

This glossary is designed to help you better understand the terms for the data and other statistical information associated with and provided by the Labor & Economic Analysis Division (LEAD) of the North Carolina Department of Commerce.



**25<sup>th</sup> Percentile Wages:** Twenty-five percent of workers in an occupation earn wages below this level; 75 percent of workers in an occupation earn wages above this level.

**75<sup>th</sup> Percentile Wages:** Seventy-five percent of workers in an occupation earn wages below this level; 25 percent of workers in an occupation earn wages above this level.



**American Community Survey (ACS):** A nationwide survey that replaced the decennial census long form in 2010 and thereafter by collecting long form type information throughout the decade rather than only once every 10 years. The American Community Survey produces demographic, social, housing and economic estimates in the form of one-year, three-year and five-year estimates based on population thresholds.

**Average Quarterly Employment:** The sum of three months of employment divided by three. Used in the Quarterly Census of Employment and Wages (QCEW) program.

**Average Quarterly Wages:** Derived from the division of gross quarterly wages by the average monthly employment in the quarter.

**Average Weekly Wages (AWW):** Derived from the division of average quarterly wages by 13 (the average number of weeks in each quarter).



**Benchmark:** A point of reference (either an estimate or a count) from which measurements can be made or upon which adjustments to estimates are based. Benchmarking is an annual statistical audit of data, replacing and/or recalculating results, using the most up-to-date information to correct for estimating or reporting errors.

**Bureau of Economic Analysis (BEA):** A part of the U.S. Department of Commerce, BEA is part of the Department's Economics and Statistics Administration, and serves to produce and disseminate economic account statistics that provide government, businesses, households, and individuals with a comprehensive, up-to-date picture of economic activity.

**Bureau of Labor Statistics (BLS):** A part of the U.S. Department of Labor. BLS functions as the principal data-gathering agency of the federal government in the field of labor economics. BLS collects, processes, analyzes, and disseminates data relating to employment, unemployment, the labor force, productivity, prices, family expenditures, wages, industrial relations, and occupational safety and health.

## B

**Bureau of the Census (BOC):** (The US Census Bureau) is a part of the U.S. Department of Commerce. This agency conducts the censuses of population and housing every 10 years and of agriculture, business, governments, manufacturers, mineral industries, and transportation at five-year intervals. The Census Bureau also conducts the monthly Current Population Survey (CPS) in cooperation with the Bureau of Labor Statistics (BLS). Data from this survey are the source of unemployment statistics.

## C

**Capital Expenditures:** Expenditures made to acquire, add to, or improve property, plant, and equipment (PP&E). PP&E includes land, timber, and minerals; structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and tangible and intangible exploration and development costs.

**Career Development:** Career development refers to “the outcome of actions on career plans as viewed from both individuals and organizational perspectives.” The outcomes desired by individuals range from status to job flexibility to monetary rewards, depending on the situation. The desired outcomes of organizations include achieving the best match between people and jobs.

**Census:** A complete count of a specified population or some measurable characteristics in a given area such as housing, industry, etc.

**Civilian Labor Force:** The total number of age 16+, noninstitutionalized civilians who are working or are actively seeking work and are available for employment. Mathematically, it is the sum of employed plus unemployed.

**Confidential Information Protection and Statistical Efficiency Act (CIPSEA):** CIPSEA’s primary purposes are to protect information collected for statistical purposes from improper disclosure and to ensure that the information is not used for nonstatistical purposes.

**Consumer Price Indexes (CPI):** An index measuring changes over time in the retail price of a representative market basket of goods and services. It is the most commonly recognized measure of inflation.

**Cost of Living:** A Cost of Living Index measures differences in the price of goods and services and allows for substitutions to other items as prices change. A Consumer Price Index measures a price change for a constant market basket of goods and services from one period to the next within the same city (or in the nation). The CPI is not a true cost of living index and should not be used for place-to-place comparisons.

**Covered Employer:** An employer covered under statutes relating to the payment of unemployment insurance taxes who meets the following requirements:

1. Employs at least one worker at any time.
2. Acquires all or a substantial portion of a covered employer.
3. Subject to the Federal Unemployment Tax Act.
4. A nonprofit organization and has four or more employees for at least 20 weeks during the calendar year.
5. A state agency, state-operated hospital or school of higher education, or a political subdivision of the state.
6. An employer of agricultural labor and pays \$20,000 or more in any one quarter of a calendar year, or employs 10 workers for 20 weeks during the year.
7. Pays cash wages of \$1,000 or more in any calendar year for domestic help in your private home.

## C

The following are specific exclusions from the coverage:

1. Agriculture employment not defined above.
2. Sole proprietors.
3. Railroad workers.
4. Children under 21 in the employ of a parent.
5. Elected officials.
6. Students or inmate workers.
7. Commissioned real estate, insurance and direct seller salespeople.
8. Church employees.
9. Work relief program participants.

All covered employers are included in QCEW data.

**Crosswalk:** A method that provides a means of matching components of different systems.

**Current-Dollar Estimate:** The market value of an item; it reflects prices and quantities of the period being measured.

**Current Employment Statistics (CES):** Statistics based on monthly survey of nonfarm business establishments. The numbers include wage and salary employment, worker hours, and payroll by industry and area statistics. Through a federal/state cooperative effort, these data are used to compute current monthly employment, hours and earnings estimates, by industry, for the nation, the 50 states & the District of Columbia and all Metropolitan Areas.

**Current Population Statistics (CPS):** Monthly household survey of the civilian non-institutional population of the United States. The survey provides monthly statistics on employment, unemployment, and related subjects. The data are analyzed and published each month by the Bureau of Labor Statistics.

## D

**Data Suppressed:** Publication of employment and wage data is withheld for any subsector which consists of fewer than three reporting units or in which a single establishment accounts for 80 percent or more of an industry's employment. In the event that only one subsector is restricted, the next smallest subsector (by number of establishments) also is restricted to allow disclosure of total industry information.

**Demand:** In labor market information, this term is usually used in reference to the need for workers in a particular occupation, or workers with specific skills.

**Demographics:** The characteristics of the population such as age, income, ethnicity, etc.

**Department of Labor (DOL):** A Cabinet-level U.S. agency that enforces laws protecting workers, promotes labor-management cooperation, sponsors employment and training placement services, oversees the unemployment insurance system, and produces statistics on the labor force and living conditions.

**Discouraged Workers (Current Population Survey):** Persons not in the labor force who want and are available for a job, and who have looked for work sometime in the past 12 months (or since the end of their last job if held within the past 12 months), but who are not currently looking because they believe there are no jobs available or there are none for which they would qualify.

## D

**Disposable Personal Income:** Total after-tax income received by persons; it is the income available to persons for spending or saving.

**Durable Goods:** Known as “hard goods,” the term refers to manufactured or processed items generally considered to have a normal life expectancy of three years or more. The Durable Goods manufacturing industries are: Furniture and Related Product; Wood Product; Nonmetallic Mineral Product; Fabricated Metal Product; Machinery; Computer and Electronic Product; Electrical Equipment and Appliance; Transportation Equipment; and Furniture and Related Product.

## E

**Enterprise:** An enterprise is the employer and legal entity of the Unemployment Insurance tax account. An enterprise may consist of one or more units.

**Employment:** All civilian workers 16 years and older who:

(a) During the survey week, did any work at all as paid employees or in their own businesses or professions on their own farm, or worked 15 hours or more as unpaid workers in a family enterprise.

(b) Were not working, but had jobs or businesses from which they were temporarily absent because of illness, bad weather, vacation, labor management disputes, or personal reasons, whether or not they were paid for the time off.

**Employment and Training Administration (ETA):** A part of the U.S. Department of Labor. This agency oversees the state Unemployment Insurance programs and job training and placement services provided by the state Employment Security Agencies.

**Entry-level Wage:** Average of the lower one-third of wages paid in each occupation.

**Establishment:** The physical location of a certain economic activity; for example, a factory, store, or office. Generally, a single establishment produces a single good or provides a single service.

**Experience Wage:** Average of the highest two-thirds of wages paid in each occupation.

**Exports of Goods and Services:** Goods and services sold by U.S. residents to foreign residents.

## F

**Forecast:** To calculate or predict some future event or condition, usually as a result of study and analysis of available pertinent data.

**Foreign Direct Investment in the United States (FDIUS):** Ownership or control, directly or indirectly, by one foreign person, or entity, of 10 percent or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise.

## G

**Goods-Producing Industries:** Includes manufacturing, mining, and construction.

**Gross Domestic Product (GDP):** The market value of goods and services produced in a country in a given year; GDP replaced gross national product (GNP) as the primary measure of U.S. production in 1991.

**Gross Domestic Product (GDP) by State:** A measurement of a state's output; it is the sum of value added from all industries in the state. GDP by state is the state counterpart to the nation's gross domestic product (GDP).

**Gross Wages:** As reported on the Unemployment Insurance Tax Report, gross wages are the total amount of compensation paid by the employer during the quarter.

## I

**Implicit Price Deflator (IPD):** The ratio of the current-dollar value of a series, such as gross domestic product (GDP), to its corresponding chained-dollar value, multiplied by 100.

**Industry:** A group of establishments that produce similar products or provide similar services. For example, all establishments that manufacture automobiles are in the same industry. A given industry, or even a particular establishment in that industry, might have employees in dozens of occupations. The North American Industry Classification System (NAICS) groups similar establishments into industries.

**Initial Claim:** A request for a determination of entitlement to and eligibility for compensation following unemployment. An additional initial claim is a subsequent initial claim filed to reopen a claim series during an existing benefit year. This occurs if a person again becomes unemployed when a break of one week or more has occurred in the claim series due to intervening employment.

## J

**Job Leavers:** An unemployment category describing individuals who quit or otherwise terminate their employment voluntarily and immediately begin looking for work.

**Job Losers:** An unemployment category describing persons (a) who are on temporary layoff, and have been given a date to return to work, or who expect to return within six months, or (b) whose employment ended voluntarily and began looking for work.

## L

**Labor Market Information (LMI):** LMI is a body of knowledge that describes the nature, characteristics and operation of those mechanisms, institutions and participants involved in the matching of labor supply with demand. LMI is comprised of a variety of economic, social and demographic information. The information describes past and current conditions, as well as forecasts future conditions. LMI is comprised of population data, labor force data, occupational data, general economic trends, and career data. LMI has many planning uses. The information can be used to determine policy and program needs, to allocate resources, and to establish program performance standards.

## L

**Layoff:** Suspension from pay by the company for reasons such as lack of orders, plant breakdown, and shortage of materials or termination of seasonal or temporary employment.

**Local Area Unemployment Statistics (LAUS):** A federal Bureau of Labor Statistics (BLS)/state cooperative statistical program which produces monthly and annual labor force, employment, unemployment, and unemployment rate estimates by place of residence for many geographic regions including states, counties, metropolitan and micropolitan statistical areas, and selected cities. The North Carolina Department of Commerce's Labor & Economic Analysis Division has such a cooperative agreement with BLS.

**Local Employment Dynamics (LED):** A voluntary partnership between state labor market information agencies and the U.S. Census Bureau to develop new information about local labor market conditions. Data includes employment and wage information by demographic, geographic, and industry bases.

**Location Quotient:** A measure of industry employment concentration of one area relative to another. A location quotient of 1 or more indicates higher industry employment concentration in an area relative to a base area. Industries with location quotients greater than 1.2 draw in significant employment from outside the area.

## M

**Mean:** The sum of all values of a given list divided by the number of items in the list, also referred to as the average.

**Median:** The middle value of a distribution of numbers; half the values are above the median and half are below the median.

**Metropolitan Statistical Area (MSA):** Geographic entities defined by the U.S. Office of Management and Budget (OMB) for use by federal statistical agencies in collecting, tabulating, and publishing federal statistics. The general concept of a metropolitan statistical area is that of a core area containing a substantial population nucleus of at least 50,000 people, together with adjacent communities having a high degree of economic and social integration with that core.

**Micropolitan Statistical Area:** A geographical area delineated by the U.S. Office of Management and Budget (OMB) that contains a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration. A Micropolitan Statistical Area must also have at least one urban cluster of at least 10,000 but less than 50,000 in population.

## N

**National Income and Product Accounts (NIPAs):** BEA's economic accounts that display the value and composition of national output and the distribution of incomes generated in its production.

**Nondurable Goods:** Known as "soft goods," Nondurable Goods refer to manufactured or processed items generally considered to last for a short time — three years or less. The Nondurable Goods manufacturing industries include Food; Beverage and Tobacco Products; Textiles; Apparel; Paper; Printing; Chemical; and Plastics and Rubber Manufacturing.



## N

**North American Industry Classification System (NAICS):** A classification system developed jointly by the U.S., Canada, and Mexico to provide improved comparability in industrial statistics across North America. NAICS replaced the U.S. Standard Industrial Classification (SIC) system.

**Not in the Labor Force–Other Reasons:** Individuals who are not counted as unemployed because they are not actively seeking work for such reasons as school, family responsibilities, ill health or transportation problems.

**Not Seasonally Adjusted:** An economic time series that is not statistically adjusted to eliminate seasonal fluctuations such as weather, holidays and the opening and closing of schools. This data is not comparable month to month. All levels of civilian labor force and CES estimates have a not seasonally adjusted series.

## O

**O\*NET:** The Occupational Information Network is a comprehensive database of worker attributes and job characteristics.

**Occupation:** The kind of work a person does to make a living. Occupations are specific jobs usually found in several industries. For example, cafeteria worker is a service occupation found in many different industry sectors, including services (schools, hospitals, businesses), the trade sector (eating establishments, department stores), or in manufacturing industries.

**Occupational Employment Statistics (OES):** Data on employment and wages for more than 800 occupations and for about 400 nonfarm industries in the nation, plus occupational data for states and metropolitan areas.

**Outlook:** An expectation for the future.

## P

**Personal Consumption Expenditures (PCE):** The goods and services purchased by persons.

**Personal Income:** Income received by persons from all sources. It includes income received from participation in production, as well as from government and business transfer payments. It is the sum of compensation of employees (received), supplements to wages and salaries, proprietors' income with inventory valuation adjustment (IVA) and capital consumption adjustment (CCAdj), rental income of persons with CCAdj, personal income receipts on assets, and personal current transfer receipts, less contributions for government social insurance.

**Producer Price Indexes (PPI):** A monthly index measuring changes in the selling prices received by domestic producers of goods and services.

**Projections:** Employment forecasts at the industry and occupational levels done in two-year and 10-year increments.

## Q

**Quarterly Census of Employment and Wages (QCEW):** Comprehensive employment and wage data by industry and geographic area, derived from quarterly unemployment insurance tax returns filed by employers.

## R

**Recession:** In general usage, the word recession connotes a marked slippage in economic activity. While gross domestic product (GDP) is the broadest measure of economic activity, the often cited identification of a recession with two consecutive quarters of negative GDP growth is not an official designation. The designation of a recession is the province of a committee of experts at the National Bureau of Economic Research (NBER), a private nonprofit research organization that focuses on understanding the U.S. economy. The NBER recession is a monthly concept that takes into account a number of monthly indicators — such as employment, personal income, and industrial production — as well as quarterly GDP growth. Therefore, while negative GDP growth and recessions closely track each other, the consideration by the NBER of monthly indicators, especially employment, means that the identification of a recession with two consecutive quarters of negative GDP growth does not always hold.

**Re-entrants:** An unemployment category comprised of individuals who previously worked, but who have been out of the labor force prior to beginning their most recent job search.

**Replacement:** Openings resulting from people leaving an occupation.

## S

**Salary:** Fixed compensation paid for labor or services. Most salaries are paid for fixed periods of working hours.

**Sample:** A finite part of a statistical population whose properties are studied to gain information about the whole.

**Seasonal Factors:** Seasonal factors are events that cause normal fluctuations in business activity within individual or combinations of industries. Seasonal factors include, but are not limited to, such events as: weather conditions, holidays, and school schedules.

**Seasonally Adjusted:** A statistical adjustment eliminating the influence of weather, holidays, the opening and closing of schools, and other recurring seasonal events from an economic time series. By smoothing these seasonal fluctuations, the data are easier to compare month to month. Only the U.S. and North Carolina state civilian labor force and CES employment estimates are seasonally adjusted. Estimates for both series below the state level are unadjusted.

**Service Providing:** Industries including Trade, Transportation & Utilities; Information; Financial Activities; Professional and Business; Educational and Health; Leisure and Hospitality; Other; and Government.

**Standard Industrial Classification (SIC):** Each business is assigned a four-digit SIC code that describes the nature of the business in accordance with the Standard Industrial Classification Manual, 1987. This industry classification system was replaced by NAICS in the first quarter of 2001.

**Standard Occupational Classification (SOC):** A system for classifying all occupations in the economy, including private, public and military, based on work performed and required skills, education, training and credentials.



## S

**Survey:** A study of all or a portion of the whole, conducted for purposes of making generalized statements about the whole.

**Survey Week:** The seven-day period, Sunday through Saturday, that includes the 12th of the month and depicts labor market activities during that week.

## T

**Trainee:** An individual hired for a job, which may or may not require previous experience or education. A trainee could start in an entry-level, apprenticeship-level, or internship-level position.

**Trend:** The persistent underlying movement that takes place over a period of time. It is the basic growth or decline that would occur if no variations in activity existed.

**Time Series Data:** A sequence of numbers collected at regular intervals over a period of time. Time series data are useful for long-term trend analysis.

**Training and Outreach (TAO):** The group within LMI dedicated to making labor market data and concepts accessible to a wide-ranging audience through trainings, presentations, products and communication.

## U

**Unemployment:** Persons 16 years of age or older are classified as unemployed if they do not have a job, have actively looked for work in the prior four weeks, and are currently available for work. Persons who were not working and were waiting to be recalled to a job from which they had been temporarily laid off are also considered unemployed. The unemployment rate represents the number unemployed as a percent of the labor force.

**Unemployment Insurance:** Unemployment insurance is a program for the accumulation of funds paid by employers, to be used for payment of unemployment insurance to workers during periods of job loss which is beyond their control. Unemployment insurance replaces a part of workers' wage losses if they become eligible for payments.

**Unemployment Rate:** The unemployment rate represents the number of unemployed persons as a percent of the labor force.

**Unit:** A unit is an establishment, generally at a single physical location, where business is conducted or where services or industrial operations are performed.

## V

**Value Added:** The gross output of an industry or a sector less its intermediate inputs; the contribution of an industry or sector to gross domestic product (GDP). Value added by industry can also be measured as the sum of compensation of employees, taxes on production and imports less subsidies, and gross operating surplus.



**Wagner-Peyser Act:** Established in 1933, the Act created a nationwide system of public employment offices known as the Employment Service. The Act was amended in 1998 to make the Employment Service part of the One-Stop services delivery system. The One-Stop services delivery system provides universal access to an integrated array of labor exchange services so that workers, job seekers, and businesses can find the services they need in one stop and frequently under one roof in easy-to-find locations.

**Weeks Claimed:** Weeks covered for which waiting period credit or payment of compensation is requested.

**Wage and Salary Employment:** Full-time and part-time workers (including employees on paid vacation or paid sick leave) who work or receive compensation from establishments for any part of the pay period including the 12th of the month. Those workers involved in labor-management disputes are excluded. This is a count of the number of jobs, and is available by industry.

**Wages:** A payment, usually of money, for labor or services performed.

**Workforce Investment Act (WIA):** The Workforce Investment Act of 1998 provides the framework for a unique national workforce development system designed to meet the needs of both the nation's businesses and the needs of job seekers or those who want to further their careers. North Carolina currently has 23 Local Workforce Development Board Areas (WDBs). The Act requires that each local WDB establish a One-Stop Delivery System, including at least one full-service or comprehensive one-stop career center. The full-service one-stop career center must have universal access, including a host of mandatory human services, and employment-related programs and partnerships inclusive of each mandatory program that exists in the local community.