

SINGAPORE STANDARD INDUSTRIAL CLASSIFICATION 2010

Introduction

The Singapore Standard Industrial Classification (SSIC) is designed for use in the collection of data (e.g. censuses, surveys, administrative records) that requires the classification of economic activities. It is also used in the compilation, presentation and analysis of a wide range of statistics, including national income, production, as well as demographic, social and labour statistics.

2 The SSIC 2010 adopts the basic framework of the International Standard Industrial Classification Revision 4 (ISIC Rev. 4) with appropriate modifications to take into account Singapore's unique economic circumstances while enhancing international comparability. The classification also incorporates recent changes in economic activities to better reflect the current structure of Singapore's economy.

Nature and Principles of the Classification

Conceptual Framework

3 The SSIC is a classification of economic activities undertaken by economic units. It does not draw distinction according to the type of ownership, type of legal organisation or mode of operation as such criteria do not relate to the characteristics of the economic activity. Economic units which engage in the same kind of economic activity are classified in the same category of SSIC, irrespective of whether they are corporate entities or government units, or operate in the formal or informal sector. Similarly, manufacturing units are classified according to the principal activity in which they are engaged in, regardless of whether the work is performed manually or by machinery, or whether the activity is carried out in a factory or household.

Principal, Secondary and Ancillary Activities

4 The term "activity" is defined as a process resulting in a homogeneous set of products. An activity may consist of one simple process (e.g. weaving), or it may cover a whole range of sub-processes. For example, the manufacturing of a car is considered as one activity even though its integrated production process encompasses sub-activities such as casting, forging, welding, assembling etc.

5 The principal activity of an economic unit is the activity that contributes the most to the value added of the goods and services produced by the unit, or the activity with the highest value added among the activities of the unit. Where it is not possible to obtain information on value added of the goods sold or services rendered, the principal activity is determined by the proportion of the gross output that is attributable to the goods or services. In instances where the output ratio is not applicable, the principal activity is determined from the proportion of employment in the various activities.

6 A secondary activity refers to each separate activity undertaken by the economic unit that produces products or services eventually for third parties and which is not the unit's principal activity.

7 Ancillary activities are those that are undertaken to support the main productive activities of a unit by providing goods or services entirely or primarily for the use of that unit. Examples of such activities are bookkeeping, purchasing, storage and sales promotion.

Classification by Principal Activity

8 Some economic units may engage in multiple related activities (e.g. manufacturing of different types of goods, providing both freight and passenger air transport services) or multiple unrelated activities (e.g. investment holding and publishing). These units are to be classified according to their principal activity.

9 In some economic units, the activities undertaken are vertically integrated i.e. the activities extend over a number of stages in the production or fabrication of a product and the output of one process serves as the input for the next (e.g. tree felling combined with sawmilling, production of pulp combined with operation of paper mill). Such units are also to be classified based on their principal activity, instead of the final activity which was used to classify similar units previously. This change in rule is expected to have minimal impact as it is often the case that separate units would be established for individual activities which are significant.

10 In instances where value added cannot be determined for each of the vertically integrated activities, the principal activity could be determined by comparison with units engaged in similar activities. If this still does not allow for the principal activity to be determined, the unit will be classified on the basis of its final activity.