

County Employment Data from the Bureau of Labor Statistics.

Introduction

This document discusses the use of county employment data from the Bureau of Labor Statistics (BLS). The BLS produces two dedicated measures of county employment. Each measure has its advantages and disadvantages and care should be taken in selecting the appropriate series.

County employment data is available through two programs:

- Covered Employment and Wages (CEW), which is also known as ES-202
- Local Area Unemployment Statistics (LAUS).

There is a further, related series, the Current Establishment Survey (CES). However, the CES does not report employment on a strictly county-level basis (more about this later).

Covered Employment and Wages (CEW) versus Local Area Unemployment Statistics (LAUS)

Fundamental differences exist between the two programs.

1. Employment by place of residence versus place of work.

LAUS reports employment and unemployment by place of residence. CEW reports employment by place of work.

This can lead to varying employment measures, particularly in a State such as Delaware where interstate commuter flows are significant. For example, a worker who resides in Delaware County, PA, but works in New Castle County, Delaware, would be counted in New Castle County's CEW measure, but not New Castle County's LAUS measure.

2. Number Employed versus Number of Jobs

The LAUS reports the number of persons who are employed, regardless of the number of jobs they hold. The CEW reports the number of employees at county employers. The CEW will be larger than the LAUS measure of employment whenever multiple job holding exists.

3. Employment detail

LAUS reports four measures:

- Number employed
- Number unemployed
- Number in labor force
- Unemployment rate (%)

CEW reports county employment by:

Industry—agricultural services, construction, manufacturing, transportation and public utilities, wholesale trade, retail trade, finance, services, and public administration (government).

Ownership--private, Federal government, State government, or local government.

4. Frequency

LAUS is reported monthly.

CEW is reported quarterly.

The CEW is not without its shortcomings:

- Undefined counties. It is not uncommon for employment to report without a county. In 2000, 11,500 jobs (2.8% of total employment) had an unknown or undefined county.
- Suppression. County employment by industry is sometimes suppressed to ensure confidentiality of the reported agents. The CEW does report total employment by county and ownership. Therefore, an evaluation of total suppression by county can be made.

Comparison between CEW and CES (Current Establishment Survey or BLS790).

The CES is perhaps the most frequently used measure of national and local employment. The power of the CES is its timeliness: employment is reported monthly, by major industry with a one-month lag.

The CES reports employment at three geographic levels: national, statewide, and metropolitan statistical area (MSA). An MSA is defined as a sub-state region comprised of one or more counties that are economically related. The counties of an MSA need not be contained in the same state.

Delaware has two MSAs: Dover MSA and Wilmington-Newark MSA. Dover MSA comprises Kent County. Wilmington MSA comprises New Castle County **and** Cecil County, MD. Therefore, there is no directly comparable measure between the CEW and CES for New Castle County. Sussex County is a non-MSA region, and therefore CES data is not published for it.

The CES is benchmarked annually to the CEW. This entails adjusting the CES employment totals for the more accurate CEW information. The CEW is considered to be the more accurate since unlike the CES it is not a sample.

Comparing the State totals from the CEW and CES reveals the measurement differences between the two surveys. See table 1 below.

Table 1. Comparison of Employment Measures for Delaware and counties, 2000.

	LAUS	CEW	CES
Delaware	392,811	408,934	421,300
New Castle County	253,642	284,450	Not available
Kent	68,315	50,136	55,800
Sussex	70,854	62,752	Not available
Unknown or undefined	Not applicable	11,506	Not applicable

Source: BLS.

The universe for the CEW program is those positions that are covered by unemployment insurance. Therefore, any positions not covered by unemployment insurance simply fall outside of the scope of the program.

The universe for the Current Establishment Survey is total non-farm and non-private household employment. There is no distinction drawn between UI covered and non-UI covered jobs.

However, this does not reconcile the two series completely. The matter of non-covered employment can still be the source of a large discrepancy between the two programs.

CEW includes agriculture services and some agriculture production. CES includes some agriculture services but no production.

CEW excludes most railroad employees, but CES includes them.

CEW excludes religious workers not covered by UI, CES includes them.

Private household workers are excluded by the CES, but the CEW includes them.

Charity workers are not reported in the CEW, but are in the CES.

Observations

The employment measures produced by the BLS reflect the design of the program. One program is no more superior to another; rather, each program measures a different type of employment. As a rule of thumb, consider the following criteria when deciding which series to use:

To measure **Delaware residents** who are employed by county? Use LAUS.

To measure the **number of jobs in Delaware** covered by **unemployment insurance** by county and industry? Use CEW.

To measure the number of **total non-farm jobs in Delaware by MSA or State**? Use CES.