

# Employer Costs for Employee Compensation and the New Industrial and Occupational Classification Systems

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BLS data on [Employer Costs for Employee Compensation \(ECEC\)](#) will be based on new classifications of industry and occupation starting with the March 2004 data, to be published in June 2004. The ECEC will use the 2002 [North American Industry Classification System \(NAICS\)](#) and the 2000 [Standard Occupational Classification \(SOC\)](#).

The [U.S. Office of Management and Budget](#) requires all Federal statistical agencies to change their statistical classification systems to NAICS and SOC. NAICS is designed to reflect changes in the economy and to achieve comparability with the statistical systems of Mexico and Canada. The SOC is designed to provide a common occupational classification system across U.S. statistical agencies. ECEC data by the present classification systems--the 1987 Standard Industrial Classification System (SIC) and the 1990 Occupational Classification System (OCS)--will no longer be produced. The ECEC is the first [National Compensation Survey](#) product to make this transition.

The ECEC measures employers' costs per hour worked for total compensation, and costs as a percent of total compensation. Total compensation consists of wages and salaries and the cost of employee benefits. The data cover all civilian workers, defined by the National Compensation Survey as those employed in private industry and in State and local government. The ECEC reflects the current employment composition as of the reference quarter.

## NAICS Features In The ECEC

NAICS focuses on how products and services are created, which is different from the SIC system, which focused on what is produced. NAICS has identified new and emerging industries, especially in services and information. As a result, some NAICS-based ECEC data series by industry are not strictly comparable with the previously published SIC-based ECEC series. The NAICS categories that will be shown in the ECEC include the following:

- Goods producing industries
- Construction
- Manufacturing
- Service providing industries
- Trade, transportation, and utilities
- Information
- Financial activities
- Professional and business services
- Education and health services
- Leisure and hospitality
- Other services
- Public administration

## SOC Features In The ECEC

The SOC provides more detailed occupations than were available in the OCS. It contains many new occupations, especially in the service and information fields. SOC-based series are not strictly comparable with the previously published OCS series. The following are the highest level SOC categories that will be shown in the ECEC:

- Management, professional, and related occupations
- Management, business, and financial
- Professional and related
- Sales and office occupations
- Sales and related

Office and administrative support  
Service occupations  
Natural resources, construction, and maintenance occupations  
Construction and extraction  
Installation, maintenance, and repair  
Production, transportation, and material moving occupations  
Production  
Transportation and material moving

In selected instances, ECEC tables will show more detail than shown above. In addition, estimates will be published for worker and establishment characteristics such as collective bargaining status, metropolitan or nonmetropolitan area, region, census division, full- and part-time status, and establishment size.

### **Additional Information**

For detailed information on NAICS and SOC see <http://www.bls.gov/bls/naics.htm> and <http://www.bls.gov/soc/home.htm>.

Current ECEC data and technical information can be obtained at <http://www.bls.gov/ncs/ect/home.htm>; data also can be obtained by sending an email request to [ocltinfo@bls.gov](mailto:ocltinfo@bls.gov), or by calling (202) 691-6199.

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