification - ANZSCC 1996

- ▶ Developed for use in Australia and New Zealand for the collection and presentation of commodity statistics

ANZSCC Structure		ANZSCC Sections	
Sections	10	0	Agriculture, Forestry and Fishery Products
Division	69	1	Ores and Minerals; Electricity, Gas and Water
Group	290	2	Food Products, Beverages and Tobacco; Textiles, Apparel and Leather Products
Class	1525	3	Other Transportable Goods, Except Metal Products, Machinery and Equipment
Sub Class	2092	4	Metal Product, Machinery and Equipment
Item	1339	5	Construction Work and Constructions; Land
		6	Trade Services; Hotel and Restaurant Services
		7	Transport, Storage and Communication Services
		8	Business Services; Agricultural, Mining and Manufacturing Services
		9	Community, Social and Personal Services

Structural View of ANZSCC 1996



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Classifications

Info

Abbreviation	ANZSCC
Audience	OSS
Lifecycle	Archived
Version	1.0.0
Valid from	01-Apr-1996
Valid to	14-Sep-2006
Last update	14-09-2006 09:43:00

Levels

Levels	6 (5325 Codes)
Section	10
Division	69
Group	290
Class	1525
Sub Class	2092
Item	1339

Codefile headers

None

Related classifications

None

Australian and New Zealand Standard Commodity Classification 1996 V1.0.0

Overview **Browse** Advanced Discussion

- ▼ 0 Agriculture, Forestry and Fishery Products [4]
 - ▼ 01 Products Of Agriculture, Horticulture and Market Gardening [9]
 - ▼ 011 Cereals [2]
 - ▼ 01101 Cereal crop production [14]
 - 0110111 Barley for grain
 - 0110112 Broom millet
 - 0110113 Buckwheat
 - 0110114 Canary seed
 - 0110115 Cereal rye for grain
 - 0110116 Grain sorghum for grain
 - 0110117 Maize for grain
 - 0110118 Millet and panicum for grain
 - 0110121 Oats for grain
 - 0110122 Popcorn
 - ▼ 0110123 Rice [2]
 - 011012301 Rice - (not husked)
 - 011012302 Rice, husked but not further prepared (cargo rice or brown rice)
 - 0110124 Triticale for grain
 - 0110125 Wheat for grain

ANZSCC - Issues

- ▶ Difficult to get buy-in to its use in the New Zealand context
- ▶ Was overly complex with six levels and a nine-digit code length
- ▶ Heavily driven by existing Australian needs and practices
- ▶ Challenges presented with the categories particularly in relation to horticulture, livestock and mineral products not used in New Zealand
- ▶ There was no clear maintenance strategy created and was more for the statistical agencies rather than the wider data system
- ▶ Limited, if any, external stakeholder engagement
- ▶ Much of the original content related to specifics for Australian states and territories and these were removed
- ▶ Replaced by the Australian and New Zealand Standard Product Classification in 2006

Australian and New Zealand Standard Product Classification - ANZSPC 2006

- ▶ Developed for use in Australia and New Zealand for the collection and presentation of statistics related to products
- ▶ Products are assigned to a product code according to their predominant physical characteristics while services are grouped according to the nature of the service

ANZSPC Structure		ANZSPC Sections	
Sections	10	0	Agriculture, Forestry and Fishery Products
Division	73	1	Ores and Minerals; Electricity, Gas and Water
Group	304	2	Food Products, Beverages and Tobacco; Textiles, Apparel and Leather Products
Class	574	3	Other Transportable Goods, Except Metal Products, Machinery and Equipment
Sub Class	751	4	Metal Product, Machinery and Equipment
Item	1909	5	Intangible Assts; Landl; Constructions; Construction Services
Subitem	2479	6	Distributive Trade Services; Lodging; Food and Beverage Serving Services; Transport Services; and Utilities Distribution Services
Product	2724	7	Financial and Related Services; Real Estate Services; and Rental and Leasing Services
NZ Product	2724	8	Business and Production Services
		9	Community, Social and Personal Services

Structural View of ANZSPC 1996



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Classifications

Info

Abbreviation	ANZSPC.NZ
Audience	OSS
Lifecycle	Archived
Version	1.0.0
Valid from	01-Aug-2001
Valid to	15-Jan-2002
Last update	12-02-2007 09:35:00

Levels

Levels	9 (11548 Codes)
Section	10
Division	73
Group	304
Class	574
Subclass	751
Item	1909
Subitem	2479
Product	2724
NZ Product	2724

Codefile headers

None

Related classifications

Australia and New Zealand Standard Product Classification - New Zealand Version 2001 V1.0.0

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- 0 Agriculture, Forestry and Fishery Products [4]
 - 01 Products of Agriculture, Horticulture and Market Gardening [9]
 - 011 Cereals [7]
 - 0111 Wheat and meslin [1]
 - 01110 Wheat and meslin [2]
 - 0111010 Wheat for grain [1]
 - 011101000 Wheat for grain [1]
 - 01110100000 Wheat for grain [1]
 - 0111010000000 Wheat for grain [1]
 - 0111090 Other wheat and meslin [1]
 - 0112 Maize (corn) [1]
 - 0113 Rice, not husked [1]
 - 0114 Rice, husked but not further prepared [1]
 - 0115 Barley for grain [1]
 - 0116 Rye, oats for grain [1]
 - 0119 Other cereals [1]
 - 012 Vegetables [4]
 - 013 Fruit and nuts [3]

ANZSPC - Australia and New Zealand Differences

- ▶ Was developed to harmonise Australian and New Zealand classifications as far as possible while allowing some scope to meet different needs at the lowest level.
- ▶ Ended up with two classifications harmonised to level 7 but deviating at levels 8 and 9 for national requirements
- ▶ ANZSPC New Zealand had one more level than ANZSPC Australia to allow the lowest level of ANZSPC Australia products to be split into more specifically useful New Zealand products and new products to be added
- ▶ ANZSPC New Zealand had included some rationalisation by ensuring that each product in the classification was represented at the most detailed level of the classification.
- ▶ ANZSPC Australia products were not represented at the most detailed levels if they do not need to be split into more detailed categories at the lower levels of the classification.

ANZSPC - Issues

- ▶ Difficult to get buy-in to its use in the New Zealand context
- ▶ Was overly complex with nine levels and a thirteen-digit code length
- ▶ ANZSPC aligns with CPC Version 1.0 categories at the Group (3 digit) level.
- ▶ Australia and New Zealand have agreed that each national statistical agency can create items below the Subclass level to meet national statistical requirements.
- ▶ The classification differs between the two countries in three major areas: fish, construction and research and development (R&D).
 - ▶ (a) fish are described to the species level, and the commercial fish species generally differ at this level between the two countries;
 - ▶ (b) the construction categories reflect the building types collected by local government in both countries in their consents-issuing process, and these differ between the two countries;
 - ▶ (c) the R&D products collected in Australia are more closely aligned with the Central Product Classification Version 1.0 (CPC V1.0) and are oriented towards scientific discipline. In New Zealand R&D categories are aligned with the Science Outputs which are the basis of funding by central government's Public Good Science Fund (PGSF) and are oriented towards the purpose of the research
- ▶ This difference in approach makes comparison between the two countries respective classifications difficult
- ▶ ANZSPC was decommissioned as a joint standard classification in both countries in 2009

New Zealand Situation

- ▶ New Zealand does not have a standard product classification
- ▶ Stats NZ has a National Accounts Commodity Classification (NACC06) based off ANZSIC06 which is the primary classification for products
- ▶ NACC06 is a flat classification of 305 commodities/products
- ▶ Stats NZ also uses the New Zealand Harmonised System Classification (NZHSC) based off the international standard and the New Zealand Customs Tariff
- ▶ NZHSC is a four level hierarchic classification with 98 Chapters - 2 digit, 1235 Headings 4-digit, 5619 Sub-Headings 6-digit, and 16428 Stats Keys 10 digit
- ▶ Correspondences map the classifications to CPC V2.0 for international reporting and comparability needs

NA06 Commodity Classification

- ▶ Concorded with CPC V2.0 - which acts as a reference classification
- ▶ Fits with the ANZSIC06 structure so that supply-use tables can be generated
- ▶ Accurately reflects the range of predominant products and services produced and purchased by ANZSIC06 industries
- ▶ Aligned with the ANZSIC06 classification so the characteristic output of every industry is represented by a commodity or commodities
- ▶ Has a structure that will allow for new products/codes to be added in the future whilst maintaining comparability with CPC

Future Direction

- ▶ Significant consultation needed on whether a standard product classification is actually needed for the New Zealand data system
- ▶ Need to map the existing NA06CC classification to CPC V3.0 to identify gaps, and coverage issues for the New Zealand context
- ▶ Identify and converse with data users over their needs and the best way forward
- ▶ Determine alignment with SNA 2025 and any new industry classification implementation
- ▶ Outline pros and cons of adopting, adapting or mapping CPC V3.0 to the New Zealand context
- ▶ Seek resourcing and funding to enable any work

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