

About the California Regional Economies Employment Data

The California Regional Economies Employment (CREE) Series is an outgrowth of the California Regional Economies Project, sponsored by the California Workforce Investment Board in cooperation with the California Economic Strategy Panel. It provides non-confidential annual employment and wage data for the United States, California, and each California county for the period 1990-2013

The CREE Series has been revised and significantly expanded since its original release and its data come from two sources. The Private Industry employment figures come from the Quarterly Census of Employment and Wages (QCEW) program. The Government figures come from the Current Employment Statistics (CES) program. The QCEW figures derive from quarterly tax reports submitted to the Employment Development Department (EDD) by California employers subject to State unemployment insurance (UI) laws and from federal agencies subject to the Unemployment Compensation for Federal Employees program. The CES figures derive from a monthly employer survey of approximately 37,000 California employers. While the QCEW data only include employers and employment covered by UI programs, the CES program makes an effort to estimate all employment. The CES employment estimates are benchmarked annually to the QCEW covered employment data. **The benchmarked CES employment estimates are considered the official employment estimates from EDD.**

Private Industry QCEW Figures

As noted above, the Private Industry data come from the QCEW program. These data were downloaded from the federal Bureau of Labor Statistics (BLS) Web site and contain columnar data on the number of establishments, average employment, total wages, average weekly wages, and average annual wages. Those terms are defined more precisely below, in addition to other column headings used in the CREE tables. Of special note is the use of the North American Industry Classification System (NAICS) for data prior to 2001. The NAICS took effect in 2001; prior to that date, the Standard Industrial Classification (SIC) system was used to classify industries. Due to differences in NAICS and SIC structures, data for 2001 and afterwards are not comparable to the SIC-based data for earlier years. In response to customer complaints about the lack of historical comparability between the NAICS and SIC, the BLS reconstructed industry data from 1990 to 2000 using the NAICS. These reconstructed NAICS data from 1990-2000 are used in the Private Industry tables.

Descriptions of the Column Headings

The column headings in the **Private Industry** tables are defined as follows:

County Name is the name of the county.

NAICS Code is the industry code number for each industry. There are several cases where the data are not coded strictly to NAICS definitions. The BLS has extended the NAICS hierarchy upward to two domains (Goods Producing and Service Producing) and 10 super sectors (Natural Resources and Mining; Construction; Manufacturing; Trade, Transportation, and Utilities; Information; Financial Activities; Professional and Business Services; Education and Health Services; Leisure and Hospitality; and Other Services). Additionally, the BLS has extended NAICS downward in subsector 238, Specialty Trade Contractors, dividing the 19 industries into residential and nonresidential categories.

NOTE 1: With the release of the calendar year 2005 figures, four NAICS codes were deleted. These are 11213 and 112130 - Dual purpose cattle ranching and farming and 54112 and 541120 - Offices of notaries. According to BLS, NAICS 112130 and 541120 are not used in the United States, and because these two six-digit NAICS codes were the only six-digit codes in their respective five-digit series, we deleted those five-digit codes as well. In the prior release of the CREE, all four of these codes had zeros in every data cell from 1990-2004.

NOTE 2: A new NAICS Manual was published in 2007 that incorporated changes to the NAICS coding system. Specifically, 22 industry codes were dropped and nine codes were added effective in 2007. In the Private Industry data, those codes dropped in 2007 are identified with the symbol (D) in the 2007 data cells; those codes added are identified with the symbol (A) in the 1990-2006 data cells. For more information on the changes brought about in 2007, see the Census Bureau's NAICS Web site in the Links section at the end of this document.

Industry is the descriptive title for each NAICS code.

Aggregation Level is a one-digit numeric character entry that derives from a combination of attributes of the record. This column can be used for sorting the file by 2, 3, 4, 5, or 6-digit NAICS code or by sector or domain.

Number of Establishments is the number of establishments for which employers reported their activity under UI laws. It is the average of the number of establishments reported for each of the four quarters of the year. An establishment is an economic unit, such as a farm, factory, store, or mine, that produces goods or provides services. It is typically at a single physical location and is engaged in one, or predominantly one, type of business activity for which a single industrial classification has been assigned.

Average Employment is the average of the 12 monthly employment levels. The reported employment is for the pay period that includes the 12th day of each month.

Total Wages are the total wages for all employees, even those employees who may not have worked during the 12th day of the month pay period, but who still earned UI-covered wages. The annual value is the total of the tabulated wages for each of the four quarters. Wages are the total compensation paid by an employer and include bonuses, stock options, the cash value of meals and lodging, tips and other gratuities. These wages are not inflation-adjusted. For those wishing to perform an inflation-adjustment, we recommend using the Employment Cost Index (ECI), published every quarter by the BLS (see Web site link below).

Average Weekly Wages are the quotients that result from dividing the total annual payroll by annual average employment and dividing the result by 52 weeks.

Average Annual Wages are the quotients that result from dividing total annual wages for a year by annual average employment for that year.

The column headings for the **Government** tables are as follows:

County Name is the name of the county.

Industry is the level of government.

Annual Average Employment is the average of the 12 monthly employment levels. As in the QCEW program, the employment reported in the CES program includes workers employed on the pay period that includes the 12th day of each month.

NOTE 3: With the final release of the 2005 Government data, the number of rows with data reduced dramatically for most counties. For 38 counties only four rows of data are now reported: Total Government, Federal Government, State Government, and Local Government. This occurred because BLS in early 2007 directed all states to remove all non-economic series breaks associated with industry redefinitions, geographic relocations, and business reclassifications. These non-economic changes usually occur when: 1) the BLS introduces a new NAICS code or drops an older code, 2) a state reassigns a company to its current county location based on updated information, and 3) a state changes an employers NAICS code because of a classification error. These adjustments forced EDD to remove some industry series because they no longer meet our minimum criteria for release. We also found that we could no longer maintain the same level of detail previously published for the vast majority of counties.

Confidential Data

Confidential data, that is, data that could identify an individual employer, are suppressed in the tables, with an **S** indicating where the suppression occurred. For Private Industry data from 1990-2000, based on the reconstructed NAICS data that BLS prepared, no confidential data appear even for those industries where it is likely that confidential data were present. Instead, a 0 is placed in those cells. Because the procedures used by BLS to reconstruct the 1990-2000 data made it impractical to identify all the potential confidential data, we decided to use a 0 in those instances. However, the reader should be aware that not all 0s in the 1990-2000 figures mean that there was no employment or wages in that particular industry.

Links

For a more detailed description of the CES and QCEW programs, and for calculating the ECI, see the relevant BLS Web sites at:

www.bls.gov/sae/home.htm (CES)

www.bls.gov/cew (QCEW)

www.bls.gov/ncs/ect/home.htm (ECI))

For a more detailed description of NAICS changes effective in 2007, please go to:

www.census.gov/eos/www/naics

To view all of the CREE data, please go to:

www.labormarketinfo.edd.ca.gov/

If you have any questions, please contact:

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