

### Definition of Terms:

**Civilian Labor Force** is the sum of civilian employment and civilian unemployment. These individuals are civilians (not members of the Armed Services) who are age 16 years or older, and are not in institutions such as prisons, mental hospitals, or nursing homes.

**Civilian Employment** includes all individuals who worked at least one hour for a wage or salary, or were self-employed, or were working at least 15 unpaid hours in a family business or on a family farm, during the week including the 12th of the month. Those who were on vacation, other kinds of leave, or involved in a labor dispute, were also counted as employed.

**Civilian Unemployment** includes those individuals who were not working but were able, available, and actively looking for work during the week including the 12th of the month. Individuals who were waiting to be recalled from a layoff, and individuals waiting to report to a new job within 30 days were also considered to be unemployed.

**Unemployment Rate** is the number of unemployed as a percentage of the labor force.

### The LAUS Estimation Method

Please see the Department of Labor web site:

<http://www.bls.gov/lau/laumthd.htm>

### Cautions When Using These Data:

- The "Employment" which is shown under "Labor Force" is **not** directly comparable to the "Total, All Industries" employment on these and other data files.
- County labor force data are not seasonally adjusted. When doing a comparison with State and U.S. rates, it is important to use "Not Adjusted for Seasonality" labor force data for the State and the nation.
- The unemployment rate usually gets the most attention, as it is a rough gauge of the area's labor market. It is best to consider the unemployment rate over a period of several months, or years. The employment and unemployment figures tend to vary from month to month for many reasons. Seasonal variation often may not reflect the economic conditions in all areas of the county. Seasonal factors may contribute to an area's high unemployment rate, but firms in some industries may have difficulty finding qualified employees. The labor market can vary greatly in different industries, in different occupations, and in different parts of the county.
- The annual average figures, over time, tend to be a better gauge of the labor force trends within the area.
- Month-to-month labor force data are a useful indicator to show the seasonal changes in the area, such as outdoor activities (i.e., construction), holiday hiring, school schedules, and agricultural patterns.

LABOR FORCE DATA FOR SUB-COUNTY AREAS (Data Not Seasonally Adjusted)

[Under the new, BLS-mandated methodology, starting with January 2005 data, in order for city-level labor force estimates to be produced, a city must meet three criteria:](#)

[1. Have a population of 25,000 or more](#)

[2. Be controlled by a form of local government](#)

[3. Have an annual population estimate produced by the U.S. Census Bureau](#)

### Employment by Industry Method

Wage and Salary Employment data reflect jobs by "**place of work.**" It does not include the self-employed, unpaid family workers, and private household employees. Jobs located in the county or the Metropolitan Statistical Area (MSA) that pay wages and salaries are counted although workers may live outside the area. Jobs are counted regardless of the number of hours worked. Individuals who hold more than one job (i.e., multiple job holders) may be counted more than once.

**Note:** The "Total, All Industries" employment is **not** directly comparable to the "Employment" which is shown under "Labor Force" on these and other data files.

Industries are classified according to the **North American Industry Classification System (NAICS)** code. Detailed information about NAICS is available on the Internet from the U.S. Census Bureau at <http://www.census.gov/epcd/www/naics.html>.

### **Methodology:**

These data are based on the Current Employment Statistics (CES) survey. The CES survey summarizes monthly employment, hours and earnings data from a sample of Texas employers. This survey is also referred to as the establishment, or wage and salary employment survey. The estimates are revised in the following month as job information is received from additional employers. Final revisions to the statewide and local area data, called a "Benchmark," are made each March for the previous two years based on payroll tax reports submitted by Texas employers covered by the Unemployment Insurance program to the State.

Annual average data are derived by adding up the monthly data for each industry and dividing by twelve to determine an actual annual average. These annual average data may reflect major business openings, expansions, and closings. Or, these data may reflect trends affecting an entire industry, such as economic conditions, structural and technological changes.

### **Cautions When Using These Data:**

- The "Total, All Industries" employment is **not** directly comparable to the "Employment" which is shown under "Labor Force" on these and other data files.
- Monthly job estimates for areas below the state level are **not adjusted for seasonal changes** in employment. It is important to keep in mind that month-to-month changes may be due to regular seasonal patterns in an industry. Typically, during the holiday shopping season, retail jobs increase, and there are more workers in the construction industry during the summer. On the other hand, changes may reflect new businesses, expansions, closings, etc. Comparison of monthly changes for the same period in prior years will provide a better understanding whether the change is seasonal or atypical. Data adjusted for seasonal changes are only available for Texas at the major industry level.
- Monthly fluctuations in the wage and salary employment data are an essential part of the changes that occur in a dynamic economy of the county or region. It is important to study the data over time to evaluate the strength of the local economy.
- Wage and salary employment data identify which industries have the largest number of jobs. However, an industry with a large number of workers may not necessarily be expanding; and it may even be downsizing, while new and expanding industries may not have large numbers of existing jobs but are a good source for new job opportunities.
- Annual average data, over time, tend to be a better indicator of employment trends for the various industries in an area.

### **How to Use this Data**

Economic developers, firms considering relocation, government agencies, grant writers, universities and anyone preparing reports on employment, use wage and salary employment information to identify local industry trends. People looking for work, and those counseling or placing others, may learn about prospects for employment in various industries. Anyone seeking background information may use the wage and salary industry employment tables to look at the county's economy as a whole; at one industry; and/or at related industries for a firm's suppliers or for potential markets.

*Covered Employment and Wages* is a quarterly report containing county data on employment and total wages by industry, federal average monthly covered employment, and total wages and average weekly wages of workers covered under unemployment insurance by county. The report is useful for identifying growth industries, planning training programs, and analyzing industry and economic trends.