

## SIC Codes in early EEO-1 Reports

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Industry consistency over time in the use of EEO-1 reports.

### **Rogue industry codes.**

In the early years there are some three digit SIC codes which do not seem to correspond to any known industry codes. These are quite rare and take the following rough pattern:

Year	1966	1971	1972	1973	1975-2002
Approximate number of bad industry codes	45	35	90	30	0.74
Percent of Sample	0.05%	0.03%	0.07%	0.01%	too small to display
These calculations were based by inflating *5 counts from 20% samples in each year. They are likely to be overestimates of the occurrence of rogue codes.					

After 1973 these codes essentially disappeared in the 20% sample we examined.<sup>1</sup> We have not attempted to eradicate these rogue codes, but for some purposes it may be useful to recognize their existence. Certainly if any aggregation into industry groups is attempted some attention to these codes might be required.

### **SIC Industry coding over time**

In the EEO-1 reports, prior to 1974 the basic SIC coding scheme is the 1957 SIC scheme. Between 1974 and 1991 the 1972 SIC scheme is used. After 1991 the 1987 SIC scheme is used.<sup>2</sup> In the late 1990s the NAICS scheme is also present in the data files. For many applications these codes will suffice.

We have created a conversion convention for our own work which identifies changes in SIC codes and standardizes to the 1987 coding scheme. The vast majority of codes do not change between the 1957 and 1987 SIC schemes. Four types of code changes occur.

1. New codes are created for new industries (e.g. 484 Cable TV).
2. New codes are created when new industries split out of old (e.g. 124 coal mining services split out of both 111 anthracite mining and 121 bituminous mining).
3. Old codes are discontinued and merged into new more global codes.
4. Old codes are discontinued and broken up into two new more specific codes.

For our purposes we treated newly created industries as simple changes in the economy and made no adjustments in industry codes for them. It is likely however, that when 484

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<sup>1</sup> Perhaps reflecting some playful or evil programmer, after ten years without a rogue code, the code 666 turns up in 1985.

<sup>2</sup> In some year the EEO-1 files contain multiple SIC variables. Below we identify the variables in each EEO-1 reporting year file that corresponds to these basic codes.

Cable TV was created as a new code, some establishments were reclassified from Television to Cable Television.

For all other industries we use the following transformation matrix, always standardizing to the more recent coding scheme.

SIC Standardization rules			
1957 Code	1987 Code	1957 industry name	1987 industry name
012	017	Fruit, Tree Nut and Vegetable Farms	Same
014	019	General Farms	Same
073	078	Horticultural Services	Landscape Counseling & Planning
151	152	General Building Contractors	Residential Building Contractors
151	153		[Non-residential Building]
398	399	Miscellaneous Manufacturing	Manufacturing, NEC
402	401	Railroad Sleeping and Passenger	Railroad
404	401	Railway Express Agency, Inc	
522	507	Heating & Plumbing Equipment	Same
532	596	Mail Order Houses	Non-store Retailers
534	596	Merchandise Vending Machines	
535	596	Direct Selling Organizations	
595	594	Sporting Goods Stores	Miscellaneous Shopping Goods Stores
597	594	Jewelry Stores	
604	609	Trust Companies, No Deposits	Functions Related to Deposit Banking
612	603	Savings & Loans	Savings Institutions
613	615	Agricultural Credit Institutions	Business Credit Institutions
656	153	Operative Builders, Real Estate	Operative Builders, Construction
739	738	Business Services, NEC	Miscellaneous Business Services
1972 Code	1987 Code	1972 industry name	1987 industry name
082	083	Forest Nurseries & Tree Seeds	Forest Nurseries & Gathering of Food
084	083	Gathering of Food Products	
111	123	Anthracite Mining	Same
121	122	Bituminous Mining	Same
None	124	Was included in 111 and 121	Coal Mining Services
264	267	Converted Paper & Paperboard	Converted Paper & Paperboard
266	267	Building Paper & Paperboard	
303	306	Reclaimed Rubber	Fabricated Rubber, NEC
304	305	Rubber and Plastic Hose & Belting	Gaskets, Packing and Sealing Devices and Rubber
307	308	Misc Plastic Products	Plastic Products, NEC
383	382	Optical Instruments & Lenses	Laboratory Apparatus and Analytical, Optical
445	448	Local Water Transport	Water Transport of Passengers
446	449	Services Incidental to Water Transport	Same
471	473	Freight Forwarding	Arrangement of Transportation of Freight and Cargo