

Technical Notes

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons, 16 years and over, living in the labor market area, who were employed or unemployed during the week including the 12th of the month.

Total Employed - an estimate of all persons living in the area who were working anywhere in any except military jobs or were involved in labor disputes. Persons holding two or more jobs are counted only once. This estimate differs from Table 2 in several ways. Table 1 shows people; Table 2 shows jobs. Table 1 includes self-employed, proprietors, unpaid family members working 15 or more hours a week, domestics and agricultural workers; Table 2 excludes these groups.

Total Unemployed - an estimate of the number of persons living in the area who did not work during the week including the 12th but who were looking either for work, waiting to be called back to a former job or waiting for a new job to begin. Although many of these people may have been drawing unemployment insurance benefits, one need not be collecting unemployment insurance to be counted as unemployed.

Seasonally Adjusted versus Unadjusted Data - Unadjusted data show people at work, unemployed, or out of the labor force regardless of the reason. For example, high school and college graduates inflate the number of unemployed every June and July, while apple canning workers are laid off in late fall. Seasonal adjustment factors are used to eliminate these typical or expected month-to-month changes in order to produce data that more clearly show when the economy improves or worsens.

Nonagricultural Wage and Salary Job Estimates

Nonagricultural Jobs - An estimate of jobs in the labor market area. Jobs are included if filled by workers on paid sick leave, paid vacations and paid holidays but are excluded if those workers are absent without pay. The numbers exclude farm and domestic jobs as well as any jobs filled by the self-employed and unpaid family workers and volunteers. Government employment includes only civilian jobs; military jobs are not counted. Full-time teaching positions are counted as though the classes were in session during the summer months, whether or not teachers received pay during those months. Jobs in individual industries may not add to the total because not all industry lines are published. In Tables 2, certain industries are combined to prevent disclosure of individual firms; other industries are not published because of their small size.

Industry Classification - Employer establishments are grouped by industry on the basis of the value of their principal product or service. For example, a firm which runs both a hotel and a restaurant would be classified as a hotel if room sales earned more money than food sales, and vice versa. The North American Industry Classification System (U. S. Office of Management and Budget, Washington, DC, 2007) is used for this classification. All government jobs are classified in government regardless of the nature of the work performed, such as: employees of local publicly

owned bus companies are shown under government and not under transportation.

Collection - Nonagricultural wage and salary jobs as well as hours and earnings estimates are based on monthly reports from a sample of employers. Under a cooperative arrangement with the U.S. Bureau of Labor Statistics, the Center for Workforce Information & Analysis of the Pennsylvania Department of Labor & Industry collects, edits and processes these survey reports which are used for local, state, and national estimates.

Revisions to Data - Revisions of sample-based estimates are needed to produce the best possible data. The estimates for the most recent month are preliminary; in many cases they will be revised the following month because some reports from cooperating employers arrive after the first estimates are prepared. Once each year, estimates are adjusted to a count of all employees in the area (called a benchmark) compiled from job counts on unemployment insurance tax returns and other data. These annual revisions are done before the January estimates for the following year are released.

Hours and Earnings

Method of Computing Averages - Average hours are calculated by dividing total production-worker hours worked during one week (the seven-day period which includes the 12th of the month) by the number of production workers for that week. Average hourly earnings are computed by dividing total production worker payroll for one week by total production worker hours for the week. Average weekly earnings are derived by multiplying average hourly earnings by average weekly hours.

Definitions of production or similar workers, payroll and hours - from which average hours and earnings data are derived - follow:

Production Workers in Factories - include working supervisors and all non-supervisory workers (as well as group leaders and trainees) engaged in fabricating, processing, assembling, inspecting, receiving, storing, handling, packing, warehousing, shipping, maintaining, repairing and cleaning as well as in-house guard services, product development, power generation and record keeping related to production. Not only are management and supervision excluded but front-office clerical and sales staff are also not counted.

Payroll - includes gross earnings paid to production workers. It encompasses the value of all deductions for taxes, social security, union dues, savings plans and garnished wages. The gross pay contains monthly commissions, regular bonuses, incentives, and company-paid holidays, sick leave and vacation. One-time bonuses, lump sum payments and retroactive pay are excluded.

Hours - include all hours worked or paid for those production workers on the payroll during the week including the 12th day. Hours include holidays, vacation and sick leave when the employee is paid directly by the firm for those hours.