

# **Your Guide To Oklahoma's Labor Market Information**

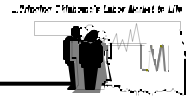
*A User's Guide of Oklahoma Labor Market Information*

*Prepared by the*  
**Oklahoma Employment Security Commission  
Economic Research & Analysis Division**

Jon Brock, Executive Director  
Auther Jordan, Director, Economic Research & Analysis  
Wayne Everson, Program Chief, Economic Research & Analysis

January 2003

# About this Publication



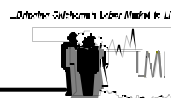
The information contained in this publication is designed to help users of the Labor Market Information (LMI) produced by the Economic Research & Analysis (ER&A) Division of the Oklahoma Employment Security Commission (OESC). OESC strives to be proactive in the areas of economic development as well as fortifying the employment security of the citizens of the state of Oklahoma. The dissemination of high quality Labor Market Information is the cornerstone of this goal as it allows users to make more informed choices in today's labor market.

This publication provides valuable information for users of Labor Market Information, including employers considering expansion or relocation, jobseekers, employment/guidance counselors and educators, students wishing to make informed career decisions, and any other LMI user.

This publication is issued by and is part of the activities of the Oklahoma Employment Security Commission as authorized by the Oklahoma Employment Security Act. One thousand (**1,000**) copies have been prepared and are distributed to interested parties on request at a cost of approximately **\$965.00** paid out of Federal Funds granted by the U.S. Department of Labor. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

**Oklahoma Employment Security Commission  
Economic Research and Analysis Division  
Will Rogers Memorial Office Building  
P.O. Box 52003  
Oklahoma City, OK 73152-2003**

# Labor Market Information



## *How is labor market information (LMI) obtained?*

Labor Market Information is compiled from reports and sample-based surveys using media, paper forms, and telephone interviews, both personal and automated. The Economic Research and Analysis (ER&A) Division of the Oklahoma Employment Security Commission (OESC) and like units in state employment security agencies nationwide gather data on employment and wages in their states from employers covered by unemployment compensation. State employment security agencies and the U.S. Census Bureau also use surveys of employers and households to gather sample data about LMI components such as employment, earnings and hours, occupations by industry, and labor force status.

## *Why is LMI needed?*

LMI provides a foundation for analyzing the economic health of Oklahoma down to the local level. Oklahoma data is combined with data from the rest of the United States to build estimates of national employment, unemployment, and the gross domestic product. It tracks ever-changing state and national occupational employment patterns. It also projects occupational growth and decline.

## *When is LMI used?*

Employers turn to LMI when considering expansion or relocation or when revising wage scales. Retailers use LMI when developing marketing plans. Educational planners use LMI when developing curricula. Regional planners use LMI when enticing new businesses. Administrators of nonprofit organizations use LMI when applying for grants. Real estate appraisers use LMI when determining property values. Investors use LMI when evaluating potential risks. Politicians use LMI when formulating campaign strategies. Private citizens use LMI when conducting job searches. Career counselors guiding students incorporate LMI when assessing their career choices.

## *Where can you find LMI?*

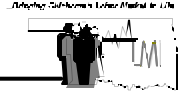
Oklahoma LMI is found throughout the state in libraries that are part of the system of state document depository libraries coordinated by the Oklahoma State LMI Library. National LMI is available at federal document depository libraries or at the U.S. Bureau of Labor Statistics web site, <http://www.bls.gov>. Various entities within the state, including the Oklahoma Department of Commerce (ODOC) and the Oklahoma State Occupational Information Coordinating Committee (SOICC), produce different types of LMI. Analysts with ER&A Division can help you locate state or national data. You can order any of the publications produced by the ER&A Division listed at the back of this publication free of charge. Some of these publications are limited in supply. You can view the OESC homepage, which contains some LMI data, at <http://www.oesc.state.ok.us/lmi/default.htm>. Otherwise, you can contact our LMI unit at (405) 557-5401 for more information.

**Need to know more or want to contact us? Contact the Economic Research & Analysis Division at:**

<b>Current Employment Statistics</b>	<b>(405) 557-5488</b>	<b>ces@oesc.state.ok.us</b>
<b>Local Area Unemployment Stat.</b>	<b>(405) 557-5432</b>	<b>laus@oesc.state.ok.us</b>
<b>Labor Market Information</b>	<b>(405) 557-7221</b>	<b>lmi@oesc.state.ok.us</b>
<b>ES202 (Employ. and Wage Data)</b>	<b>(405) 557-5488</b>	<b>es202@oesc.state.ok.us</b>
<b>Occupational Employment Stat.</b>	<b>(405) 557-5381</b>	<b>oes@oesc.state.ok.us</b>
<b>Fax</b>	<b>(405) 525-0139</b>	

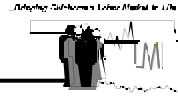
**Visit our web site at: [www.oesc.state.ok.us](http://www.oesc.state.ok.us)**

# Table of Contents



<b>1</b>	<b>Introduction</b>
<b>2</b>	<b>The Concept of the Civilian Labor Force</b>
<b>3</b>	<b>Labor Market Areas in Oklahoma</b>
<b>5</b>	<b>Metropolitan Statistical Areas in Oklahoma</b>
<b>6</b>	<b>Bureau of Labor Statistics (BLS)</b>
<b>6</b>	<b>Bureau of Labor Statistics Funded Programs</b>
6	Covered Employment and Wages (CEW/ES-202)
7	Frequently Asked CEW/ES-202 Questions
9	Current Employment Statistics (CES)
10	Frequently Asked CES Questions
14	Local Area Unemployment Statistics (LAUS)
14	Frequently Asked LAUS Questions
16	Mass Layoff Statistics (MLS)
17	Frequently Asked MLS Questions
18	Occupational Employment Statistics (OES)
20	Frequently Asked OES Questions
<b>25</b>	<b>Non-Bureau of Labor Statistics Funded Programs</b>
25	Labor Market Information Unit (LMIU)
25	Industry Occupational Projections
25	Information Delivery Systems
26	Labor Surplus Areas
<b>27</b>	<b>Code Changes</b>
27	North American Industry Classification System (NAICS)
27	Frequently Asked NAICS Questions
29	Standard Occupational Classification System (SOCS)
31	Frequently Asked SOCS Questions
33	O*NET
33	Frequently Asked O*NET Questions
<b>36</b>	<b>Publications</b>
<b>38</b>	<b>OESC Online</b>
<b>40</b>	<b>Glossary</b>

# Introduction



In its most narrow sense, the term LMI (Labor Market Information) refers to a set of core statistics-gathering programs conducted under the guidance of the Federal Bureau of Labor Statistics (BLS). In a broader sense, LMI is the entire body of data that describes in detail the key elements of "labor market" - workers and jobs. The labor market can be nationwide, statewide, or local in scope. You can use Labor Market Information to assess the performance of Oklahoma's economy or to become familiar with existing and projected jobs by industry and area, and the occupational characteristics of these jobs such as wage rates.

The primary sources from which Labor Market Information is generated are household surveys, employer surveys, and administrative databases. Information from these sources is then used to produce basic LMI statistics, such as employment by industry and occupation and average wage levels.

Oklahoma Employment Security Commission (OESC) has the primary responsibility of providing Oklahoma Labor Market Information through its Labor Market Information Unit (LMIU). It is this unit that collects, assembles, analyzes, and drafts data into a usable form, and makes it available to the public. LMIU can also provide training and technical assistance to familiarize users with the data.

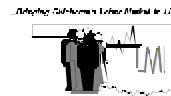
Oklahoma Employment Security Commission is designated as a "cooperating agency" by the Bureau of Labor Statistics (BLS) of the United States Department of Labor. This cooperation increases our ability to produce Labor Market Information for Oklahoma and helps BLS to develop a national LMI statistical series and

ensure comparability of LMI data from state to state.

Federal gathering of LMI data began with the 1820 census, which, for the first time, asked questions about occupational employment. Most of the current LMI programs originated in the 1930's with efforts to measure the impact of the Great Depression and the nation's progress toward recovery. The Job Training Partnership Act of 1982, as amended, and the Carl D. Perkins Vocational Education Act of 1984, as amended, reaffirmed congressional support for the preparation and use of LMI. Both of these acts emphasize the need for the continued production and refinement of occupational and labor market information.

Today, LMI touches almost everyone's life. Economic decisions made without Labor Market Information are incomplete decisions. Businesses and employers depend on Labor Market Information to guide them in making location and expansion choices and in preparing marketing strategies. It also enables them to compare their performance with state trends, to set attainable goals in affirmative action plans, and to assess their wage scales and employee benefits programs.

Government leaders and decision-makers find Labor Market Information indispensable for planning purposes such as projecting state revenues and expenditures or preparing education and training programs affecting the future work force of Oklahoma. Individual jobseekers use Labor Market Information to help focus their work search efforts - determining what occupations, geographical areas, or industries are experiencing job growth - and to identify current job openings.



# The Concept of the Civilian Labor Force

---

## **What is the Civilian Labor Force?**

Persons "in the labor force" are those in the civilian non-institutional population, sixteen years old or older, who are employed or who are unemployed and seeking employment. Estimates of the number of labor force participants who are unemployed and employed, the size of the labor force (the sum of the unemployed plus the employed), and the unemployment rate (the number unemployed divided by the number in the labor force) are prepared monthly through the Local Area Unemployment Statistics (LAUS) Program.

Persons are considered employed if they work for pay or own their own business at any time during the week which includes the twelfth day of the month or if they work as unpaid workers for fifteen hours or more in a family-owned business. Persons who were temporarily absent from their jobs due to vacation, illness, bad weather, strike, or personal reasons are also counted as employed. Included in the employed group are those who are employed full-time (thirty-five hours or more during the survey week) and those who are employed part-time.

Persons are classified as unemployed if they meet all of the following criteria: (1) they do not meet the definition of "employed" above, (2) they are available for work, (3) they made specific efforts to find employment some time during the prior four weeks. Persons laid off from their former jobs and awaiting recall and those expecting to report to a job within thirty days need not be looking for work to be counted as unemployed.

Unemployed persons can be divided into four groups: (1) job losers, who have been terminated involuntarily or laid off, and are seeking work; (2) job leavers, who voluntarily left a job and immediately began looking for work; (3) reentrants who previously worked full-

time for two weeks or longer then left the labor force but now have begun to look for work again; and (4) new entrants, who have never worked at a full-time job lasting two weeks or longer but are now seeking employment.

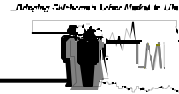
The primary factor in determining who to count as unemployed is whether that person was actively seeking employment. "Wanting a job" is not enough to be counted as unemployed. A person must be making "specific efforts to find employment". Such efforts include informal and formal efforts ranging from asking friends and relatives about jobs available where they work, to using private or public employment agencies, to responding to classified advertisements, and to applying for a job with a firm.

## **Who is Not in the Labor Force?**

Persons are considered not in the labor force if they are not working and not actively seeking work. Those persons not in the labor force can be thought of as falling into one of two categories, those who do not want a job and those who want a job. Included in these two categories are the students who are neither employed nor seeking employment, those who stay home by choice or necessity, those who for a variety of other reasons have no interest in working, and persons described as discouraged workers.

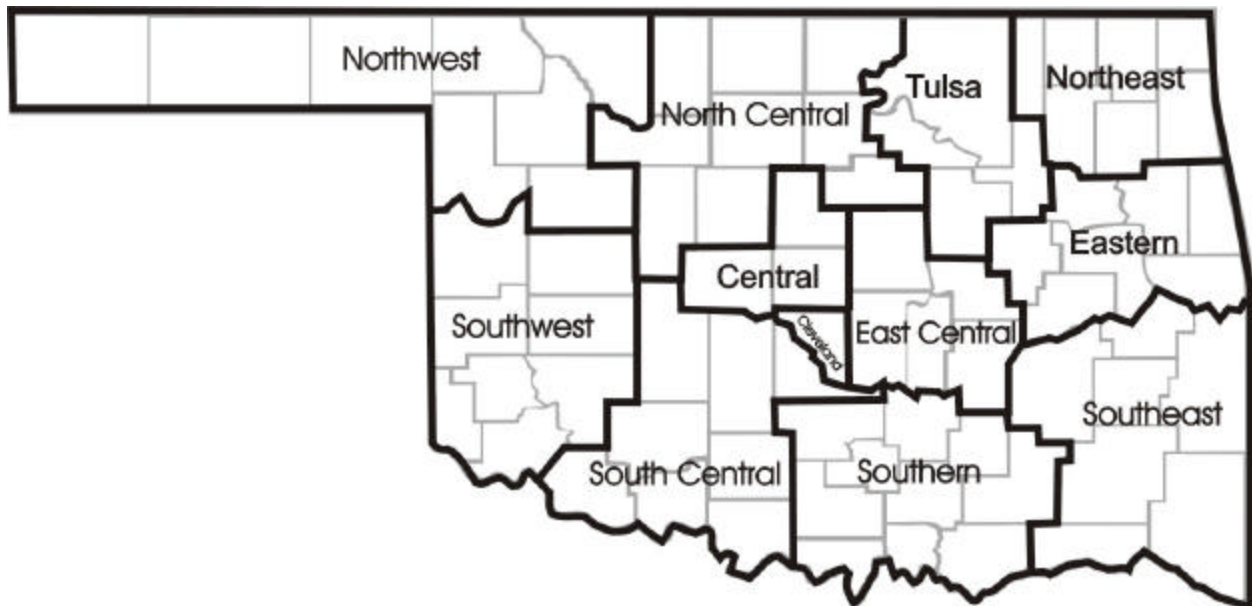
Discouraged workers are those workers who want a job but have given up searching for employment because they feel that no jobs are available for them. When unemployment is low many persons find job search easier and enter or reenter the labor force. Conversely, during periods of high unemployment, some unemployed workers and potential new entrants will become discouraged and leave the labor force. The availability of better labor market information allows labor markets to function more efficiently and can reduce the number of discouraged workers.

# Labor Market Areas (LMA) In Oklahoma



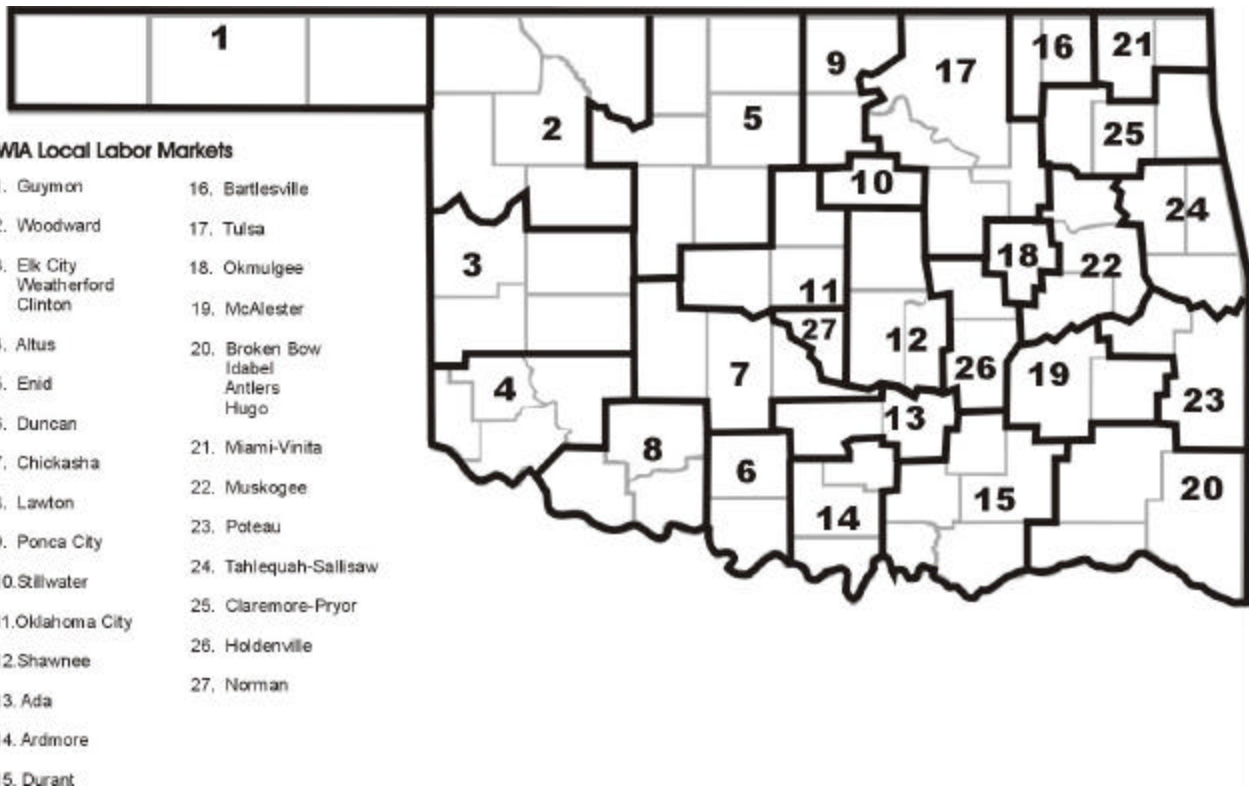
A Labor Market Area (LMA) is an economically integrated area within which individuals can reside and find employment within a reasonable distance or can readily change jobs without changing their place of residence. The size and shape of a labor market area depend upon the relationship between where people live and where people work. Therefore, LMAs come in a variety of sizes and shapes.

The 2002 Oklahoma Wage Report includes wage data published by Labor Market Area as well as state and Metropolitan Statistical Area to assist jobseekers, employers, and other decision-makers within the different economic regions. A Labor Market Area generally takes its name from the region where it is located. Oklahoma is divided into four LMAs; Northeast, Northwest, Southeast, and Southwest.

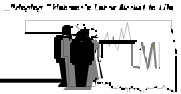


### Workforce Investment Area

Northwest	Southwest	Central
North Central	South Central	East Central
Tulsa	Southern	Cleveland County
Northeast	Southeast	Eastern

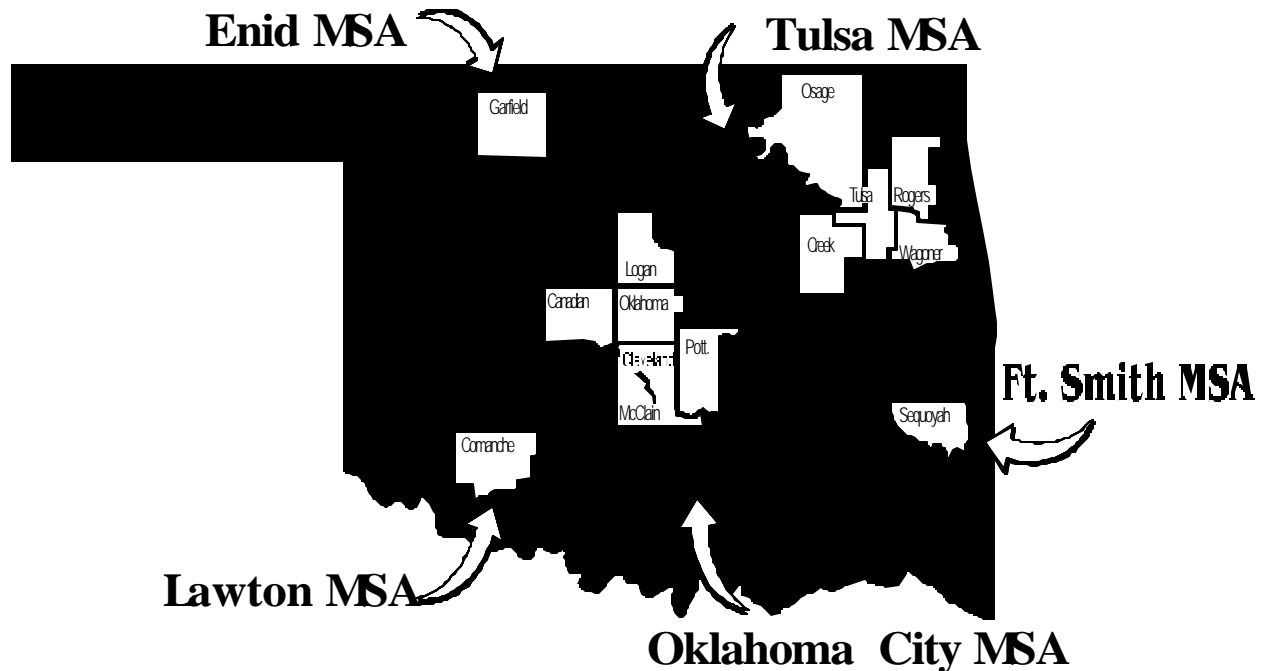


# Metropolitan Statistical Areas (MSA) In Oklahoma

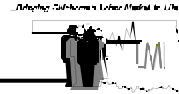


Metropolitan Statistical Areas (MSAs) are defined by the Federal Office of Management and Budget (OMB) based primarily on commuting patterns data from the U.S. Decennial Census. Generally, an MSA is a county or group of contiguous counties (cities and towns in Oklahoma) with (1) a city of 50,000 or more population or (2) a United States Bureau of Census defined “urbanized area” of at least 50,000 in population, provided that the component county/counties of the MSA have a total population of at least 50,000.

Most publications produced by the Labor Market Information Unit of the OESC report data by MSA. There are five MSAs in Oklahoma: **Enid MSA** - Garfield County, **Lawton MSA** - Comanche County, **Ft. Smith MSA** - Sequoyah County, **Tulsa MSA** - Osage, Creek, Tulsa, Rogers and Wagoner counties, and **Oklahoma City MSA** - Logan, Canadian, Oklahoma, Cleveland, McClain, and Pottawatomie counties.



# Bureau of Labor Statistics (BLS)

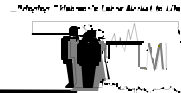


The Bureau of Labor Statistics is an agency within the U.S. Department of Labor. BLS is an independent national statistical agency that collects, processes, and analyzes essential statistical data in the broad field of labor economics. BLS disseminates their data to the American public, the U.S. Congress, other federal agencies, state and local governments, business, and labor.

Most of the Bureau's data come from voluntary

responses to surveys of businesses or households conducted by BLS staff, by the Bureau of the Census (on a contract basis), or in conjunction with cooperating state and federal agencies. BLS data must satisfy a number of criteria, including relevance to current social and economic issues, timeliness in reflecting today's rapidly changing economic conditions, accuracy and consistently high statistical quality, and impartiality in both subject matter and presentation.

## Bureau of Labor Statistics Funded Programs



### Covered Employment and Wages (CEW/ES-202 )

OESC collects quarterly data on the number of persons employed each month and total wages paid by employers subject to Oklahoma Employment Security Law.

The year 2000 data will be the last from the Covered Employment and Wages (CEW/ES-202) program using the 1987 Standard Industrial Classification (SIC) system. Beginning with the release of data for 2001, the program will switch to the 2002 version of the North American Industry Classification System (NAICS) as the basis for the assignment and tabulation of economic data by industry. Data users will be able to work with new NAICS industrial groupings that better reflect the workings of the U.S. economy. For example, a new industry sector called Information brings together units that turn information into a commodity with units that distribute the commodity and units that provide information services. Information's major components are publishing, broadcasting, telecommunications, information services, and data processing. Under the SIC system, these units were spread across the manufacturing,

communications, business services, and amusement services groups.

**Users interested in more information about NAICS can access the BLS web page at <http://www.bls.gov/bls/naics.htm>.** Due to differences in NAICS and SIC structures, data for 2001 will not be comparable to the SIC-based data for earlier years.

All establishments are assigned both a NAICS code and a location code. These are verified through the Annual Refilling Survey (ARS). After the quarterly data have been screened, they are transmitted to the Bureau of Labor Statistics where they are combined with data from other states. This allows analysis of national economic trends and performance.

The CEW/ES-202 unit has established multiple worksites reporting for employers with more than one location in the state. This enables the CEW/ES-202 unit to further refine its "covered employment" data based on geographical location (county, city/town, labor market area) and industry code.

Information from the CEW/ES-202 program serves as a foundation for some of the key activities of both the Employment and Training

Administration and the Bureau of Labor Statistics of the U.S. Department of Labor. The Bureau of Economic Analysis of the U.S. Department of Commerce uses CEW/ES-202 data as a major component in estimating the total wage and salary component for National Personal Income and Gross Domestic Product.

The CEW/ES-202 program covers about 98 percent of all the nation's non-farm employees. State Employment Security Agencies use CEW/ES-202 data to benchmark the Current Employment Statistics (CES) program which provides employment levels and trends for the state and for selected industries and areas. CEW/ES-202 data are also used as inputs in developing Local Area Unemployment Statistics (LAUS) and as a sampling frame for the Occupational Employment Statistics (OES) program.

### **Frequently Asked CEW/ES-202 Questions**

#### **What is the schedule for release of CEW/ES-202 data by BLS?**

The first release of annual average CEW/ES-202 data is typically scheduled for August or September of the subsequent year. Quarterly data are usually available nine months following the end of the reference quarter.

#### **What types of data are collected and reported by the Covered Employment and Wages (CEW/ES-202) program?**

The Covered Employment and Wages (CEW/ES-202) program derives its data from quarterly tax reports submitted to State Employment Security Agencies by employers subject to State unemployment insurance (UI) laws and from Federal agencies subject to the Unemployment Compensation for Federal Employees (UCFE) program. These reports provide information on the number of people employed and the wages paid to the employees each quarter. The program obtains information on the location and industrial activity of each reported establishment, and assigns location and standard industrial classification codes accordingly. This establishment level

information is aggregated, by industry code, to the county level, and to higher aggregate levels

#### **Is all information from the CEW/ES-202 program fully disclosed to the public?**

In order to maintain the confidentiality of respondents, BLS withholds publication of UI-covered employment and wage data for any industry level: (1) which consists of fewer than three establishments; or (2) in which a single establishment accounts for 80 percent or more of the industry's employment. A request may be made that data be withheld for any industry level for which the above criteria would not protect the identity of cooperating employers. Totals at the industry level for Oklahoma include the non-disclosable data suppressed within the detailed tables. However, these totals cannot be used to reveal the suppressed data.

#### **Is there any employment that is not included in the CEW/ES-202 data?**

Jobs that are exempt or otherwise not covered by unemployment insurance are not included in the CEW/ES-202 tabulations. Certain types of nonprofit employers, such as religious organizations, are given a choice of coverage or exclusion in a number of states, so data for their employees are reported to a limited degree. Some students and spouses of students in the employment of schools, colleges, and universities are also excluded.

#### **What types of geographical information are available?**

The CEW/ES-202 program publishes data aggregated by the U.S. as a whole, State, Metropolitan Statistical Area (MSA) and county, subject to the disclosure restrictions. An MSA is a free-standing urban area that meets a specified size criteria as defined by the Office of Management and Budget (OMB)

#### **Are tabulations available on the number of employers and employees by employer size?**

For the first quarter of each year, data are tabulated by establishment size class. The size category of each establishment is determined by the March employment level. These size class data are available at the national level by NAICS or SIC division, and at the State level. It is

important to note that each establishment of a multi-establishment firm is tabulated separately into the appropriate size category. The total employment level of the reporting multi-establishment firm is not used in the size tabulation.

**What should users be cautious of when comparing CEW/ES-202 data for different industries?**

The CEW/ES-202 data are coded according to the Standard Industrial Classification system, which is the statistical classification standard underlying all establishment-based Federal economic statistics classified by industry. CEW/ES-202 data for the period from 1988 forward are coded according to the 1987 SIC Manual. CEW/ES-202 data for the period from 1975 through 1987 were coded according to the 1972 SIC Manual (including the 1977 amendments).

In comparing CEW/ES-202 data that were coded by different SIC manuals, the difference in the SIC system may have a significant effect. Although a majority of industry definitions were the same under both the 1972 and 1987 manuals, some industries gained or lost scope under the 1987 definitions, and some were assigned to numerically different SIC codes. BLS will make available a list of SICs that are different under the two systems.

Effective with 1991 data, employers who operated multiple establishments within Oklahoma began providing their data at the worksite level. Prior to that, those employers provided covered employment and wages data on a “reporting unit” basis. Although reporting units were, for the most part, individual establishments, employers could provide a summary of their employment and wages data for multiple establishments within a county that were conducting the same type of industrial activity. The effect of this change from a reporting unit to an establishment basis is an increase in the number of establishments.

**How do different measures of employment compare?**

The CEW/ES-202 program is an employer reported measure and therefore associated with filled jobs, whether full or part-time, and with place of work. If a person holds two jobs, the person would be counted twice in CEW/ES-202 data. Programs which measure full-time equivalent positions or vacant positions target a different concept, as do household reported measures, which more typically show number of people with jobs, regardless of how many, and keep track of them by place of residence. By definition, the CEW/ES-202 program measures employment covered by unemployment insurance laws. In excluding approximately 9 million self-employed jobs and others, it differs significantly from those programs that include such employment.

**What does the number of establishments mean?**

An establishment is an economic unit, such as a farm, mine, factory, or store, which produces goods or provides services. It is typically at a single physical location and engaged in one, or predominantly one, type of economic activity for which a single industrial classification may be applied. Occasionally, a single physical location encompasses two or more distinct and significant activities. Each activity should be reported as a separate establishment if separate records are kept and the various activities are classified under different 4-digit SIC codes.

**What is included in total wages?**

Covered employers in most states report total compensation paid during the calendar quarter, regardless of when the services were performed. A few state laws, however, specify that wages be reported or based on when services are performed rather than when compensation is paid. Under most state laws or regulations, wages include bonuses, the cash value of meals and lodging, tips and other gratuities, and beginning in 1986, employer contributions to certain deferred compensation plans such as 401(k) plans in many states.

**Can CEW/ES-202 data be used to calculate wages for different occupations?**

Aggregate wage information is reported in the CEW/ES-202 program. The program does not

request wages of individuals or the occupations of individuals to be reported separately in a manner that would permit the calculation of occupational wages.

**How does data from the CEW/ES-202 program differ from the Current Employment Statistics (CES) program?**

CES statistics are calculated from data that are received from the payroll records of a sample of employers, and are benchmarked each year using data from the CEW/ES-202 program. The CES program uses outside sources to benchmark employment for industries that are not subject to UI laws. Both programs use the pay period including the 12th of the month as the reference period for employment. CES data are available for nonagricultural industries in the private sector and government; the CEW/ES-202 program also has data on nonagricultural industries, along with partial information on agricultural industries and employees in private households.

Statistics on compensation vary between the two programs. The CES program collects payroll information for private production or non-supervisory workers only; CES payroll is reported for workers who receive pay for any part of the pay period including the 12th of the month. CES payroll includes pay for vacation and other paid leave time and overtime. It does not include bonuses (unless paid regularly), retroactive pay, tips, or the cash value of meals, lodging, or other payments in kind. The CEW/ES-202 program collects compensation in the form of wages from both the private and government sectors; the wages are total compensation paid during the calendar quarter, regardless of when services are performed. CEW/ES-202 wages includes the types of payments described above that the CES program excludes. In addition, wages under the CEW/ES-202 program include stock options, and in some States, employer contributions to deferred compensation plans, such as 401(k) plans.

The CES program was established in the 1920s and thus predated the development of probability sampling theory. During the 1950s, 1960s, and 1970s as most sample surveys were

## Current Employment Statistics (CES)

converted to probability-based designs, the CES experienced little change to its fundamental operations and procedures. Due to the need to support monthly industry detail at both the national and state level, the CES sample coverage has been approximately 40 percent of all employment in the U.S. since the 1950s.

The CES program operates as a federal/state partnership under which the U.S. Department of Labor, Bureau of Labor Statistics specifies the survey's sample design and operational procedures while the states conduct data collection and edit reconciliation activities. The Bureau produces and publishes extensive monthly industry detail at the 2, 3, and 4-digit industry levels for the nation as a whole while each state produces monthly state and area (270 Metropolitan Statistical Areas) estimates. Once a year, complete universe employment counts for the previous year become available from the Unemployment Insurance tax records; these counts are used to annually benchmark (realign) the CES sample estimates to these universe counts. The annual benchmark process yields more accurate current monthly estimates along with providing an annual estimate of overall survey error. The program is based on a monthly sample survey of employing establishments and provides employment, hours worked, and earnings information about persons on non-farm payrolls.

The CES unit analyzes and verifies the monthly survey data and transmits it to the United States Department of Labor's Bureau of Labor Statistics in Washington, D.C. Oklahoma's data are then combined with data from other states, Washington D.C., and the U.S. territories to produce estimates to measure national economic trends. In addition, the CES unit uses the individual establishment data to estimate the current number of jobs in non-farm wage and salary employment, along with the average weekly hours, the average weekly earnings, and the average hourly earnings for industries. Estimates are made for the state and for the four

Metropolitan Statistical Areas: Oklahoma City, Tulsa, Lawton, and Enid. Once a year, complete universe employment counts for the previous year become available from the Unemployment Insurance tax records; these counts are used to annually benchmark (realign) the CES sample estimates to these universe counts. The annual benchmark process yields more accurate current monthly estimates along with providing an annual estimate of overall survey error. Current estimates made of employment, hours, and earnings provide indicators of economic activity and business cycles in the state and MSAs on a more timely basis than covered employment data from the CEW/ES-202 program. As CEW/ES-202 data becomes available, it is used to revise or "benchmark," the CES estimates.

## **Frequently Asked CES Questions**

### **How can I receive a copy of the state and area monthly data?**

To be included on the mailing list to receive a report, just contact the Economic Research and Analysis office at (405) 557-7122; our staff will assist you in any way possible.

### **What is the seasonal adjustment process?**

Over the course of a year, the size of a state's level of employment experiences sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make it easier to observe the cyclical and other non-seasonal movements in the series. In evaluating changes in seasonally adjusted series, it is important to note that seasonal adjustment is merely an approximation based on past experience. Seasonally adjusted estimates have a broader margin of possible error than the original data on which they are based, because they are not only subject to sampling and other errors but are also affected by the uncertainties of the seasonal adjustment process itself. Employment data are seasonally adjusted with a procedure called X-11-ARIMA.

Data are seasonally adjusted at the beginning of each year and released in March. Currently, data are seasonally adjusted through the major industry divisions (total non-farm, construction, manufacturing, etc.).

### **What is the CES definition of employment?**

Employment, except for estimates of Federal Government employment, is the total number of persons on establishment payrolls employed full or part time who received pay for any part of the pay period which includes the 12th day of the month. Temporary and intermittent employees are included, as are any workers who are on paid sick leave, on paid holiday, or who work during part of the specified pay period. A worker on strike who only works a small portion of the survey period and is paid would be included as employed under the CES definitions. Persons on the payroll of more than one establishment are counted in each establishment. Data exclude proprietors, self-employed, unpaid family or volunteer workers, farm workers, and domestic workers. Persons on layoff for the entire pay period, on leave without pay, on strike for the entire period, or who have not yet reported for work are not counted as employed. Government employment covers only civilian workers.

Federal Government employment represents the number of persons who were employed during the last full pay period. These data are provided by the Office of Personnel Management (OPM).

### **On what basis are the industries in the CES survey classified?**

A sample establishment in the CES survey is an economic unit, such as a factory, which produces goods or services. It is generally at a single location and engaged predominantly in one type of economic activity. Establishments reporting on the schedule (form BLS 790) are classified into industries based on their principal product or activity determined from information on annual sales volume. This industry classification, based on the 1987 Standard Industrial Classification Manual, is collected on a supplement to the quarterly unemployment insurance tax reports filed by each employer. For an establishment making more than one product, the entire employment is included

under the industry of the principal product or activity.

**What kinds of hours and earnings data are available?**

Geographic hours and earnings estimates are available only for production workers in manufacturing industries. Because not all sample respondents report production workers, hours, and earnings data, insufficient sample exists to make corresponding industry estimates of average weekly hours and average hourly earnings outside of manufacturing at the state and area level. National estimates of average weekly hours and average hourly earnings are made for the private sector, with detail for about 500 private industries as well as for overtime hours in manufacturing.

Hours and earnings are derived from reports of gross payrolls and corresponding paid hours for production workers, construction workers, or non-supervisory workers in the service sector. The payroll for workers covered by the CES survey is reported before deductions of any kind, e.g., for old age and unemployment insurance, withholding tax, union dues, or retirement plans. Included in the payroll report is pay for overtime, vacations, holidays, and sick leave paid directly by the firm. Bonuses, commissions, and other non-wage cash payments are excluded unless they are earned and paid regularly (at least once a month). Employee benefits paid by the employer, tips, and payments in kind are also excluded.

Total hours during the pay period include all hours worked (including overtime hours) and hours paid for holidays, vacations, and sick leave. Total hours differ from the concept of scheduled hours worked. The average weekly hours reflect effects of numerous factors such as unpaid absenteeism, labor turnover, part-time work, strikes, and fluctuations in work schedules for economic reasons. Overtime hours in manufacturing are collected where overtime premiums were paid if hours were in excess of the number of straight time hours in a work day or work week.

**How are the data in the CES Survey collected?**

Each month state agencies collect data on employment, hours, and earnings from a sample of nearly 4,500 non-farm establishments, which employ nearly 40 percent of the total non-farm workers. All establishments with 250 employees or more are asked to participate in the survey along with a representative sample of smaller establishments. Sample respondents extract the requested data from their payroll records, which must be maintained for a variety of tax and accounting purposes. Data were collected primarily by mail until recent BLS and state initiatives in collection methodology increased the use of electronic media. Now, touch-tone data collection, computer-assisted interviews, and fax technology are being used to obtain higher and faster response rates. States also electronically transmit both sample data and geographic estimates to BLS in Washington, D.C. to speed the estimation and publication processes.

Data submitted are used by the state in developing statewide and major metropolitan area estimates. The state also transmits these sample responses and state-developed geographic estimates to Washington, D.C. All states' samples are combined to form a collective sample for developing national industry estimates. Statewide samples range from nearly 40,000 sample units in California to about 1,500 units in smaller states. It should be noted that state estimation procedures are designed to produce accurate data for each individual state. BLS independently develops the national employment series and does not force state estimates to sum to national totals nor vice versa. Because each state series is subject to larger sampling and non-sampling errors than the national series, summing them cumulates individual state levels errors and can cause significant distortions at an aggregate level. Due to these statistical limitations, BLS does not compile a "sum of states" employment series and cautions the users that such a series are subject to a relatively large and volatile error structure.

### **How are estimates in the CES Survey derived?**

Employment estimates are made at the basic estimating cell level and aggregated upward to broader levels of industry detail. Basic cells at the state level are usually at the three-digit standard industrial classification level. At the metropolitan area level, two-digit SIC codes are the predominant basic cell level.

For each basic cell, a total level of benchmark employment is obtained for a specific month (usually March). The sample data from reporters who responded for consecutive months provide a link relative sample ratio. This ratio is applied to the benchmark employment month to produce an April employment estimate. This process continues each month until the next annual benchmark cycle when estimates are replaced with population estimates. Some states also use a bias adjustment factor to supplement the link relative estimator in the monthly estimation process. Bias adjustment factors are used to compensate for the inability to capture the entry of new firms into the sample on a timely basis as well as to compensate for other error components.

For example, assume that the benchmark level was 50,000 in March. The sample, composed of 50 establishments, which reported both months had 25,000 in March and 26,000 in April, a 4 percent increase. To derive the April estimate, the change of these identical establishments reported is applied to the March benchmark level in the form of a sample ratio:  $(50,000 \times 26,000) / 25,000 = 52,000$ .

### **Why are estimates in the CES Survey benchmarked?**

To control potential survey error, the estimates are benchmarked annually to universe counts derived from administrative files of employees covered by Unemployment Insurance (UI). Each benchmark year, the sample-based estimates are replaced with benchmark levels from April of the previous year to March of the benchmark year. For example, in the 1998 benchmark, the estimates from April 1997 to March 1998 were replaced with UI-based universe counts. Once the new level for March 1998 was determined,

the estimates for April 1998 forward were recalculated by applying the appropriate sample links to the new levels. These links may differ slightly from those used to derive the original estimates, because they account for late reporters. The period from April 1998 forward is referred to as the post-benchmark projection period. This process was completed and the revised data were released with the January 1999 estimates.

### **How are CES Estimates revised?**

Estimates are revised in the following manner:

#### 1) Preliminary-to-Final Estimates:

Initial monthly estimates are calculated from an incomplete sample and are subject to revision in the subsequent month when more sample data are available. Revisions at the total non-farm levels for preliminary statewide employment are generally small.

#### 2) Final-to-Benchmark Estimates:

"Final" estimates are subject to annual benchmarks of universe counts of employment derived from the Unemployment Insurance (UI) reports from employers.

Historically, states have underestimated March employment levels during periods of economic growth and overestimated these levels during periods of economic decline.

### **What distinguishes the CES geographic data from other economic data?**

There are advantages of CES Geographic Data. CES data are a coincident economic indicator and are often cited in national and local newspapers, magazines, and reports. This generates enthusiasm, curiosity, and a wealth of outside material for supplementary reading. The College of Business Administration at the University of Oklahoma uses seasonally adjusted employment as an indicator of current employment trends in Oklahoma. The regional Federal Reserve Banks (FRB) use CES data in easy-to-understand economic applications. For example, the edition of the Southwest Economy from the Federal Reserve Bank of Dallas used employment and unemployment data in two different articles: one explaining the Phillips curve, and another describing the changing job

market. Students and faculty can write the regional FRBs to be placed on their mailing lists. The Philadelphia, Dallas, Boston, Cleveland, and San Francisco FRBs provide excellent articles for undergraduate students.

CES data are tangible and versatile. Employment, hours, and earnings data can be used to study abstract economic concepts which students can more easily comprehend with the use of data. Students often need help in seeing how formal models can be used to explain the real world economy. Business cycles, the effects of shocks in the economy, and the impact of policy changes are examples of concepts that are more readily understood when using CES data. Also, combined with data from other sources, such as output data from the national accounts, they can be used to compute productivity and other measures. Primarily the concept of employment is easy to comprehend, which permits a wide range of study and understanding by graduate and undergraduate students, policy makers, and business people. Data can be used for projects in labor economics, time series analysis, business cycle theory, statistics, geography, urban planning, and public policies.

CES data invite comparisons and analysis. CES data provide complete coverage at the state and local area levels for employment in major industries allowing for interstate and inter-area comparisons using CES data alone or in conjunction with other economic data. They allow one to compare growth patterns across states and regions. One can relate cyclical changes to geographic employment changes. For example, the 1990-91 recession did not affect states and regions equally or at the same time. Employment declines started in the Northeast and spread along the Atlantic and Pacific coasts. The Midwest was largely unaffected. These diverse movements among states show how the mixture of industry, migration, and public policies affect employment. For this type of study, CES data can be combined with and compared to census migration data, immigration data, and public policy data that affect economic activity.

CES data are affordable. They are collected, tabulated, and distributed as part of the BLS and states' mission to provide economic data to policy makers, business, labor, and the public. Subscriptions are inexpensive, and data on the Internet are free. Since CES data are time series data, forecasters are able to depend on a consistent series to use in their modeling applications without incurring excessive costs.

### **Are there potential problems with using the data?**

Users should be aware of the intricate revision process, which the CES estimates undergo. Preliminary monthly, final monthly, post benchmark projection, and final benchmark data are constructed for each monthly estimate. Analysis using estimates before they are final benchmarked estimates is affected by subsequent revisions.

Users of time series CES data should also review the entire time-series file to note any SIC or MSA administrative breaks where reconstruction of series was not possible. Breaks will only be noted on the month where the time series break occurs. For example, a comparison of total non-farm employment for the Washington, D.C. metropolitan area between 1980 and 1994 actually involves multiple definitions of the official metropolitan area.

As mentioned earlier, the CES national estimates are independently produced and are not an aggregation of statewide data. Therefore, users cannot disaggregate or compare CES national economic movements to state, regional, or metropolitan area CES estimates.

CES data are not to be confused with data from the Current Population Survey (CPS), which is a household survey. The CES survey counts jobs; the CPS counts people. A worker with two jobs is counted twice in the CES but only once in the CPS.

Geographic hours and earnings data from the CES are limited in industry coverage and scope. The only extensive industry coverage is in manufacturing. CES hours and earnings data are also limited to money wages of production

workers in manufacturing. Researchers looking at total labor costs and total compensation should be aware of these limitations.

## **Local Area Unemployment Statistics (LAUS)**

The LAUS program provides a monthly measure of civilian labor force levels in Oklahoma based on place of residence. Each month, the LAUS Unit estimates the number of individuals employed and unemployed. These are added to obtain the total estimated labor force. Additional calculations to the state totals apportion employment, unemployment, and the labor force to the Labor Market Areas, cities, towns, and counties. The unemployment rate is a simple calculation of the estimated unemployed divided by the estimated labor force.

A large portion of unemployed are not eligible for unemployment compensation benefits. Others who are eligible choose not to file for them. Thus, a simple tally of persons filing in OESC's local offices is not adequate to account for the total number unemployed in the state. Therefore, the LAUS program builds its estimates based on sample data from the monthly Current Population Survey of Oklahoma households. The LAUS unit expands the sample data to the entire population, and applies other inputs, such as tallies of claims for unemployment compensation benefits filed in OESC's local offices, to the CPS data.

A separate calculation estimates the number of Oklahoma residents who were employed during the sample week. It too begins with CPS sample data. The employment totals are also expanded by input such as Current Employment Statistics program estimates of Oklahoma non-farm job numbers.

When revised CPS estimates, CEW/ES-202 data, and updated CES benchmark estimates become available, the LAUS unit revises the labor force, employment, unemployment, and

unemployment rate estimates for the prior three calendar years. This frequently results in adjustments, usually small, to the estimated unemployment rates for individual months in each of the three years.

LAUS estimates are also used to identify "labor surplus areas" (see page 21). Employers located in labor surplus areas may be given preference in bidding on Federal contracts in order to meet the national goal of funneling dollars into areas of greatest economic need.

## **Frequently Asked LAUS Questions**

### **What kind of information does the Local Area Unemployment Statistics (LAUS) program provide?**

The LAUS program provides monthly and annual average estimates for labor force, employment, unemployment, and unemployment rates. The estimates are developed for major cities, counties, metropolitan statistical areas, and the state. Each month, BLS utilizes this information to analyze and publish labor force statistics for the nation.

### **For what time period are data available?**

These series start in 1978 for census regions and divisions for all states with some exceptions. Estimates for sub-state areas (metropolitan areas, counties, and cities) begin in 1990.

### **How are the labor force components (i.e., civilian non-institutional population, civilian labor force, employed, unemployed, and unemployment rate) defined?**

Civilian non-institutional population includes persons 16 years of age and older residing in the 50 states and the District of Columbia, who are not inmates of institutions (e.g., penal and mental facilities, homes for the aged), and who are not on active duty in the Armed Forces.

Civilian labor force includes all persons in the civilian non-institutional population classified as either employed or unemployed. Employed persons are all persons who, during the reference week (week including the twelfth day of the

month), (a) did any work as paid employees, worked in their own business or profession or on their own farm, or worked 15 hours or more as unpaid workers in an enterprise operated by a member of their family, or (b) were not working but who had jobs from which they were temporarily absent. Each employed person is counted only once, even if he or she holds more than one job. Unemployed persons include all persons who had no employment during the reference week, were available for work, except for temporary illness, and had made specific efforts to find employment some time during the four-week period ending with the reference week. Persons who were waiting to be recalled to a job from which they had been laid off need not have been looking for work to be classified as unemployed. The unemployment rate is the ratio of unemployed to the civilian labor force expressed as a percent (i.e., 100 times (unemployed/labor force)).

#### **What is the difference between job losers and the unemployed?**

People who have lost a job make up a large portion of those classified as unemployed each month. The unemployed also include persons who have voluntarily left jobs, persons who have newly entered or re-entered the labor force but not yet found a job, and persons who have recently completed temporary jobs and are looking for employment.

#### **What is the Current Population Survey (CPS)?**

The CPS is a monthly sample survey of approximately 1,080 households conducted by the Bureau of the Census for the Bureau of Labor Statistics. It is the source of key labor market data, including the U.S. unemployment rate.

#### **What are “household” and “establishment” data, and how do they differ?**

“Household” data, as from the Current Population Survey, pertain to individuals and relate to where they reside. “Establishment” data, such as those from the Current Employment Statistics, a survey of businesses, pertain to jobs (persons on a payroll) and where

those jobs are located. The data developed through the LAUS program are based on the household concept of the CPS.

#### **What are some of the administrative uses of LAUS data?**

Estimates of unemployment and the unemployment rate are used by Federal agencies to allocate more than \$20 billion in funds and to determine the eligibility of an area for benefits in various Federal programs. These include the Workforce Investment Act (WIA), the Wagner-Peyser Act, the Emergency Food and Shelter Program, Food Stamp limitation waivers, the Public Works Program, the Temporary Emergency Food Assistance Program (TEFAP), and Labor Surplus Area designation program. Under most programs, unemployment data are used to determine the distribution of funds to be allocated to each eligible area. In the case of the Food Stamp waivers and Labor Surplus Area designations, the data are used in the determination of area eligibility for benefits.

#### **What is seasonal adjustment?**

Seasonal adjustment is a statistical technique, which reduces the influences of weather, holidays, the opening and closing of schools, and other recurring seasonal events from economic time series. This permits easier observation and analysis of cyclical, trend, and other non-seasonal movements in the data. By eliminating seasonal fluctuations, the series becomes smoother, and it is easier to compare data from month to month.

#### **What methodology is used to produce the various estimates published by the LAUS program?**

There are a number of different methods used to produce the estimates published by the LAUS Program. The principal ones are: (1) a signal-plus-noise time series model for the state; (2) a building block approach referred to as the Handbook procedure for labor market areas; and (3) disaggregation procedures for many counties and virtually all cities.

#### **Why are some of the detailed data available at the national level not also available at the**

**state, metropolitan area, county, and city level?**

National data come from the Current Population Survey. The survey sample size is not large enough to provide all the data at a local, or even a state, level. National data are NOT the sum of local area estimates.

**What is the “Handbook” method?**

The Handbook method refers to a building-block approach using data from several sources—including the Current Population Survey, the Current Employment Statistics program, and unemployment insurance program—to produce labor force estimates at the sub-state level. Estimates for Labor Market Areas, including both metropolitan and small LMAs, are produced using this methodology.

**What are “population controls”?**

The term "population controls" refers to population data developed from various independent sources, such as vital statistics on births, deaths, migration, school enrollment, persons living in group quarters, inmates in institutions, etc., which are used in Current Population Survey estimation procedures to independently adjust sample-based labor force levels. These are updated annually by the Bureau of the Census and provided to the Bureau of Labor Statistics. The impact on LAUS estimates of new population controls is to proportionately raise or lower the estimates of labor force levels (with unemployment rates, labor force participation rates, and employment/population ratios being unaffected) for states, the District of Columbia, Los Angeles-Long Beach, and New York City. Revisions are typically made to the three most recent years of data. For a description of methodology used to develop independent population estimates, see the publication, Bureau of the Census, Current Population Reports, Population Estimates and Projections, P-25-1106.

**What does the term “benchmarked” mean?**

The term “benchmarked” (in the LAUS program) refers to forcing the monthly statewide model-based estimates to population controlled Current Population Survey annual average

estimates. Sub-state estimates are then revised and forced to add to the new state estimates. As a part of the process, any changes in the inputs, such as revision in the Current Employment Statistics-based employment figures, unemployment insurance claims counts, and/or updated historical relationships are incorporated.

**What does the term “model-based” mean, and what are “signal-plus-noise” models?**

The term “model-based” refers to the fact that estimates are derived by a statistical model rather than direct sampling. The approach used to estimate employment and unemployment in Oklahoma is based on a signal-plus-noise model. That is, the observed Current Population Survey estimate consists of a true, but unobserved, labor force value (the signal) plus noise that reflects the error arising from taking a probability sample rather than a complete census of the population.

**Mass Layoff Statistics (MLS)**

The Mass Layoff Statistics (MLS) program was reinstated in September 1994, after being discontinued in November 1992.

Its purpose is to identify mass layoffs and plant closings that continue for more than thirty days. This information is useful in analyzing economic trends and developing better training programs for workers permanently separated from their jobs.

When OESC tallies 50 or more initial unemployment compensation claims for a firm over a period of five consecutive weeks, a potential MLS “event” is established. The employer is contacted to determine whether those separations are of at least 31 days duration and, if so, information is obtained on the total number of persons separated, the reasons for these separations, and recall expectations. MLS data from Oklahoma are incorporated into federal reports on mass layoffs. Claimants identified as being separated from their

employer because of a mass layoff are tracked through the Unemployment Insurance system to collect demographic characteristics about them, as well as economic information about the separating employer. MLS claimants who exhaust their UI benefits are also identified and grouped by socioeconomic characteristics.

The program can identify displaced workers who might benefit from OESC employment services or referral to other agencies. Information about mass layoffs and newly available labor pools is useful in the state's efforts to attract new firms to Oklahoma.

## Frequently Asked MLS Questions

### **What is the Mass Layoff Statistics (MLS) program?**

The Mass Layoff Statistics program is a Federal-State cooperative statistical effort to identify, describe, and track the effects of major job cutbacks using data from each state's unemployment insurance database. Establishments which have at least 50 initial claims for unemployment insurance (UI) filed against them during a consecutive five-week period are contacted by State agencies to determine whether those separations are of at least 31 days duration, and, if so, information is obtained on the total number of persons separated, the reasons for these separations, and recall expectations. Establishments are identified according to industry classification and location, and unemployment insurance claimants are identified by such demographic characteristics as age, race, sex, ethnic group, and place of residence. The program yields information on an individual's entire spell of unemployment to the point when regular unemployment insurance benefits are exhausted. It provides databases of establishments and claimants, both of which are used for further research and analysis.

### **What constitutes a mass layoff?**

A mass layoff occurs when at least 50 initial claims are filed against an establishment during a consecutive five-week period. An *extended* mass layoff occurs when at least 50 initial claims are filed against an establishment during a consecutive five-week period **and** at least 50

workers have been separated from jobs for more than 30 days.

### **What is an Initial Claim?**

This is a term used to define the initial notice of unemployment a person files with the State Unemployment Insurance agency to initiate a request either for a determination of entitlement to and eligibility for compensation, or for a subsequent period of unemployment within a benefit year or period of eligibility.

### **Are companies having mass layoffs identified by name when mass layoffs occur?**

No. The U.S Bureau of Labor Statistics keeps the identity of such establishments confidential.

### **What industry classification system does the MLS program use?**

Beginning with the release of data for January 2002 on February 28, 2002, the Mass Layoff Statistics program has implemented the 2002 version of the North American Industry Classification System (NAICS) as the basis for the assignment and tabulation of economic data by industry. NAICS is the product of a cooperative effort on the part of the statistical agencies of the United States, Canada, and Mexico. Due to differences in NAICS and the previously used Standard Industrial Classification (SIC) structures, data for 2002 will not be comparable to the SIC-based data for earlier years. However, the historical industry series from April 1995 (second quarter 1995 for extended mass layoffs) through the end of 2001 are available on both SIC and NAICS bases. NAICS uses a production-oriented approach to categorize economic units. Units with similar production processes are classified in the same industry. NAICS focuses on **how** products and services are created, as opposed to the SIC focus on **what** is produced. This approach yields significantly different industry groupings than those produced by the SIC approach. Users interested in more information about NAICS can access the BLS Web page at <http://www.bls.gov/bls/naics.htm> or the Bureau of the Census Web page at <http://www.census.gov/epcd/www/naics.html>.

### **How are MLS program data used?**

MLS data are used for the following purposes:

- Sub-state allocations of Federal funds for dislocated workers through the Economic Development and Worker Adjustment Assistance Act.
- Analysis of ailing industries or geographic areas.
- Identifying the causes and scope of worker dislocation, especially in terms of the human and economic costs, and the characteristics of dislocated workers.
- Development of approaches for work force planners and labor market analysts in assisting employers and/or workers at the local level.
- Analysis of potentially available labor market supply.

**Are MLS data benchmarked or seasonally adjusted?**

No. The historical time series is too short for development of seasonally adjusted series. Benchmarking is not necessary since the MLS program is a universe, not a sample-based survey.

**How are data revisions indicated?**

Beginning with data for 2000, the latest two months of Mass Layoff data are preliminary and are indicated with a "(P)." Data for months prior to the preliminary months are considered final and are not expected to change. However, in the event that changes to final monthly data occur, an "(R)" will indicate which data are revised. This designation will remain until the next month of data is made available. For example, if February 2000 is the latest data available, both January and February 2000 data will be indicated as "(P)." All months prior to January are considered to be final. When March 2000 becomes available, February and March data are considered preliminary and January 2000 data final. Any revisions to data prior to January would be indicated with an "(R)." Extended Mass Layoff data (published quarterly) follows the same approach.

**Whom should I contact if I have questions regarding the MLS program?**

Please contact [MLSinfo@bls.gov](mailto:MLSinfo@bls.gov) or call 202-691-6392.

**Occupational Employment Statistics (OES)**

The OES survey is a Federal-State cooperative program between the Bureau of Labor Statistics (BLS) and State Employment Security Agencies (SESAs). BLS provides the procedures and technical support, draws the sample, and produces the survey materials, while the SESAs collect the data.

The **Occupational Employment Statistics (OES)** program conducts a yearly mail survey designed to produce estimates of employment and wages for specific occupations. The OES program collects data on wage and salary workers in non-farm establishments in order to produce employment and wage estimates for over 700 occupations. Data from self-employed persons are not collected and are not included in the estimates. The OES program produces these occupational estimates by [geographic area](#) and by [industry](#).

To reduce respondent burden, the collection is on a three-year survey cycle that ensures that establishments that employ fewer than 250 workers are surveyed at most once every three years. The estimates for occupations in non-farm establishments are based on OES data collected for the reference months of October, November, or December.

Beginning October 1996, as an effort to close the gap in our current LMI System, and because of changes in federal funding, the Oklahoma Wage Survey has been absorbed by the Oklahoma Employment Statistics Wage Survey. This survey will be conducted in cooperation with the U.S. Department of Labor on a national basis and combines the past efforts of the federally funded Occupational Employment

Statistics and the previously state funded wage survey program.

In 1999, the OES survey began using the new Office of Management and Budget (OMB) Standard Occupational Classification (SOC) system. The new SOC system, which will be used by all Federal statistical agencies for reporting occupational data, consists of 821 detailed occupations grouped into 449 broad occupations, 96 minor groups, and 23 major groups. The OES program provides occupational employment and wage estimates at the major group and detailed occupation level. Due to the OES survey's transition to the new SOC system, 1999 and 2000 OES estimates are not directly comparable with previous years' OES estimates, which were based on a classification system having seven major occupational groups and 770 detailed occupations. Approximately one-half of the detailed occupations were unchanged under the new SOC system, with the other half being new SOC occupations or occupations that are slightly different from similar occupations in the old OES classification system.

Prior to 1996, the OES program collected only occupational employment data for selected industries in each year of the three-year survey cycle, and produced only industry-specific estimates of occupational employment. The 1996 survey round was the first year that the OES program began collecting occupational employment and wage data in every state. In addition, the program's three-year survey cycle was modified to collect data from all covered industries each year. 1997 is the earliest year available for which the OES program produced estimates of cross-industry as well as industry-specific occupational employment and wages.

The 2000 OES estimates are benchmarked to a fourth-quarter 2000 reference period. 2000 employment and wage estimates are based on data collected in the 1999 and 2000 surveys. The 1999 wage data have been adjusted to the 2000 reference period by using the over-the-year wage changes in the most applicable national Employment Cost Index series.

The 1999 OES estimates are benchmarked to a fourth-quarter 1999 reference period. (Estimates for New Jersey were adjusted to fourth quarter

1998, since data for fourth quarter 1999 were unavailable.) Due to the shift to the SOC system, employment estimates are based only on the data collected in the 1999 survey. Wage estimates for detailed occupations which changed under the SOC are based only on data collected in the 1999 survey, while wage estimates for detailed occupations which are unaffected by the SOC are based on data collected in the 1997, 1998, and 1999 surveys. The 1997 and 1998 wage data have been adjusted to the 1999 reference period by using the over-the-year wage changes in the most applicable national Employment Cost Index series. The 1998 estimates have a fourth-quarter 1998 reference period and are based on information from the 1996, 1997, and 1998 surveys. The three years of survey responses for employment and wage data have been combined to produce the 1998 results. The employment data from 1996, 1997, and 1998 have been adjusted to the full universe count for the 1998 survey reference period based on the Covered Employment and Wages (CEW/ES-202) program. The 1996 and 1997 wage data have both been adjusted to the 1998 reference period using the over-the-year wage change in the most applicable Employment Cost Index series. OES estimates from 1997 and 1998 may not be strictly comparable because the 1998 estimates were calculated from three years of data, while the 1997 estimates were based on two years of data.

Staffing patterns information obtained from the OES establishment-based survey has been of value in planning of education and training programs, in job development and placement work, and in vocational counseling.

Businesses find the OES estimates useful because they enable the analysis of the occupational structures of their industry. They can examine the staffing patterns at their operation compared to patterns in their industry, or they can follow changes in their industry over time. Such analyses might then lead a businessperson to make staffing changes within an establishment.

## Frequently Asked OES Questions

### What does the OES program produce?

The OES program produces employment and wage estimates for over 700 occupations. These are estimates of the number of people employed in certain occupations, and estimates of the wages paid to them.

### What basic concepts are essential to understanding the OES survey?

'Establishment,' 'Industry,' and 'Occupation' are three key concepts.

1. An establishment is the physical location of a certain economic activity, for example, a factory, mine, store, or office. Generally a single establishment produces a single good or provides a single service. An enterprise (a private firm, government, or non-profit organization) could consist of a single establishment or multiple establishments. A multi-establishment enterprise could have all its establishments in one industry (i.e., a chain), or could have various establishments in different industries (i.e., a conglomerate).
2. An industry is a group of establishments that produce similar products or provide similar services. For example, all establishments that manufacture automobiles are in the same industry. The Standard Industrial Classification (SIC) system groups similar establishments into industries. A given industry, or even a particular establishment in that industry, might have employees in dozens of occupations.
3. An occupation is a set of activities or tasks that employees are paid to perform. Employees that perform essentially the same tasks are in the same occupation, whether or not they are in the same industry. Some occupations are concentrated in a few particular industries, while other occupations are found in the majority of industries.

### How is the OES survey conducted?

The OES survey is an annual mail survey of non-farm establishments. The BLS produces the survey materials and selects the establishments to be surveyed. The sampling frame (the list from which establishments to be surveyed are

selected) is derived from the list of establishments maintained by state Employment Security Agencies (SESAs) for unemployment insurance purposes. Establishments to be surveyed are selected in order to obtain data from every metropolitan area and State, across all surveyed industries, and from establishments of varying sizes. The SESAs mail the survey materials to the selected establishments and make follow-up calls to request data from non-respondents or to clarify data. The collected data are used to produce occupational estimates at the national, state, and sub-state levels.

### What are OES data?

The OES program produces occupational employment and wage statistics. These are estimates of the number of people employed in certain occupations and estimates of the wages paid to them. These estimates of occupational employment and wages are available for the U.S., for individual states, and for specific industries.

### Does the OES survey produce estimates by age, race, sex, or educational attainment?

No. The OES survey program does not gather demographic information. However, the BLS' Labor Force Statistics from the Current Population Survey program provides information on employment, unemployment, and weekly earnings, by a variety of demographic characteristics.

### Does the OES survey produce estimates by size of establishment?

No. The OES survey does not produce estimates based on total establishment employment.

### Does the OES survey produce estimates for metropolitan areas?

The OES unit of the OESC produces state, Metropolitan Statistical Area, and Labor Market Area wage estimates.

### Does the OES survey produce estimates by size of establishment?

No. The OES survey does not produce estimates based on total establishment employment. Information pertaining to the number of establishments in various employment size

classes and their aggregate employment (economy wide and by industry) can be obtained by contacting the staff of the “CEW/ES-202” or Covered Employment & Wages program.

**Does the OES program have any data on unemployment for specific occupations?**

No. The OES survey has data on the numbers of employees and their wages collected from the establishments where they work. More detailed information on characteristics of the unemployed can be obtained by contacting the Labor Force Statistics staff.

**Does the OES program have any information on job vacancies?**

No. The OES survey does not ask establishments for information about any vacancies they may have. The U.S. Department of Labor maintains a web site (America's Job Bank), where job seekers can search for job vacancies.

**How are "wages" defined by the OES survey?**

Wages for the OES survey are straight-time, gross pay, exclusive of premium pay.

**What is the difference between 'Industry Staffing Pattern Data' and 'Occupational Employment and Wage Data'?**

With the 1996 OES survey, the BLS began producing 'Industry Staffing Pattern Data' and 'Occupational Employment and Wage Data', which both contain occupational employment and wage estimates. The 'Industry Staffing Pattern Data' contains only national estimates. The 'Occupational Employment and Wage Data' consists of national and state estimates. The main difference is that the 'Industry Staffing Pattern Data' consist of industry-specific estimates, while the 'Occupational Employment and Wage Data' contain cross-industry estimates.

- Industry-specific estimates are calculated with data collected from establishments in a particular industry. Industry-specific occupational employment data estimate the number of people employed in that

occupation in a particular industry. Similarly, the industry-specific occupational wage estimates are calculated with data from establishments in one particular industry. Since different industries employ people in different occupations, the occupations in the staffing pattern for one industry will not be the same as the occupations in the staffing pattern for another industry.

- Cross-industry estimates are calculated with data collected from establishments in all the industries in which a particular occupation is surveyed. (Not every occupation is surveyed in every industry.) For example, the cross-industry occupational employment estimate for mechanical engineers is the sum of all the industry-specific estimates for mechanical engineers. Likewise, cross-industry occupational wage estimates for mechanical engineers are calculated from data collected from establishments in the industries where mechanical engineers are surveyed.

**Why are an occupation's cross-industry employment and wage estimates calculated from industries in which it was surveyed?**

OES estimates are calculated from data that employers provide by filling out survey forms. There are different survey forms for different industries. The occupations listed on survey forms vary depending on the industry and size of establishment. No survey form contains all 750+ OES occupations, because no industry employs workers in every occupation. Survey forms contain between 50 and 225 occupations. Customizing the survey forms reduces paper work and respondent burden, making the survey form easier for employers to fill out.

When an occupation's industry-specific employment estimates are summed to produce its cross-industry employment estimates, only those industry-specific estimates from industries where the occupation appeared on the survey forms are included in the summation. Similarly, the calculation of an occupation's cross-industry wage estimates is made with data from industries where that occupation was surveyed. There exists the possibility that some

employment in a particular occupation could exist in an industry where it was unexpected and therefore not surveyed - in such cases, it would be missed and not included in the calculation of that occupation's employment and wage estimates.

### **How are 'employees' defined by the OES survey?**

'Employees' are all part-time and full-time workers who are paid a wage or salary. The survey does not cover self-employed, owners and partners in unincorporated firms, household workers, or unpaid family workers.

### **How long has the OES survey collected wage data?**

The OES survey collected both occupational employment and occupational wage data nationwide for the first time in 1996. Prior to 1996, occupational employment counts by industry were the only national OES estimates produced by the BLS.

### **What are mean wages? What are median wages?**

The OES program produces estimates of wages by occupation; i.e., the wages paid to wage or salary employees in a given occupation in the U.S., in a particular state, or in a particular industry. These occupational wage estimates are either estimates of mean wages or median wages.

- A mean wage is an average wage. A occupational mean wage estimate is calculated by summing the wages of all the employees in a given occupation (either in the U.S., a particular state, or a particular industry) and then dividing the total wages by the number of employees.
- A median wage is a boundary. An occupational median wage estimate is the boundary between the highest paid 50% and the lowest paid 50% of workers in that occupation (either in the U.S., a particular state, or a particular industry). Half of the workers in a given occupation earn more than the median wage and half of the workers earn less than the median wage.

### **How is the OES survey conducted?**

The OES survey is an annual mail survey of non-farm establishments. BLS produces the survey materials and selects the establishments to be surveyed. The sampling frame (the list from which establishments to be surveyed are selected) is derived from the list of establishments maintained by State Employment Security Agencies (SESA's) for unemployment insurance purposes. Establishments to be surveyed are selected in order to obtain data from every metropolitan area and state, across all surveyed industries, and from establishments of varying sizes. The SESA's mail the survey materials to the selected establishments and make follow-up calls to request data from non-respondents or to clarify data. The SESA's use the collected data to calculate statewide and sub-state estimates. The data are then provided to the BLS where it is used to produce national OES estimates.

### **When will this year's OES data be available?**

The OES program produces estimates from data collected in an annual statewide survey. The survey begins with survey materials being sent to selected establishments during the last quarter (October, November, December) of the survey year. Data collection starts then and continues into the early months of the following year. As the data collection finishes, the data entry and estimates processing begins, and this is followed by estimates production, validation, and release. The OES estimates are released in the last quarter of the year following the survey.

### **What occupations are surveyed?**

An establishment responding to the OES survey should report all employment according to the OES classification system, which is an empirically-based economy-wide occupational classification system. The OES occupational classification system identifies over 750 occupations. Each OES occupational classification comprises a title, a definition, and a five-digit OES code.

### **How does the OES program classify occupations?**

The [2000 OES Estimates](#) were produced using the revised Standard Occupational Classification (SOC) system. The new SOC system, which will be used by all Federal statistical agencies for reporting occupational data, consists of 821 detailed occupations, grouped into 449 broad occupations, 96 minor groups, and 23 major groups. The OES program provides occupational employment and wage estimates at the major group and detailed occupation level. Due to the OES survey's transition to the new SOC system, 1999 and 2000 OES estimates are not directly comparable with previous years' OES estimates, which were based on a classification system having seven major occupational groups and 770 detailed occupations. The detailed SOC occupations are allocated among these 23 major groups:

- 11-0000 Management Occupations
- 13-0000 Business and Financial Operations Occupations
- 15-0000 Computer and Mathematical Occupations
- 17-0000 Architecture and Engineering occupations
- 19-0000 Life, Physical, and Social Science Occupations
- 21-0000 Community and Social Services Occupations
- 23-0000 Legal Occupations
- 25-0000 Education, Training, and Library Occupations
- 27-0000 Arts, Design, Entertainment, Sports, and Media Occupations
- 29-0000 Healthcare Practitioners and Technical Occupations
- 31-0000 Healthcare Support Occupations
- 33-0000 Protective Service Occupations
- 35-0000 Food Preparation and Serving Related Occupations
- 37-0000 Building and Grounds Cleaning and Maintenance Occupations
- 39-0000 Personal Care and Service Occupations
- 41-0000 Sales and Related Occupations
- 43-0000 Office and Administrative Support Occupations
- 45-0000 Farming, Fishing, and Forestry Occupations
- 47-0000 Construction and Extraction Occupations
- 49-0000 Installation, Maintenance, and Repair Occupations
- 51-0000 Production Occupations
- 53-0000 Transportation and Material Moving Occupations
- 55-0000 Military-specific Occupations (not surveyed in OES).

**How does the OES program classify industries? What is the SIC?**

The OES program uses definitions of industries found in the Standard Industrial Classification (SIC) system. The SIC system is used throughout the federal government to group establishments into industries. The SIC division structure makes it possible to collect and calculate establishment data by broad industrial divisions (labeled A through K), industrial groups (the two- and three-digit SIC levels), and specific industries (the four-digit level). See the Standard Industrial Classification Manual, 1987 (Executive Office of the President, Office of Management and Budget), available in many libraries. The OES survey produces occupational employment and wage estimates for two- and three-digit SIC industrial groups. (Note: OES estimates of government employment do not correspond to the SIC system. In the case of government, the OES survey produces

occupational employment data for Local Government, State Government, and Federal Government.)

### **What industries are surveyed? What industries are not surveyed?**

The OES survey collects occupational employment and wage data from establishments in non-farm industries. The OES survey produces estimates of occupational employment and wages for two- and three-digit industrial groups in these industrial divisions: Mining; Construction; Manufacturing; Transportation, Communication, Electric, Gas, and Sanitary Services; Wholesale Trade; Retail Trade; Finance, Insurance, and Real Estate; Services; and Government.

The OES program does not survey establishments in SIC 01 (Agricultural production--Crops), SIC 02 (Agricultural production--livestock and animals specialties), SIC 08 (Forestry), SIC 09 (Fishing, hunting, and trapping), or SIC 88 (Private households).

### **How can OES data be obtained?**

BLS makes OES data available via Internet site: <http://stats.bls.gov>, in publication, and by request.

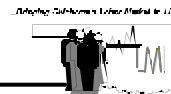
- This Internet site contains Occupational Employment and Wage Data for the U.S. and for individual states. It also has a sample of Industry Staffing Pattern Data.
- BLS has produced annual OES publications containing occupational employment estimates by industry for two-digit SIC industrial groups from 1988-1995. (These publications do not contain wage estimates.) The 1996 OES publication presents both selected occupational employment and wage estimates for two-digit SIC industrial groups.
- OES data in electronic format are available by request. BLS can provide 1997 occupational employment and wage estimates by industry.

### **Is the OES classification system compatible with other occupational classification systems?**

Yes. The classification system used in the 1999 and 2000 OES estimates is compatible with the

2000 Standard Occupational Classification (SOC) system. The new SOC system will be used by all federal statistical agencies for reporting occupational data. The old OES classification system is compatible with the 1980 Standard Occupational Classification system and the U.S. Bureau of the Census occupational classifications. By using a "crosswalk" to the SOC or Census system, users can compare OES estimates with occupational data from other sources. The [NOICC Crosswalk & Data Center Home Page](#) is the source of various "crosswalks" that are used to link the occupational classifications of one system to those of another.

# Non-Bureau of Labor Statistics Funded Programs



## Labor Market Information Unit (LMIU)

This unit produces most of the Economic Research and Analysis (ER&A) LMI publications, which report the data collected by the BLS programs. These include: *Labor Market Information* - a monthly summary of current employment and unemployment, hours and earnings, and total civilian labor force; *Labor Force Information for Affirmative Action Programs* - often requested by Oklahoma employers in order to establish their affirmative action plans; *Oklahoma Labor Force Data* - including the civilian labor force data, employed, unemployed, and the unemployment rate for the state, nation, counties, and Metropolitan Statistical Areas; *Oklahoma Wage Report* - which contains wage information for the state and MSAs. Other various publications are also available (see page 36 for a complete list of publications); and the various reports by county, which convey data by industry and by geographical area on Labor Market Information, can be used to check the economic health of a labor market, state, or the national economy over time or to make region to region comparisons. The unit is also a vital resource for other state and local agencies and decision makers in their efforts to attract new employers to the state. In this role, the LMIU is frequently called upon to prepare special reports for and to make presentations to representatives of businesses considering locating or expanding in an Oklahoma city or town area. Those special reports may include labor availability data, cost of labor, or economic conditions in any area in the state. This unit also furnishes customized information on personalized requests from employers, job-seekers, consulting firms, and governmental and non-governmental organizations.

## Industry & Occupational Projections

Industry and occupational projections are developed utilizing data collected by several of the BLS funded programs.

The purpose of the industry and occupational projections process is to predict future growth rates and annual openings for occupations. The process begins with estimating employment by industry for a base year. Historical data about Oklahoma industry employment and historical and projected levels of various other economic factors are used. The staffing patterns from the Occupational Employment Statistics program is the foundation of the occupational projections. These staffing patterns are used to disaggregate the industry employment and estimated future employment into the appropriate occupations resulting in estimates of employment growth by occupation.

## Information Delivery Systems

### OKUCAN

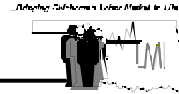
Oklahoma Universal Computerized Assistance Network (OKUCAN) is a system that enables customers to access local, state, and federal program and eligibility information. We recognize the need to incorporate other local, state, and federal program and eligibility information. Oklahoma's OKUCAN system will make it possible for customers to access specific program and eligibility information for specific geographic areas. Customers and staff may determine potential eligibility for programs for an individual and gain knowledge about the program provider. Through the OKUCAN System, OESC will be linked with numerous Oklahoma program providers and thereby become a concentrated information hub.

## Labor Surplus Areas

Since 1952, the federal government has sought to combat high regional unemployment by funneling federal procurement contracts into areas of high unemployment. The labor surplus area program received statutory authority in 1977 and was authorized on a permanent basis in 1980. Employers in labor surplus areas (those areas with high unemployment) may be given preference in bidding on federal set-aside contracts in order to direct federal procurement dollars into areas of great economic need. Many Oklahoma employers contact the Oklahoma Employment Security Commission when completing bids for federal contracts to determine if they are located in a labor surplus area. Under the basic labor surplus area program procedures, area classifications are made on the basis of civil jurisdictions. Under the program's exceptional circumstance procedures, labor surplus area classifications can be made on the basis of civil jurisdictions, Metropolitan Statistical Areas, or Primary Metropolitan Statistical Areas. A civil jurisdiction is classified as a labor surplus area when its average unemployment rate was at least 20 percent above the average unemployment rate for all states (including the District of Columbia and Puerto Rico) during the previous two calendar years. During periods of high national unemployment, the 20 percent ratio is disregarded and an area is classified as a labor surplus area if its unemployment rate during the previous two calendar years was 10 percent or more. This 10 percent ceiling concept comes into operation whenever, the two-year average unemployment rate for all states was 8.3 percent or above (i.e., 8.3 percent times the 1.20 ratio equals 10.0 percent). Similarly, a "floor" concept of 6.0 percent is used during periods of low national unemployment in order for an area to qualify as a labor surplus area. The 6 percent "floor" comes into effect whenever the average unemployment rate for all states during the two-year reference period was 5.0 percent or less. The classification procedures also provide for the designation of labor surplus areas under exceptional circumstance criteria. These

procedures permit the regular classification criteria to be waived when an area experiences a significant increase in unemployment which is not temporary or seasonal and which was not adequately reflected in the data for the two-year reference period. In order for an area to be classified as a labor surplus area under the exceptional circumstance criteria, the State Workforce Agency must submit a petition requesting such classification to the Department of Labor's Employment and Training Administration. The current conditions for exceptional circumstance classification are: an area unemployment rate of at least 6.0 percent for each of the three most recent months; projected unemployment rate of at least 6.0 percent for each of the next 12 months; and documented information that the exceptional circumstance event has already occurred. The State Workforce Agency may file petitions on behalf of civil jurisdictions, as well as Metropolitan Statistical Areas of Primary Metropolitan Statistical Areas, as defined by the Office of Management and Budget. The Department of Labor issues the labor surplus area listing on a fiscal year basis. The listing becomes effective each October 1 and remains in effect through the following September 30. Areas are therefore included on the current annual labor surplus area listing because their average unemployment rate during the reference period was 6.0 percent or above.

The list of labor surplus areas is published by the U.S. Department of Labor, Employment and Training Administration, in the monthly publication *Area Trends in Employment and Unemployment*. Labor surplus areas are established each year on October 1 and remain in effect until the end of September of the following year. During the year, additional areas may be added to the list under "exceptional circumstances" criteria.



## North American Industry Classification System (NAICS)

In 1997, the Office of Management and Budget (OMB) announced the adoption of a new standardized system for classifying industries—the North American Industry Classification System (NAICS). NAICS will replace the Standard Industrial Classification (SIC) system and thus represents one of the most profound changes for government statistical programs since the 1930s. Although the current system has been revised and updated periodically, the basic structure has remained intact since its inception. The NAICS revision is much broader—many more industries are identified under the new system, and they are organized on the basis of their production activities (supply) alone, as opposed to the mixture of supply and demand characteristics used to classify industries under the SIC. NAICS also seeks to standardize the classification systems of the three partners to the North American Free Trade Agreement (NAFTA): the United States, Canada, and Mexico.

NAICS 1997 has been revised to the NAICS 2002 version. NAICS 2002 is the same as NAICS 1997 for 16 of the 20 sectors. Construction and wholesale trade are substantially changed, but the revisions also modify a number of retail classifications and the organization of the information sector. The Current Employment Statistics (CES) survey will convert directly from SIC-based estimates to NAICS 2002; no estimates will be published using NAICS 1997. The CES program will begin publishing on a NAICS 2002 basis with the release of May data in June 2003.

Industrial classification systems provide the structure for collecting and aggregating economic data, as well as for analyzing, presenting, and disseminating such data. Economic changes that have taken place in the

last several decades - such as the movement toward a more services-oriented economy, the increased use of computers and other new technology, and globalization - have precipitated the need for a new system of industrial classification. Twenty years ago, for example, there was no need for statistics on communications resellers, database publishers, Internet service providers, or electronic publishers. NAICS identifies these and other emerging economic activities that do not easily fit into the current SIC structure.

## Frequently Asked NAICS Questions

### What are the principles of NAICS?

The former SIC system used a mixture of concepts to categorize economic activity. Some categories were based on demand groupings, activities that were similar in the eyes of customers or users of the product or service. Others, however, were based more on supply groupings. NAICS is the first industrial classification system used in the United States to employ a unified economic concept to define industries. Under the new system, industries are classified on the basis of their production or supply function—establishments using similar raw material inputs, capital equipment, and labor are classified in the same industry. This approach creates more homogeneous categories that are better suited for economic analysis.

Four primary concepts were used in the development of NAICS. First, a production-oriented conceptual framework was used—as described earlier, establishments engaged in similar production activities are classified together. Second, new categories in NAICS focus on emerging industries, services in general, and industries that produce advanced technology. Third, as much as possible, continuity with the former system was maintained to avoid breaks in time series. However, because of differences in the classification systems formerly used by the

United States, Canada, and Mexico, many changes were needed to make them comparable. Thus, some breaks in time series were unavoidable. Finally, the developers of NAICS strove for compatibility with the two-digit level of the International Standard Industrial Classification of all economic activities.

### **How is NAICS structured?**

While NAICS uses a hierarchical structure much like the existing SIC, there are a number of important structural differences. For example, NAICS uses a six-digit classification code, which allows greater flexibility in the coding structure. The SIC system was limited to only four digits. Another important difference is that NAICS uses the first two digits of the six-digit code to designate the highest level of aggregation, with 21 such two-digit industry sectors under the new system. Under the SIC system, by contrast, there were only 11 divisions, designated by letters of the alphabet.

The third digit of a NAICS code represents the sub-sector. Using the information sector (sector 51) as an example, there are four separate sub-sectors contained in the sector: publishing industries, motion picture and sound recording industries, broadcasting, and telecommunications, and information and data processing services. The fourth digit of the NAICS code represents the industry group level. Under the publishing industries sub-sector, for example, there are two industry groups: newspaper, periodical, book, database publishing, and software publishing.

The fifth digit in the NAICS code represents the international industry level. Continuing with the same example, there are 28 international-level industries in the information sector. In most cases, there will be comparability between the classifications of the United States, Canada, and Mexico at the five-digit level. The sixth digit in the NAICS code designates national detail. This allows the flexibility to create more detailed statistics for the industries that hold particular importance in each country. Of the 28 international industries within the information sector, six have been broken out to create important national detail for the United States.

When the national detail is the same in more than one country, the same six-digit code is used in each country's national version of NAICS. The six-digit system allows for greater data comparability between the three countries than a four- or five-digit system. There had been significant differences in the former classification systems used by the United States, Canada, and Mexico. NAICS creates a standard system to be used by each of the NAFTA trading partners.

### **How will NAICS be implemented?**

NAICS will require a significant effort to implement. Large universe surveys such as the BLS Covered Employment and Wages (CEW/ES-202) program and the Census Bureau's Economic Census will have to assign new industry codes to the more than 7 million business establishments in the United States. In addition, during the transition period, SIC codes also will need to be assigned to create linkages between statistics classified under the two classification systems.

The CEW/ES-202 program will implement NAICS over a three-year period. Beginning in 1998, establishments classified in SIC industries that were not altered by the revision will be assigned NAICS codes by computer. In 1999, establishments with 50 or more employees will be assigned NAICS codes during the annual refile survey. (Currently assigned SIC codes for these establishments will be verified at that time as well.) In addition, one-half of all establishments with fewer than 50 employees that are currently classified in SIC industries that were split into two or more parts will be surveyed and assigned NAICS codes. This phased-in approach will allow BLS to calculate estimates of the effects of NAICS by as early as the end of fiscal year 1999. In 2000, all remaining un-coded establishments will be assigned NAICS codes.

The timing of implementation for surveys such as the CEW/ES-202 and the Economic Census is critical to many other statistical programs that draw their samples from the universe files maintained for these comprehensive surveys.

Sample-based programs cannot convert to NAICS until the universe frames on which they are based have been revised. Programs that use data from the universe and from sample programs will be the last to implement NAICS. The Producer Price Index (PPI), for example, uses BLS universe data for its sampling frame, data from the Economic Census for its structure weights, and other data produced by the Department of Commerce for its net output calculations. As a result, the conversion of the PPI to NAICS cannot be fully implemented until these programs have converted to the new system.

#### **What difficulties will the data user face?**

Although the implementation of NAICS undoubtedly will benefit most data users, the transition period may be difficult. There will be breaks in many time series that are based on the SIC system. The availability of time series data is essential for trend analysis, economic forecasting, and seasonal adjustment. In many cases, however, the NAICS changes are so significant that reconstructing historical data based on the new system will be difficult. For example, the old SIC system had no category for telecommunications resellers and hence very little data were available for this industry. Similarly, at the higher levels of aggregation—such as the manufacturing or services divisions—many economic activities formerly classified in one division are now classified in another.

Another issue for data users involves the transition period, when some data will be based on the SIC and other data will be based on NAICS. As previously noted, most government and other statistical organizations will implement NAICS over a multiyear period. The resulting lack of comparability will create challenges for economic analysis. In sum, the NAICS revision presents a tradeoff between a new and improved classification system providing data for many new industries that formerly were not classified separately and the inevitable time series breaks that occur whenever major revisions to classification systems or statistical programs are implemented.

The long-term benefits of NAICS will far outweigh the costs of implementing the new system. Specific economic data for many emerging industries soon will be available. Ultimately, NAICS will help researchers, policymakers, and other analysts to better understand the U.S. and global economies and the activities that generate economic growth.

#### **How is NAICS manual formatted?**

The U.S. NAICS manual, *North American Industry Classification System—United States, 1997*, scheduled to be released in late July 1998, will differ substantially from its predecessor, *The Standard Industrial Classification Manual, 1987*. The new manual, for example, includes a narrative definition of each industry, a list of illustrative economic activities used as criteria for classification (index items), and a bulleted list of cross references for similar activities classified under other industry categories. Industries will only include illustrative examples and cross references when necessary. Another useful change from the SIC system is that users will now be able to search for cross references in the same place for each definition.

### **Standard Occupational Classification (SOC) System**

The Standard Occupational Classification (SOC) System was developed in response to a growing need for a universal occupational classification system. Such a classification system would allow government agencies and private industry to produce comparable data. Users of occupational data include government program managers, industrial and labor relations practitioners, students considering career training, job seekers, vocational training schools, and employers wishing to set salary scales or locate a new plant. It will be used by all federal agencies collecting occupational data, providing a means to compare occupational data across agencies. It is designed to cover all occupations in which work is performed for pay or profit, reflecting the current occupational structure in the United States. The revision is the result of a cooperative effort of all federal agencies that use

occupational classification systems to maximize the usefulness of occupational information collected by the Federal Government. The SOC classifies workers at four levels of aggregation: 1) major group; 2) minor group; 3) broad occupation; and 4) detailed occupation. All occupations are clustered into one of the following 23 major groups:

- 11-000 [Management Occupations](#)
- 13-0000 [Business and Financial Operations Occupations](#)
- 15-0000 [Computer and Mathematical Occupations](#)
- 17-0000 [Architecture and Engineering Occupations](#)
- 19-0000 [Life, Physical, and Social Science Occupations](#)
- 21-0000 [Community and Social Services Occupations](#)
- 23-0000 [Legal Occupations](#)
- 25-0000 [Education, Training, and Library Occupations](#)
- 27-0000 [Arts, Design, Entertainment, Sports, and Media Occupations](#)
- 29-0000 [Healthcare Practitioners and Technical Occupations](#)
- 31-0000 [Healthcare Support Occupations](#)
- 33-0000 [Protective Service Occupations](#)
- 35-0000 [Food Preparation and Serving Related Occupations](#)
- 37-0000 [Building and Grounds Cleaning and Maintenance Occupations](#)
- 39-0000 [Personal Care and Service Occupations](#)

- 41-0000 [Sales and Related Occupations](#)
- 43-0000 [Office and Administrative Support Occupations](#)
- 45-0000 [Farming, Fishing, and Forestry Occupations](#)
- 47-0000 [Construction and Extraction Occupations](#)
- 49-0000 [Installation, Maintenance, and Repair Occupations](#)
- 51-0000 [Production Occupations](#)
- 53-0000 [Transportation and Material Moving Occupations](#)
- 55-0000 [Military Specific Occupations](#)

Within these major groups are 96 minor groups, 449 broad occupations, and 821 detailed occupations. Occupations with similar skills or work activities are grouped at each of the four levels of hierarchy to facilitate comparisons. For example, "Life, Physical and Social Science Occupations" (19-0000) is divided into four minor groups, "Life Scientists" (19-1000), "Physical Scientists" (19-2000), "Social Scientists and Related Workers" (19-3000), and "Life, Physical and Social Science Technicians" (19-4000). Life Scientists contains broad occupations such as "Agriculture and Food Scientists" (19-1010), and "Biological Scientists" (19-1020). The broad occupation Biological Scientists includes detailed occupations such as "Biochemists and Biophysicists" (19-1021), and "Microbiologists" (19-1022). Each item in the hierarchy is designated by a six-digit code. The hyphen between the second and third digit is used only for presentation clarity. The first two digits of the SOC code represent the major group; the third digit represents the minor group; the fourth and fifth digits represent the broad occupation; and the detailed occupation is represented by the sixth digit. Major group codes end with 0000 (e.g., 33-0000, Protective Service Occupations),

minor groups end with 000 (e.g., 33-2000, Fire Fighting Workers), and broad occupations end with 0 (e.g., 33-2020, Fire Inspectors). All residuals ("Other," "Miscellaneous," or "All Other"), whether at the detailed or broad occupation or minor group level, will contain a 9 at the level of the residual. Detailed residual occupations will end in 9 (e.g., 33-9199, Protective Service Workers, All Other); broad occupations which are minor group residuals will end in 90 (e.g., 33-9190, Miscellaneous Protective Service Workers); and minor groups which are major group residuals will end in 9000.

The Classification covers all occupations in which work is performed for pay or profit, including work performed in family-operated enterprises by family members who are not directly compensated. It excludes occupations unique to volunteers. Each occupation is assigned to only one occupation at the lowest level of the classification. Occupations are classified based upon work performed, skills, education, training, and credentials. If an occupation is not included as a distinct detailed occupation in the structure, it is classified in the appropriate residual occupation.

When workers may be classified in more than one occupation, they should be classified in the occupation that requires the highest level of skill.

## **Frequently Asked SOCS Questions**

### **Where can I get information on the occupations in the SOC?**

The Occupational Employment Statistics (OES) Program provides occupational employment and wage estimates by industry and across industries. For state and area data, contact the [State Employment Security Agency](#) for the state or states needed. For national data, and selected state data see the [OES homepage](#) or call the information request line 202-691-6569. The Census Bureau publishes data on detailed occupations from the decennial censuses. Census 2000 will use the SOC to classify occupations; initial publication will be in 2002. Standard and customized tabulations will be

available through its [American Fact Finder](#) via the Internet. Only summary data will be published on paper. Biennially, the Bureau of Labor Statistics' Office of Employment Projections (OEP) publishes the Occupational Outlook Handbook, Career Guide to Industries, and Occupational Projections and Training Data. In addition, OEP publishes the Occupational Outlook Quarterly. For more information about these publications, visit the [OEP homepage](#) or contact the Chief, Division of Occupational Outlook, Bureau of Labor Statistics, 2 Massachusetts Ave. NW., Room 2135, Washington, DC 20212. The Department of Defense publishes data that cross-references military occupational codes of the Army, Navy, Air Force, Marine Corps, and Coast Guard with civilian equivalent occupations. The next update of this data will include linkages of military occupations to the SOC. Additional information on available data products can be obtained by writing to Director, Defense Manpower Data Center, 1600 Wilson Boulevard, Suite 400, Arlington, VA 22209-2593.

The National Science Foundation Division of Science and Resource Studies website contains SESTAT, a comprehensive and integrated system of information about the employment, educational, and demographic characteristics of scientists and engineers in the United States and is intended for both policy analysis and general research, having features for both the casual and more intensive data user. More information may be obtained from the National Science Foundation's [SESTAT homepage](#).

### **Why are there different levels of detail in the SOC?**

There are four hierarchical levels in the SOC to enable users to choose a level of detail corresponding to their interest and ability to collect data on different occupations. Users using different levels of detail will still be able to compare data at the defined levels.

### **Why can't I find my job title in the SOC?**

The SOC lists occupations which may have many different job titles. The associated titles database will be available to help users classify workers into SOC occupations. If your title is

not listed, you may contact an occupation specialist at the Census Bureau (301) 457-3239 to suggest its inclusion.

**Why are supervisors of most professional occupations not listed? Where should they be classified?**

Supervisors of professional occupations are classified with the occupations they supervise because they often need the same type of training, education, and experience as the workers they supervise.

**The SOC isn't detailed enough for our needs. How do I modify it?**

Users who would like to collect or tabulate data in more detail should add a decimal point and additional digits after the six-digit SOC code. For more information, see *Revising the Standard Occupational Classification System* - Report 929, June 1999.

**Who uses the SOC?**

All government agencies that collect and publish occupational data use the SOC.

**When is the next revision of the SOC scheduled?**

To ensure that the successful efforts of the Standard Occupational Classification Revision Policy Committee (SOCRPC) continue and that the SOC remains appropriate to the world of work, the Office of Management and Budget (OMB) plans to establish a new standing committee, the Standard Occupational Classification Policy Committee (SOCPC). The SOCPC will consult periodically to ensure that the implementation of the SOC is comparable across federal agencies. This consultation will include regularly scheduled interagency communication to ensure a smooth transition to the SOC. The SOCPC will also perform SOC maintenance functions, such as recommending changes in the SOC occupational definitions and placement of new occupations. It is anticipated that the next major review and revision of the SOC will begin in 2005 in preparation for use in the 2010 Decennial Census.

**Can the SOC be used for non-statistical purposes?**

The SOC was designed solely for statistical purposes. Although it is likely that the SOC will also be used for various non-statistical purposes (e.g., for administrative, regulatory, or taxation functions), the requirements of government agencies that choose to use the 1998 SOC for non-statistical purposes have played no role in its development, nor will OMB modify the classification to meet the requirements of any non-statistical program.

**How will the SOC be implemented?**

The Standard Occupational Classification Revision Policy Committee (SOCRPC) is preparing the *Standard Occupational Classification Manual* for publication. Committee members have completed definitions and assigned associated titles, while agencies with occupational classification systems are developing crosswalks from their existing systems to the SOC. The SOCRPC will consult periodically to ensure that the implementation of the 1998 SOC is comparable across federal agencies. This consultation will include regularly scheduled interagency communication to ensure that there is a smooth federal transition to the SOC.

All federal Government agencies that collect occupational data are expected to adopt the SOC over the next few years.

The annual Occupational Employment Statistics survey will first reflect the SOC in 1999; national, state, and Metropolitan Statistical Area data are expected to be available in early 2001. The Office of Employment Projections' will reflect the SOC in the industry-occupation matrix covering the 2000-10 period, which is expected to be released in November 2001. Occupational descriptions and data completely based on the SOC will be incorporated in the *Occupational Outlook Handbook* for the first time in the 2004-05 edition of the *Handbook*, which is expected to be published in early 2004.

Data collected by the 2000 Census of Population will be coded to the SOC and published in 2002. Data from the Current Population Survey will be based on the new classification for the first time in 2003.

## O\*NET

O\*NET, the Oklahoma Job Link, is a comprehensive database of worker attributes and job characteristics. As the replacement for the Occupational Information Network, O\*NET will be the nation's primary source of occupational information.

O\*NET has been developed as a timely, easy-to-use resource that supports public and private sector efforts to identify and develop the skills of the American workforce. It provides a common language for defining and describing occupations. Its flexible design also captures rapidly changing job requirements. In addition, O\*NET moves occupational information into the technological age.

As the basis for enhanced product development, the O\*NET database can serve as the engine that drives value-added applications designed around core information. It provides the essential foundation for facilitating career counseling, education, employment, and training activities. The database contains information about knowledge, skills, abilities (KSAs), interests, general work activities (GWAs), and work context. O\*NET data and structure will also link related occupational, educational, and labor market information databases to the system.

### Frequently Asked O\*NET Questions

#### How can O\*NET be used?

- Align educational and job training curricula with current workplace needs
- Create occupational clusters based on KSA information
- Develop job descriptions or specifications, job orders, and resumes
- Facilitate employee training and development initiatives
- Develop and supplement assessment tools to identify worker attributes
- Structure compensation and reward systems

- Evaluate and forecast human resource requirements
- Design and implement organizational development initiatives
- Identify criteria to establish performance appraisal and management systems
- Identify criteria to guide selection and placement decisions
- Explore career options that capitalize on individual KSA profiles
- Target recruitment efforts to maximize person-job-organizational fit
- Improve vocational and career counseling efforts

#### What does O\*NET consist of?

O\*NET consists of a database, an operational viewer, a user's guide, and a data dictionary.

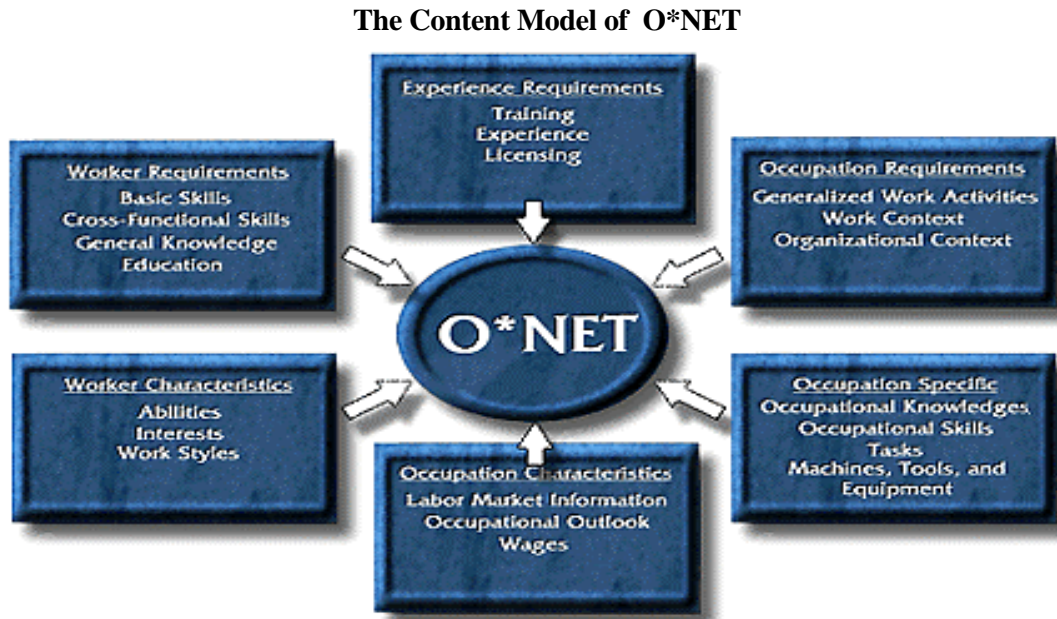
- The database is a comprehensive resource that uses a common language to identify and describe the world of work and offers links to other occupational information sources.
- The O\*NET Viewer is the Department of Labor's (DOL) prototype software interface that currently allows access to the O\*NET database. The Viewer allows users to identify and match occupational requirements, sort and filter occupations by specific attributes or characteristics, and cross-classify occupational information with other major classification coding systems.
- The O\*NET 98 Viewer User's Guide is an easy-to-use manual that takes the user through all the intricacies of using the O\*NET 98 Viewer to access the information in the database. Instructions are given for conducting occupational searches, exploring occupations, and viewing detailed information about occupations.
- The Data Dictionary is the primary source of documentation for the O\*NET 98 database, presenting information and coding for each variable in the database.

#### What is the O\*NET content model?

The conceptual foundation of O\*NET is called the Content Model. The Content Model provides

a framework for classifying, organizing, and structuring O\*NET data. The graphic below

displays the parts of the Content Model and how they are related.



**What is the basic structure of O\*NET data?**

O\*NET's classification structure is based on a developed construct defined as an occupational unit (OU). The Occupational Employment Statistics (OES) structure was used as starting point for establishing O\*NET occupational codes. Use of the OES structure facilitated linkages to a variety of additional information sources, such as the DOT and statistical labor market indices. Teams of occupational analysts evaluated current occupational information within the context of the OES structure. Rigorous research and cluster analysis was conducted to ensure the appropriateness of OU classifications.

This research, along with information from subject matter experts (SMEs), is being used in the revision of the Standard Occupational Classification (SOC). The revised SOC taxonomy will form the foundation for future O\*NET structure. Although existing classification structures were used to develop O\*NET, the system has built-in flexibility to allow new and emerging occupations and other occupations not included in current classification structures to be described. An O\*NET OU may

represent a single occupation or a group of closely related occupations. OUs comprising single occupations are assigned a five-digit code. Larger OUs that actually describe several occupations are subdivided and assigned a similar five-digit code with a character suffix. OU codes are described by OU titles and definitions. Titles and definitions were created in a manner consistent with the original OES occupations. This coding system is applied consistently throughout the O\*NET Database and Viewer.

**What type of data is included in O\*NET?**

O\*NET data consists primarily of arithmetical statistics for each variable in the Content Model. These statistics come from direct ratings of the level, frequency, and importance of Content Model descriptors to that occupation. These ratings may then be used to compare occupations.

**Where does O\*NET data come from?**

The data in O\*NET 98, Version 1.0, are converted from the data underlying the Dictionary of Occupational Titles. These DOT data, which were based on previously collected job analysis information, were evaluated by

trained occupational analysts, who rated the OUs on most of the Content Model domains and descriptors. Future data will be based on ratings of O\*NET descriptors collected from job incumbents. Incumbent data will be collected from employees at randomly selected representative sites nationwide. Randomly selected employees will complete questionnaires specifically for the purpose of populating the O\*NET database.

**When will O\*NET be released?**

O\*NET 98, Version 1.0, is available now.

**In what format is O\*NET 98 available?**

The O\*NET 98 Viewer and Database are available on CD-ROM and diskette. The O\*NET 98 Viewer User's Guide and the Data Dictionary are available on CD-ROM and hard copy.

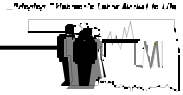
**How can O\*NET 98 be ordered?**

All O\*NET 98 products may be ordered from the U.S. Government Printing Office bookstore in Washington, DC by calling 202-512-0132 or from GPO's web site at [http://www.access.gpo.gov/o\\_net/](http://www.access.gpo.gov/o_net/). O\*NET 98 is also available for download from GPO's web site.

**When will O\*NET replace the dictionary of occupational titles (dot)?**

It is anticipated that, for the immediate future, both the DOT and O\*NET 98 will be used, depending upon users' needs and computer capabilities. Some users may switch over immediately, while others may need to wait longer depending upon their own particular situations.

# Publications



## ***Annual Report to the Governor***

A report submitted to the Governor, which reviews the administration and operation of the Unemployment Insurance, Employment Service and Employment and Training programs for the previous year. It also contains a report outlining the Status of the Trust Fund.

## ***Your Guide to Oklahoma's LMI***

This publication is designed to help users of Labor Market Information with frequently asked questions and answers. It also furnishes brief definitions to commonly used terms associated with labor market analysis.

## ***Oklahoma Labor Market Information Monthly Newsletter***

Our newsletter contains monthly descriptions and tables of the current employment, hours, and earnings statistics, as well as, total civilian labor force, employed and unemployed data for the state, MSAs, and all counties. It also provides articles regarding agency programs and other topics of interest.

## ***Oklahoma Labor Market Information Fact Cards***

This pamphlet includes the historical annual averages for frequently requested labor market information for the state and nation. These pocket-sized cards are a quick and easy labor market reference.

## ***Oklahoma State Employment Service Job Openings and Applicants***

This publication is a review of labor supply and demand as reflected in the activities of the Oklahoma Employment Service, a Workforce Oklahoma partner. The occupations listed in this publication are those with the most applicants and/or are frequently listed with Employment Services.

## ***Oklahoma Labor Force Data***

This publication includes unemployment rate, civilian labor force, employed and unemployed for the nation, state, county, and metropolitan areas.

## ***Monthly Operations Card***

This is a pocket-sized card containing state and national Labor Force Data. It also summarizes Unemployment Insurance Claims and Employment Service Job Openings and Applicants for Oklahoma.

## ***Labor Force Information for Affirmative Action Programs***

This publication contains the most current Census and Labor Force data used for Affirmative Action Program Planning. Equal Employment Opportunity detailed reports by minority/gender for civilian labor force occupations are available in state, MSA, and county formats upon request.

## ***County Employment and Wage Data***

This publication contains Oklahoma county average employment, weekly earnings, and the number of employers by major industry for workers covered by unemployment insurance.

## ***Workforce Oklahoma Occupational Outlook***

This publication presents occupational employment, projected growth, and average openings for more than 500 occupations. Charts, graphs, and tables illustrate Oklahoma's occupational outlook.

## ***Oklahoma Wage Report***

This publication represents wage data collected as a result of an annual wage survey. Occupational wages, definitions, and interval percentage distributions are organized by MSA, LMA, and WIA.

***A World of Information at Your Fingertips***

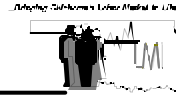
This booklet is designed to aid readers with career exploration and labor market analysis. It briefly introduces the readers to basic Internet concepts and search engines. Various web sites pertaining to job search and career information can also be found in this publication.

---

To Order Labor Market Information Publications, please send request to:

Labor Market Publications  
Oklahoma Employment Security Commission  
Will Rogers Memorial Office Bldg.,  
fourth Floor  
P.O. Box 52003  
Oklahoma City, Oklahoma 73152-2003  
or  
[lmi@oesc.state.ok.us](mailto:lmi@oesc.state.ok.us)

If you have any questions about these publications or need customized data, please call **(405) 557-7122**, fax **(405) 525-0139**, or email ***[lmi@oesc.state.ok.us](mailto:lmi@oesc.state.ok.us)***.



The Oklahoma Employment Security Commission (OESC) has moved into the world of cyberspace and is maintaining a home page on the World Wide Web ([www.oesc.state.ok.us](http://www.oesc.state.ok.us)) from which users can obtain a wide array of information. OESC strives to provide employment security and, in so doing, promote the economic well-being of the state of Oklahoma. These resources assist employers, job seekers, and other individuals needing information related to Oklahoma's economic and employment situation.

- 1) **Labor Market Information (LMI)** – An integral part in the economic, employment, and educational development of an area's infrastructure. LMI is the entire body of data that describes in detail the key elements that constitute the labor market workers and jobs. The mission of the LMI unit of the OESC is to develop, refine, and manage a comprehensive system of state and local Labor Market Information.

High quality Labor Market Information offers a wide array of historical, current, or projected information in many different areas. Through an effective LMI delivery system, citizens are afforded the opportunity to make more informed choices in the labor market arena. Any individual and/or organization needing to track the economic health of the state of Oklahoma and its local areas may access this information. Labor Market Information can be used for economic, education, labor force, and fiscal planning, as well as serving as a valuable tool for marketing, research, and individual career planning.

From this Web site you can find:

- a) LMI Reports. Includes following reports:

- Characteristics of the Insured Unemployed
- Labor Force Information for Affirmative action Programs (WIA)
- Monthly Agency Operations
- Occupational Wage Survey Report
- Oklahoma Covered Industry and Wage Data
- Oklahoma Economic Indicators
- Trends in the Oklahoma Job Market, 10 year Projections

- b) On-Line Publications. This allows you to view publications through the Internet and also provides an LMI Publications Order Form.

- A World of Information at Your Fingertips
- County Employment and Wage Data
- Current Employment Statistics
- Great Plains General Business Index
- Labor Force Information for Affirmative Action Programs
- Oklahoma Labor Force Data
- Oklahoma Labor Market Information Monthly Newsletters
- Oklahoma Labor Market Information Annual Summary
- Oklahoma Licensed and Certified Occupations
- Oklahoma State Employment Service Job Openings and Applicants
- Oklahoma Wage Report
- Workforce OK Occupational Outlook
- Your Guide to Oklahoma Labor Market Information

- c) **Link to Bureau of Labor Statistics.** The BLS is an independent national statistical agency that collects, processes, analyzes, and disseminates essential statistical data in the broad field of labor economics to the American public, the U.S. Congress, other Federal agencies, state and local governments, business, and labor. It provides information and data for every BLS program, and links to other statistical sites.
- 2) **Employment Services and The Oklahoma Job Net (OJN)** – Finding jobs for people and people for jobs. Job seekers can search through an extensive database of job openings and obtain vital Labor Market Information. Employers can access wide array of information, download needed forms, and post job openings online.
- 3) **Unemployment Insurance** – Get the latest information about unemployment insurance for both job seekers and employers. Find out how to apply for benefits or how contribution rates are calculated. Online new hire reporting is also available.
- 4) **Employment & Training** – Discover employment and training opportunities for economically disadvantaged and others facing barriers to employment.
- 5) **Veterans Services** – Learn about employment and training opportunities for U.S. veterans.
- 6) **Links to Web Sites** – It includes an Internet Tour with hyperlinks to job, career, and labor market data sites, such as Career Resource Web Sites, Education and Training Web Sites, Employer Locator Web Sites, Job Search Web Sites, Newspaper and Media Web Sites, U.S. Government, and related Web Sites.
- 7) **Employer Resources** – Provides current news and information of interest to employers. Employers can find information about unemployment insurance, employer councils, and possible tax credit opportunities. They also can input new hire information through a secured transmittal over the Internet.
- 8) **The Civil Rights Office (CRO) of the Oklahoma Employment Security Commission (OESC)** – It has a commitment to specific ongoing Equal Opportunity efforts. The commitments cover equal opportunity policies, equal opportunity assurances, equitable services, program and site access to individuals with disabilities, collection and maintenance of data, monitoring, corrective action, and discrimination complaints.

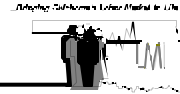
**Visit our web site at:**

**<http://www.oesc.state.ok.us>**

**Get all States' Employment Security Commission contact information at:**

**<http://stat.bls.gov/ofolist.htm>**

# Glossary



**Accession Rate** – the number of additional employees hired during a specific period, expressed as a percentage of total employment. The additions cover all types of employees, including both new and rehired workers on either a permanent or a temporary basis.

**Affirmative Action** - a program that became law with the passage of the Equal Employment Opportunity Act of 1972. Title VII of the Civil Rights Act of 1964 originally outlawed discrimination in employment practices. The 1972 law, later strengthened by executive orders, required employers, labor unions, employment agencies, and labor-management apprenticeship programs to make an affirmative effort to eliminate discrimination against and increase employment of females and minorities. Affirmative Action Plan refers to detailed written plans drawn up by an employer for equalizing opportunity with respect to hiring, promotion, transfers, wages and salaries, training programs, fringe benefits, and other conditions of employment. These plans include definite numerical goals and timetables for achieving such changes.

**Aggregate Demand** – the total effective demand for the nation’s total output of goods and services.

**Aggregate Supply** – the total amount of goods and services available from all industries in the economy.

**Agribusiness** – the sector of the economy concerned with the production, processing, and distribution of agricultural products and farm supplies (machinery, fertilizer, pesticides, herbicides). It also includes businesses that provide agricultural services (animal husbandry) and economic agencies and financial institutions that serve

agricultural producers (credit institutions, marketing associations, etc.).

**America’s Job Bank (AJB)** - a national job bank administered through the U.S. Department of Labor that is available via the Internet. The AJB web address is [www.ajb.dni.us](http://www.ajb.dni.us). The AJB is linked to all state Employment Security Agency job banks as well as to employer homepages. (See also job bank, Oklahoma Job Net, Internet, and homepage)

**America’s Labor Market Information System (ALMIS)** – provides comprehensive economic and occupational data to jobseekers, employers, students, counselors, economic development staff, and other users. ALMIS consists of the following components: America’s Labor Market Information System, America’s Job Bank, America’s Talent Bank, and America’s Training Network.

**America’s Talent Bank (ATB)** – a nationwide database of electronic resumes that can be searched electronically by employers. ATB provides direct access by employers to interested jobseekers and provides jobseekers unprecedented access into a broad job market.

**Applicant** - a person who registers with a local Employment Security office to seek employment or obtain employability development services. Applicants remain “active” until they are placed in a permanent job or in training or as long as they continue to actively seek services from a local Employment Security office.

**Area Sample** - a sample based on the population of a geographic area; for example, all the residents of a given county.

**Average Weekly Earnings (CES/BLS-790 Program)** - average total money earnings in non-farm employment, during the survey week, of production workers plus non-supervisory workers not in production including overtime, paid vacation, and sick leave.

**Average Weekly Wages (CEW/ES-202 Program)** - average total money earnings in the survey week of all workers in employment covered by unemployment compensation.

**Base Period** - a selected period of time, frequently one year (called a base year), against which changes in succeeding years are calculated. The relationship is usually expressed as “base year = 100”.

**Benchmark** - comprehensive data that are used as a basis for developing and adjusting interim estimates made from sample information. Most economic time series are estimates based on a sample trend made of the best data available at the time. The series are adjusted periodically as more data become available. This periodic adjustment is a “benchmark revision”, and the point-in-time for which the more complete data were available is the “benchmark date”. Data are commonly referenced by their benchmark date, e.g. “data based on a March 1995 benchmark”.

**Browser** - a client program (software) that is used to look at various kinds of Internet resources.

**Bureau of Labor Statistics (BLS)** - the U.S. government’s principal data-gathering agency in the field of labor economics, particularly with respect to the collection and analysis of data on manpower and labor requirements, the labor force, employment and unemployment, hours of work, wages and other compensation, prices, living conditions, labor-management relations, productivity, technological developments, occupational safety and health, etc.

Practically all of the data BLS collects are supplied voluntarily by workers, businesses, and government agencies. Its chief publications include the *Monthly Labor Review*, “Consumer Price Index”, “Wholesale Prices and Price Indexes”, and “Employment and Earnings”.

**Business Cycle** - a pattern of fluctuation in economic activity, characterized by alternate expansion and contraction. In general, business activity expands with rising industrial production, rising employment, prices, wages, interest rates, and profits. Activity reaches a high point of prosperity and stays there for a time. Then activity begins to contract, with business volume receding and production, employment, prices, etc., declining for a time until a low point is reached. After a time, recovery begins, and business activity expands again. Economists distinguish four phases, known by various names:

1. expansion (prosperity, boom),
2. contraction (crisis, recession, slump, downturn),
3. depression (trough, bust, crash, bottom),
4. recovery (revival, upturn).

**Capital** – the means of production including factories, office buildings, machinery, tools, and equipment; alternatively, it can mean financial capital, the money to acquire the foregoing and employ land and labor resources.

**Civilian Labor Force** - the non-institutionalized portion of the population age sixteen and older that is employed or actively seeking employment.

**Civilian Labor Force Participation Rate** – the proportion of the civilian non-institutional population that is actively participating in the civilian labor force.

**Collective Bargaining** – a process by which decisions regarding the wages, hours, and conditions of employment are determined by

the interaction of workers acting through their unions and employers.

**Consolidated Metropolitan Statistical Area (CMSA)** - a large metropolitan statistical area with a population of one million or more, which is subdivided into two or more primary metropolitan statistical areas.

**Consumer Price Index (CPI)** - a price index constructed monthly by the U.S. Bureau of Labor Statistics. The index provides a statistical measure of the average change in prices in a fixed market basket of goods and services. The CPI is based on the retail prices of about 400 goods and services sold in a large number of cities across the country. Data are collected from more than 24,000 retail establishments and 24,000 tenants in 85 urban areas. Like other price indexes, the CPI weighs products by their importance, in terms of the dollar value of purchases reflecting their importance in the individual consumer's budget. It then compares prices to those of a selected base period. The CPI is published for two different population groups: (1) a CPI for all Urban Consumers (CPI-U) which covers approximately 8 percent of the total population and, (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers about 32 percent of the population. The CPI-U includes, in addition to wage earners and clerical workers, such groups as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, retirees, and others not in the labor force.

**Cost-of-Living Adjustment (COLA)** - a frequently used provision of labor contracts that grants wage increases based on changes in the consumer price index; often referred to in negotiations as the "escalator clause."

**Covered Employment** - employment by an employer who reports wage and tax information to OESC as required by law. In Oklahoma, some of those employed in agriculture, some employed students, as well

as the self-employed, those employed by religious organizations, fully commissioned real estate brokers and insurance sellers, and elected and appointed officials are not covered in significant numbers.

**Current Employment Statistics (CES)** - estimates of non-farm wage and salary employment and production workers' hours and earnings by industry. They are produced monthly in cooperation with the Bureau of Labor Statistics as part of a nationwide program for each state and Metropolitan Statistical Area (MSA) from a sample of employing establishments.

**Current Population Survey (CPS)** - a monthly household survey of the population of the United States, which is the data source for the national estimates of the labor force composition. It is conducted by the Bureau of the Census. Approximately 1,025 Oklahoma households are surveyed. Nationwide the number is approximately 70,000.

**Cyberspace** - term originated by author William Gibson in his novel *Neuromancer*. The word Cyberspace is currently used to describe the whole range of information resources available through computer networks.

**Cyclical Industry** - an industry whose sales and profits reflect, to a great extent, the ups and downs of the business cycle. Practically all of the capital goods industries (steel, machine tools, etc.) are cyclical because a moderate decline in demand may eliminate the demand for the capital goods needed to make the product.

**Cyclical Unemployment** - see Unemployment.

**Discouraged Worker** - people who want to work but have made no attempt to find work in the last four weeks because they felt they could not find work. Discouraged workers are not counted among the unemployed or in the labor force.

**Disposable Income** – the amount of after-tax income that households have available for consumption or saving.

**Diversification** –the process in which a business firm increases the variety of products it produces and sells, either by introducing new products into the same product line or market, or by going into new product lines or markets.

**Domain Name** - the unique name that identifies an Internet site. Domain Names always have two or more parts, separated by dots. The part on the left is the most specific, and the part on the right is the most general. A given machine may have more than one Domain Name but a given Domain Name points to only one machine.

**DOT Codes** - an occupational classification system based on both the nature of the work performed and the demands of such work activities upon the workers. These indicators of work requirements include eight separate classification components: training time, aptitudes, interests, temperaments, physical demands, working conditions, work performed, and industry. The U.S. Department of Labor, Employment and Training Administration publishes these codes in the *Dictionary of Occupational Titles*.

**Durable Goods** - items with a normal life expectancy of three years or more. Automobiles, furniture, household appliances, and mobile homes are examples. Because of their nature, expenditures for durable goods are generally postponable. Consequently, durable goods sales are the most volatile component of consumer expenditures.

**Earned Income** – wages, salaries, and other employee compensation plus earnings from self-employment.

**Econometric Model** - a set of related equations used to analyze economic data

through mathematical and statistical techniques. Such models are devised to depict the essential quantitative relationships that determine the behavior of output, income, employment, and prices. Econometric models are used for forecasting, for estimating the likely quantitative impact of alternative assumptions (including those pertaining to government policies), and for testing various theories about the way the economy works.

**Economic Indicators** - a statistical series that has been found to fairly and accurately represent changes in business conditions. There are three major groups of economic indicators that demonstrate a consistent relationship to the timing of general business fluctuations:

1. *Leading indicators* signal in advance a change in the basic pattern of economic performance. Examples are new orders for durable goods, construction contracts, formation of new business enterprises, hiring rates, and the average length of the workweek. These indicators move ahead of turns in the business cycle. For this reason, they provide significant clues to future shifts in the general direction of business activity.
2. *Coincident indicators* measure current economic performance. Their movements coincide roughly with total economic activity. Gross Domestic Product, industrial production, personal income, employment, unemployment, wholesale prices, and retail sales are examples.
4. *Lagging indicators*, such as capital expenditures and consumer installment debt, usually move up or down after general business activity has altered its course. (Economic indicators appear in *Business Conditions Digest*, a monthly publication of the U.S. Department of Commerce.)

**Economic Time Series** - a set of data collected over regular time intervals (e.g., weekly, monthly, quarterly, annually), which measures some aspect of economic activity. The data may measure a large grouping such as GDP or a narrow segment such as auto sales or the price of copper.

**E-mail - (Electronic Mail)** - messages, usually text, sent from one person to another via computer. E-mail can also be sent automatically to a large number of addresses (Mailing List).

**Employed** – people work for pay or own their own business at any time during the week, which includes the twelfth day of the month or if they work as unpaid workers for fifteen hours or more in a family-owned business. Persons who were temporarily absent from their jobs due to vacation, illness, bad weather, strike, or personal reasons are also counted as employed. Included in the employed group are those who are employed full-time (35 hours or more during the survey week) and those who are employed part-time.

**Employment Benchmark** – a reasonably complete count of employment used to adjust estimates derived from a sample. Adjustment is usually done annually. The basic source of benchmark data for the Current Employment Statistics program is data collected from employers by state employment security agencies as a by-product of the unemployment insurance (UI) system. About 98 percent of all employees on nonagricultural payrolls are covered by the UI system.

**Employment Cost Index (ECI)** – measures the rate of change in employee compensation, which includes wages, salaries, and employer's cost for employee benefits. The ECI was developed in response to a frequently expressed need for such a statistical series. The ECI is comprehensive in that it 1) includes costs incurred by employers for employee benefits in addition to wages and salaries; and

2) covers all establishments and occupations in both the private non-farm and public sectors. It measures the change in the cost of employing a fixed set of labor inputs, so it is not affected over time by changes in the composition of the labor force.

**Employment by Place of Establishment (Location of Employment)** - data about jobs by place of work.

**Employment by Place of Residence** - data about people by place of residence.

**Employment Level** - the estimate of the number of members of the labor force who worked for pay or profit; or had a job from which they were temporarily absent because of illness, vacation, labor dispute, or other reasons not reflecting a shortage of work; or who worked 15 hours or more as unpaid workers in an enterprise operated by a member of the family.

**Employment Population Ratio** – the proportion of the civilian non-institutional population that is employed.

**Equal Employment Opportunity (EEO)** – fair employment laws prohibit discrimination and require the employer to provide equal employment opportunity without regard to race, color, religion, sex, national origin, age, disabling condition, or reprisal.

**ES** - Employment Service.

**Establishment** – an economic unit, such as a farm, mine, factory, or store, which produces goods or provides services. It is usually at a single physical location and engaged in one predominant type of economic activity for which a Standard Industrial Classification (SIC) code is applicable.

**Fair Labor Standards Act** – the Federal Wage and House law adopted by Congress in 1938 that set a minimum wage for most American workers. It also mandates

overtime pay beyond an eight-hour workday or over 40 hours a week.

**FAQ - (Frequently Asked Questions)** - FAQs are documents that list and answer the most common questions on a particular subject. There are hundreds of FAQs on subjects as diverse as Pet Grooming and Cryptography. FAQs are time-saving tool developed by people who repeatedly answer the same questions.

**Fire Wall** - a combination of hardware and software that separates a Local Area Network into two or more parts for security purposes.

**Frictional Unemployment** - see Unemployment.

**Fringe Benefits** – non-wage returns to workers for labor services; includes time off with pay for holidays and vacation.

**FTP - (File Transfer Protocol)** - a very common method of moving files between two Internet sites. FTP is a special way to login to another Internet site for the purposes of retrieving and/or sending files. There are many Internet sites that have established publicly accessible repositories of material that can be obtained using FTP, by logging in using the account name anonymous, thus these sites are called anonymous FTP servers.

**Full Employment** - a state of the economy in which all persons who want to work can find employment at prevailing rates of pay. Some Unemployment, both voluntary and involuntary, is not incompatible with full employment, since allowances must be made for frictional and seasonal factors, which are always present to some degree.

**Full-Time Employment** - employment of 35 hours or more per week.

**Gross Domestic Product (GDP)** - the market value of the output of goods and services produced by property and labor

*located in* the United States. GDP is a “gross” measure because no deduction is made to reflect the wearing out of machinery and other capital assets used in production. The GDP is a key measure of the overall performance of the economy and a gauge of the health of important sectors.

**Gross National Product (GNP)** - differs from gross domestic product in that it covers the goods and services produced by labor and property *supplied by* United States residents.

**High Demand Occupation** - an occupation which has a substantial number of job openings both in absolute terms and relative to the number of job applicants for that occupation. High demand may be as a result of high growth, high turnover, or a combination of both.

**High Technology** - Group I includes industries with a proportion of technology-oriented workers (engineers, life and physical scientists, mathematical specialists, engineering and science technicians, and computer specialists) at least 1.5 times the average for all industries. Group II includes all industries with a ratio of research and development (R&D) expenditures to NET sales at least twice the average for all industries. Group III includes manufacturing industries with a proportion of technology-oriented workers equal to or greater than the average for all manufacturing industries and a ratio of (R&D) expenditures to sales close to or above the average for all industries. Two non-manufacturing industries, computer and data processing services and R&D laboratories, are also included.

**Hispanic** – persons who identify themselves as Mexican, Puerto Rican, Cuban, Central or South American, or of other Hispanic origin or descent. In U.S. Census data, persons of Hispanic origin may be of any race; thus, they are included in both the white and black population groups. Conversely, MSAs data identifies Hispanic as a separate entity and

does not include their number in any other category.

**Home Page (or Homepage)** - several meanings. Originally, the web page that your browser is set to use when it starts up. The more common meaning refers to the main web page for a business, organization, person, or simply the main page out of a collection of web pages, e.g. "Check out so-and-so's new Home Page."

**HTML - (Hyper-Text Markup Language)** - the coding language used to create Hyper-text documents for use on the World Wide Web. HTML looks a lot like old-fashioned typesetting code, where you surround a block of text with codes that indicate how it should appear. Additionally, in HTML you can specify that a block of text, or a word, is linked to another file on the Internet. HTML files are meant to be viewed using a World Wide Web Client Program, such as Netscape or Mosaic.

**HTTP - (Hyper-Text Transport Protocol)** - the protocol for moving hypertext files across the Internet. Requires a HTTP client program on one end and an HTTP server program on the other end. HTTP is the most important protocol used in the World Wide Web (WWW).

**Human Capital** – labor that is literate, skilled, trained, healthy, and economically motivated.

**Hypertext** - generally, any text that contains links to other documents - words or phrases in the document that can be chosen by a reader and which cause another document to be retrieved and displayed.

**Index of Leading Economic Indicators** – an index that includes 12 economic variables that have been found to have a historical tendency to precede the turning points of the level of Gross National Product. The index is a composite of those 12 indicators.

**Industry** – an establishment or group of establishments engaged in producing similar types of goods and services.

**Industry-Occupation (I-O) Matrix** – a tabulation of employment data cross-classified by industry and occupation, arranged in a grid divided into rows and columns. It provides a model representing the occupational, employment staffing patterns of each industry for one point in time.

**Inflation** – a continuously rising general price level, resulting in a loss of the purchasing power of money.

**Initial Claim** – a notice filed by a worker at the beginning of a period of unemployment requesting a determination of insured status for jobless benefits.

**Internet** - the vast collection of interconnected networks that all use the TCP/IP protocols and that evolved from the ARPANET of the late 60's and early 70's.

**Intranet** - a private network inside a company or organization that uses the same kinds of software that you would find on the public Internet, but that is only for internal use.

**Index Number** - a measure of the relative changes occurring in a series of values compared with a base period. The base period usually equals 100 and any variations from it represent magnitude of change. By use of an index number, volumes of data can be combined and weighted into one number relative to the base value.

**Java** - a new programming language invented by Sun Microsystems that is specifically designed for writing programs that can be safely downloaded to your computer through the Internet and immediately run without fear of viruses or other harm to your computer or files. Using small Java programs (called "Applets"), Web pages can include functions such as

animations, calculators, and other fancy tricks.

**Job Bank** - a computerized system, which provides rapid dissemination of job orders throughout a network of Employment Service local offices.

**Labor Force** - see Civilian Labor Force.

**Labor Market Area (LMA)** - an economically integrated area within which individuals can reside and find employment within a reasonable distance or can readily change jobs without changing their place of residence.

**Labor Market Information (LMI)** - data on a broad range of topics including labor force, employment by industry and occupation, unemployment, population, earnings, wages, and hours worked.

**Labor Statistics, Bureau of (BLS)** – the U.S. Government’s principal fact-finding agency in the field of Labor Economics, particularly with respect to the collection and analysis of data on labor resources and labor requirements, the labor force, employment and unemployment, hours of work, wages and other compensation, prices, living conditions, labor-management relations, productivity, technological developments, occupational safety and health, etc. Practically all the data BLS collects are supplied voluntarily by workers, businesses, and government agencies. Its chief publications include the *Monthly Labor Review*, *Consumer Price Index*, *Wholesale Prices and Price Indexes*, and *Employment and Earnings*.

**Manufacturing** - includes establishments engaged in the mechanical or chemical transformation of materials or substances into new products. These establishments, usually described as plants, factories, or mills, characteristically use power driven machines and materials handling equipment. The product of a manufacturing establishment may be “finished” in the sense

that it is ready for utilization or consumption, or it may be “semi-finished” to become a raw material for an establishment engaged in further manufacturing.

**Mean (average)** - obtained by adding all the observed values together and dividing by their total number.

**Median** - the middle value (or midpoint between two middle values) in a set of data arranged in order of increasing or decreasing magnitude. As such, one-half of the items in the set are less than the median, and one-half are greater.

**Metropolitan Statistical Area (MSA)** - defined by the Federal Office of Management and Budget (OMB) based primarily on commuting patterns data from the U.S. Decennial Census. Generally, an MSA is a county or group of contiguous counties (or cities and towns) with (1) a city of 50,000 or more population, or (2) a United States Bureau of Census defined “urbanized area” of at least 50,000 in population, provided that the component county/counties of the MSA have a total population of at least 50,000.

**Minimum Wage** – the minimum hourly rate of pay required by either federal or state law. The state’s basic minimum hourly wage and federal minimum hourly rate became \$5.15 on September 1, 1997. The Oklahoma Department of Labor is responsible for enforcing the Oklahoma Minimum Wage Law.

**Minority** - generally a person identified as a member of a race other than Caucasian and/or a person of Hispanic origin.

**Mode** - the most frequently occurring value in a group of values. Like the mean, the mode is not influenced by extreme values in the group.

**Modem** - (Modulator, Demodulator) -- a device that you connect to your computer

and to a phone line that allows the computer to talk to other computers through the phone system. Basically, modems do for computers what a telephone does for humans.

**Multiple Job Holders** - persons who concurrently hold more than one job.

**Network** - any time you connect two or more computers together so that they can share resources, you have a computer network. Connect two or more networks together, and you have an internet.

**Nominal** - economic values expressed in current prices. A general increase in prices will cause nominal prices to rise even if there is no real change in the value (see real).

**Non-durable Goods** - items that generally last for only a short time (three years or less). Food, beverages, apparel, and gasoline are common examples. Because of the nature of non-durable goods, they are generally purchased when needed.

**Non-farm Wage and Salary Employment** - employment by place of work that does not include the self-employed, unpaid family workers, or most agricultural workers. This is a consistent economic time series allowing comparisons of different labor markets over an extended period of time.

**Non-manufacturing** - encompasses all of the industries that are not involved in the production of goods from raw materials. Non-manufacturing industries include mining; construction; transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; services; and government.

**Occupation** - refers to the unique set of tasks, skills, and abilities associated with a worker performing a certain job.

**Occupational Employment Statistics (OES)** - a program, which produces

occupational data describing patterns in major industries. Products of these data include projections by occupation for use by educators and other occupational planners.

**Occupational Staffing Patterns** - describes an industry in terms of its occupational distribution. For example, an occupational staffing pattern for the electrical machinery industry would indicate how many of the workers in the industry were employed as electrical engineers, electronics technicians, assemblers, etc.

**Oklahoma Job Link** - an Internet listing of current openings listed through the Oklahoma Employment Security Commission (OESC). The job listings can be searched by occupation type or keyword. The OESC homepage address is [www.oesc.state.ok.us](http://www.oesc.state.ok.us).

**O\*NET** - the Occupational Information Network is a comprehensive database that identifies and describes occupations, worker skills, knowledge, abilities, and workplace requirements for jobs across the country in all sectors of the economy. It is an automated replacement for the outmoded *Dictionary of Occupational Titles* (DOT) with the flexibility needed to capture rapidly changing job requirements now and into the 21st century.

**One-Stop Career Center System** - an integrated system of service providers, which is designed to streamline service and reduce duplication of service. There are four main components of a One-Stop system including universality, customer choice, integrated system, and performance-driven outcome-based measures. Normally, a One-Stop system implies co-location between One-Stop partners; however, accessibility to information and services can be provided in other ways including technology related methods such as the Internet. The provision of Labor Market Information is an integral part of the One-Stop framework as it allows users to make informed and educated choices.

**Part-Time Employment** - employment of less than 35 hours per week.

**Per Capita Personal Income** - total personal income divided by total population.

**Per Capita Real Income** – individual personal income, mostly wages, stated in non-inflationary monetary units. It is calculated by dividing the total national real income (or GNP) by the population size.

**Personal Income** - private and government wage and salary payments in cash and in kind, other labor income, agricultural and non-farm proprietors' income, interest, net rent, dividends, and transfer payments less personal contributions for social security insurance. It is measured before the deduction of personal income taxes and other personal taxes.

**Poverty Line** – the family income level below which people are officially classified as poor.

**Producer Price Index (PPI)** – replaced the Wholesale Price Index as the most important monthly measure of prices at the wholesale level. PPI is really three indexes one for producer finished goods, one for intermediate, and one for crude commodities. The PPI usually refers to the finished goods index.

**Production Worker** – the group that covers employees, up through the level of working supervisors, who are engaged directly in the manufacture of the product of an establishment. Among those excluded from this category are persons in executive and managerial positions and persons engaged in activities such as accounting, sales, advertising, routine clerical work, and professional and technical functions.

**Real** - a variable after it has been adjusted for changes in the general level of prices.

**Resources** – the inputs that are used in production including natural resources (minerals, timber, rivers), labor (blue collar, white collar), and capital (machinery, buildings).

**Sample** - a finite part of a statistical population chosen to be representative of the whole population. The properties of the sample are studied to gain information about the whole population.

**Sampling Error** - an error arising from the fact that it is not statistically possible, short of a 100% sample, to select a sample, which corresponds perfectly to the population from which it is selected. As the size of a sample increases, the magnitude of the sampling error decreases. Sampling error differs from other kinds of statistical errors in that it occurs at random and is unbiased. Non-sampling error, on the other hand, is error that can be attributed to mistakes in data collection, tabulation, analysis, etc.

**SESA** - State Employment Security Agency.

**Seasonal Adjustment** – a statistical procedure that removes the month-to-month seasonal effects from a data series. Over the course of a year, the levels of employment and unemployment undergo sharp fluctuations due to such seasonal developments as changes in weather, the planting and harvesting of crops, major holidays, and the opening and closing of schools. Since these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. The adjusted figures provide a more useful tool with which to analyze changes in economic activity.

**Seasonal Industry** - an industry in which activity is affected by regularly recurring weather changes, holidays, vacations, etc. The construction industry is typically characterized as seasonal.

**Seasonal Unemployment** - see Unemployment.

**Self-Employed Worker** – describes an individual who works more or less regularly, but usually does so in his/her own home or office. This person is not listed on any establishment's payroll. The self-employed include many truck drivers, professionals (doctors, lawyers, dentists, architects, consultants), and others who work on a freelance, assignment basis.

**Server** - a computer, or a software package, that provides a specific kind of service to client software running on other computers. The term can refer to a particular piece of software, such as a WWW server, or to the machine on which the software is running, e.g., "Our mail server is down today, that's why e-mail isn't getting out." A single server machine could have several different server software packages running on it, thus providing many different servers to clients on the network.

**Staffing Patterns** – see Occupational Staffing Patterns.

**Standard Industrial Classification Codes (SIC)** - a structure in which all establishments are assigned a four-digit code according to their primary economic activity. Frequently references are made to SIC codes at the one, two, or three digit levels when a less specific classification is useful. SIC Codes are published by the Federal Office of Management and Budget in the Standard Industrial Classification Manual.

**Statistics** – the data on economic variables; also, the techniques of analyzing, interpreting, and presenting data.

**Structural Unemployment** - see Unemployment.

**Survey week** - the week that includes the twelfth of the month is used as a reference period for most labor force data.

**Talent Bank** - a listing of job-seekers' skills, usually resumes, which employers can search to locate potential employees. Talent banks can be automated and are even disseminated via the Internet.

**TCP/IP - (Transmission Control Protocol/Internet Protocol)** - this is the suite of protocols that defines the Internet. Originally designed for the UNIX operating system, TCP/IP software is now available for every major kind of computer operating system. To be truly on the Internet, your computer must have TCP/IP software.

**Telnet** - The command and program used to login from one Internet site to another. The Telnet command/program gets you to the login prompt of another host.

**Time Series** - a set of consistent economic quantitative data collected at periodic intervals. (Most LMI is monthly, but weekly and annual data is published for some items.)

**Underemployed** – workers who cannot obtain full-time employment or who are working at jobs for which they are overqualified.

**Underemployment** - a condition that includes both persons who are working part-time who would prefer full-time work and persons working full-time in an occupation which does not fully utilize their skills derived from prior training or experience.

**Unemployment** - the condition of those members of the labor force who did not work but were seeking work or were awaiting recall from layoffs or the beginning of a new job within 30 days. This includes persons receiving unemployment insurance benefits, those who have delayed filing for benefits but were eligible to receive them, those who have applied for benefits but were not eligible to receive them, unemployed workers who exhausted benefits in the current benefit year, unemployed workers

from employers not covered by unemployment insurance, and unemployed persons newly entering or reentering the labor force. Unemployment can be divided into four different types: frictional, structural, cyclical, and seasonal. Frictional unemployment is short term, encountered in searching for a job or from a temporary layoff. Structural unemployment results from a mismatch between the skill requirements of existing job openings and the skills of those who are currently unemployed. Cyclical unemployment results when the total demand for labor is less than total supply of available workers. Seasonal unemployment is sometimes considered as part of cyclical unemployment. It is the portion of unemployment resulting from lack of demand in certain occupations due to seasonal patterns.

**Unemployment Insurance** – a program that provides cash benefits for workers who are unemployed through no fault of their own and who are able to work, available to work, and who are actively seeking work. Eligibility to receive these benefits is set by law. The program is financed through taxes paid into a trust fund by Oklahoma employers for their employees.

**Unemployment Rate** - the number of unemployed persons expressed as a percentage of the labor force.

**Unemployment Trust Fund** – a fund established in the Treasury of the United States which contains all monies deposited by state agencies to the credit of their unemployment fund accounts and federal unemployment taxes collected by the Internal Revenue Service. Each state has a separate account in this fund. States deposit Unemployment Insurance contributions into this account and draw on the account to pay unemployment benefits.

**Urbanized Area** - a geographical area where the population density is at least 1,000 persons per square mile.

**URL - (Uniform Resource Locator)** - the standard way to give the address of any resource on the Internet that is part of the World Wide Web (WWW). A URL looks like this:

<http://www.matisse.net/seminars.html>,  
or <telnet://well.sf.ca.us>, or  
<news:new.newusers.questions> etc.

**WWW - (World Wide Web)** - two meanings - First, loosely used, the whole constellation of resources that can be accessed using Gopher, FTP, HTTP, Telnet, USENET, WAIS, and some other tools. Second, the universe of hypertext servers (HTTP servers) that allows text, graphics, sound files, etc. to be mixed together.