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Appendix E

INDUSTRIAL CLASSIFICATION

The industrial classification used throughout the present volume, and particularly in the income estimates, both annual and quarterly, is based upon that presented in the *Statistics of Income*.¹ Minor changes have been made in the official classification from time to time during the period under review, but as far as possible all the income estimates in this volume have been brought within the standard categories which follow. These are based directly upon the classification used by the Bureau of Internal Revenue for the year 1934.

The reliability of estimates of income items falling within specific groups and subgroups of this classification is affected by two important considerations. First, enterprises may be difficult to classify by subgroups, and it may happen that the same enterprise is placed by the Bureau in different subgroups from one year to another. The fluctuations in income from year to year are therefore more reliable for the larger industrial groups than for detailed subgroups. Second, owing to the abolition (as of 1934) of the privilege of filing consolidated returns, many corporate enterprises in one industrial group through 1933 fall within a different industrial group in 1934 and later years. These matters have been discussed in some detail in Appendix B, in connection with the derivation of quarterly estimates for the net income of all corporations in selected industrial subdivisions.

INDUSTRIAL CLASSIFICATION

A. Agriculture (includes Forestry)

B. Mining

1. Metal mining (iron, copper, lead, zinc, gold, silver, mercury)
2. Coal mining (anthracite, bituminous, lignite, peat)
3. Oil and gas
4. Other minerals (asbestos, clay, granite, precious and semiprecious stones, salt)
5. Miscellaneous mining (this is a catch-all for such income as could not be appropriated under any of the above subgroups, and also the income of lessors and holders of mineral rights)

¹ Annual publication of the United States Bureau of Internal Revenue.

C. Public Utilities

1. Electric light and power
2. Manufactured gas
3. Street railways

D. Manufacturing

1. Foods, beverages and tobacco

- (a) Foods
- (b) Beverages
- (c) Tobacco

2. Textiles and leather products

- (a) Cotton goods
- (b) Woolen goods
- (c) Silk and rayon
- (d) Carpets and other floor coverings
- (e) Cord, felt, fur; hospital supplies
- (f) Clothing, except knit goods
- (g) Knit goods
- (h) Leather, mainly later stages of manufacture (boots, shoes, slippers)
- (i) Leather, mainly early stages of manufacture (gloves, saddlery, harness, trunks, leather tanning)

3. Lumber, stone, clay, glass products

- (a) Sawmill and planingmill products
- (b) Carriages, wagons, furniture, baskets
- (c) Stone, clay, glass and related products

4. Paper and printing

- (a) Paper and pulp
- (b) Printing and publishing

5. Metal products

- (a) Iron and steel
- (b) Locomotives and railroad equipment
- (c) Automobiles, parts and accessories
- (d) Factory machinery
- (e) Agricultural machinery
- (f) Electrical machinery
- (g) Miscellaneous machinery (building, construction, gas and mining machinery and equipment)
- (h) Household equipment
- (i) Office equipment
- (j) Metal building materials and supplies
- (k) Hardware and tools
- (l) Precious metals and jewelry; clocks and watches
- (m) Miscellaneous products and processes; nonferrous metals

6. Chemicals, drugs, and petroleum refining

- (a) Chemicals (chemicals proper, acids and compounds; fertilizers)
- (b) Drugs (drugs and cosmetics; paints, soaps, vegetable oils)
- (c) Petroleum refining

7. Miscellaneous manufacturing (including rubber)

- (a) Rubber and rubber products

- (b) Miscellaneous manufacturing (radios and parts; musical instruments, optical goods, canoes, airplanes, airships, seaplanes; manufacturing not elsewhere classifiable. This is a catch-all for such manufacturing as cannot be appropriated in other groups)

E. Construction (including shipbuilding²)

F. Steam Railroads (including the Pullman Company and the Railway Express Agency)

G. Other Transportation

- 1. Water transportation

- 2. Pipe lines

H. Communication (telegraphs and telephones)

I. Distribution

- 1. Wholesale

- 2. Retail

J. Finance

- 1. Banking

- 2. Insurance

- 3. Real estate

K. Service

- 1. Laundries, hotels, restaurants

- 2. Amusements (including radio broadcasting)

- 3. Business services (detective bureaus, trade shows, mimeographing, advertising, cemeteries, photographers, cloakrooms)

- 4. Professional services (curative, educational, engineering, legal)

M. Miscellaneous Nonmanufacturing

- 1. Minor transportation (air transport; bus lines and taxicabs; cartage, storage, packing, shipping, and miscellaneous local transportation)

- 2. Minor public utilities (water companies; minor public utilities and finance companies)

² Throughout Appendix B (Tables 23-29) shipbuilding is included in Construction, as shown here. In all other tables in which income data are presented, shipbuilding is included with Manufacturing. See Chapter V, footnote 10, p. 131.

Appendix F

COMPARISON WITH OTHER ESTIMATES
OF OUTLAY