

Metropolitan Washington
Council of Governments
Presentation on BEA

Employment
May 6, 2003

Employment by Industry

- BEA employment provided as a supplement to the estimates of wages and earnings
- Designed to conform conceptually and statistically with the place-of-work earnings estimates
 - ◆ Same source data are used for both earnings and employment whenever possible

Employment by Industry

- Definition

- ◆ The number of wage and salary jobs plus the numbers of sole proprietorships and of members of partnerships except limited partners

- The employment estimates measure the number of jobs in a county—not the number of workers who perform the jobs

Employment by Industry

- Treatment of part time jobs
 - ◆ BEA's county employment are estimated on full-time and part-time basis
 - ◆ Data not available to prepare full-time equivalent measures
 - ◆ Limits usefulness of average earnings measure

Employment Comparisons

- BEA local area employment not fully consistent with BEA national employment
 - ◆ Local area prepared on full-time and part-time basis
 - ◆ National also has full-time equivalent
 - ◆ Government employees working abroad
 - ◆ Excluded from local employment
 - ◆ Included in national employment

Employment Comparisons

- Border workers and Seasonal workers
 - ◆ Local employment includes those working in the U.S.
 - ◆ National employment excludes those working in U.S. but includes U.S. working abroad

Employment Comparisons

■ Proprietors

- ◆ Local includes sole proprietors and members of partnerships who are not limited partners
- ◆ National count only persons whose principal occupation is their self-employment--approximating full-time equivalent

Employment Sources

- Wage employment
 - ◆ BLS ES-202 data
 - ◆ Adjustments for misreporting, etc.
 - ◆ Railroad Retirement Board
 - ◆ County Business Patterns
 - ◆ USDA
 - ◆ Department of Defense

Employment Sources

■ Nonfarm Proprietors—National

◆ Sole proprietors

- ◆ Count of Schedule C's filed with IRS

◆ Partners

- ◆ Number of partners reported on IRS form 1065—adjusted to remove limited partners and corporate partners
 - Special tabulations from IRS

Employment Sources

- Nonfarm Proprietors—County
 - ◆ IRS tabulations of 1040 Schedule C's and 1065 returns
 - ◆ Because of confidentiality issues, detail at county level is division/sector level

Employment Sources

- Farm Self-Employment
 - ◆ National from USDA adjusted to remove corporate farms
 - ◆ County employment based on Census of Agriculture counts

Census, BLS, and BEA Wage employment Comparisons

- Census reports 6 digit NAICS industry employment for month of March
- BLS reports 6 digit NAICS industry annual average employment derived from monthly data
- BEA reports total wage employment annual average derived from monthly data. Sector level total employment (wage plus proprietors')

Census, BLS, and BEA Wage employment Comparisons

- Government employment
 - ◆ Census excludes most government
 - ◆ BLS excludes military
 - ◆ BEA includes all government employment

Census, BLS, and BEA Wage employment Comparisons

- Educational services, membership organizations, and small nonprofit organizations in other industries
 - ◆ Census coverage is more complete than BLS
 - ◆ BEA adjusts BLS employment to address these industries

Census, BLS, and BEA Wage employment Comparisons

- Agricultural production and household workers
 - ◆ Census excludes
 - ◆ BLS partially covers
 - ◆ BEA adjusts to fully cover

Census, BLS, and BEA Wage employment Comparisons

■ American Indian Tribal Councils

- ◆ Employment attributed to establishments controlled by tribal councils has in the past been classified by Census and BLS in the private sector according to the business activity
- ◆ Beginning with 2001 BLS classifies all establishments controlled by tribal councils as local government

Census, BLS, and BEA Wage employment Comparisons

- American Indian Tribal Councils
 - ◆ BEA also reports tribal council establishments in local government beginning in 2001
 - ◆ BEA is working on plan to carry this back in the comprehensive revision estimates next year

Comparison of the Numbers

- 11/21/02 BLS reported that Santa Clara County had the 4th largest absolute decline of any county in 2001-- (-22,112)
- 12/30/02 BEA released total wage employment by county showing Santa Clara to have a decline of (-28,576)
- 4/10/03 Census reports Santa Clara has the largest gain in employment--43,500

Comparison of the Numbers

- BLS and Census are both correct
 - ◆ BLS March employment shows similar gain as Census
 - ◆ Santa Clara economy collapsed after March 2001

Employment Future

- BLS and Census will be comparing their series as part of new data sharing legislation
- BEA is working to accelerate metro personal income and county personal income release to 10 months from end of year
- BEA is considering publishing subsector level wage employment
- OBERS projections in future?
 - ◆ Reviving BEA's projections will require users to make it clear your need for these statistics

Questions

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