

## Glossary of Workforce Terms and Concepts

This is a compilation of technical terms and concepts related to workforce information. Its main purpose is to provide the correct perception and meaning of these terms.

### **A**

**Accession Rate** – The number of additional employees hired during a specific period, expressed as a percentage of total employment. The additions cover all types of employees, including both new and rehired workers on either a permanent or a temporary basis.

**Additional Claim** – An additional claim is a notice of new unemployment filed at the beginning of a second or subsequent series of claims within a benefit year or within a period of eligibility when there had been intervening employment. This is one of three types of initial claims.

**Affirmative Action** – A program that became law with the passage of the Equal Economic Opportunity Act of 1972, whereby employers, labor unions, employment agencies, and labor-management apprenticeship programs must actively seek to eliminate discrimination against and increase employment of females and minorities. Although Title VII of the Civil Rights Act of 1964 had outlawed future discrimination in employment practices, it had done nothing to redress already existing imbalances. The 1972 law, later strengthened by executive orders, required employers to draw up a detailed written plan for equalizing economic opportunity with respect to hiring, promotion, transfers, wages and salaries, training programs, fringe benefits, and other conditions of employment. These plans include definite numerical goals and timetables for achieving such changes.

**Aggregate Demand** – The total effective demand for the nation's total output of goods and services.

**Aggregate Supply** – The total amount of goods and services available from all industries in the economy.

**Agribusiness** – The sector of the economy concerned with the production, processing, and distribution of agricultural products and farm supplies (machinery, fertilizer, pesticides, and herbicides). It also includes businesses that provide agricultural services and economic agencies and financial institutions that serve agricultural producers (credit institutions, marketing associations, etc.).

**All Other Nonagricultural Employment** – This includes self-employed, unpaid family workers, and domestics in private households.

**America's Job Bank (AJB)** – This computerized network links the 2,000 state employment service offices. It provides job seekers with the largest pool of active job opportunities available anywhere. For employers, it provides rapid, national exposure for job openings. The nationwide listings in America's Job Bank contain information on approximately 100,000 jobs. America's Job Bank is available on computer systems in public libraries, colleges and universities, high schools, shopping malls, and other places of public access. AJB also is available at transition offices on military bases worldwide.

**America's Labor Market Information System (ALMIS)** – This system provides comprehensive economic and occupational data to job seekers, employers, students, counselors, economic development staff and other users.

**Area Sample** – A method used in statistics to sample on a geographic basis (e.g., all the residents of a given county).

**Auxiliary Establishment** – In the Standard Industrial Classification coding system, a unit that is primarily engaged in performing services for other units of the same company rather than for other companies or the general public. Examples of auxiliary establishments are central administrative offices, research, development or testing labs, warehouses, and power plants.

## **B**

**BLS-790** – The Federal Office of Management and Budget assigns numbers to all U.S. government survey forms. BLS-790 is the assigned number of the form used to collect data for the CES survey.

**Base Period** – A selected period of time, frequently one year, against which changes in other years are calculated. The relationship is usually expressed as base year = 100. For example, suppose the base year chosen is 1967. To calculate the change in average annual income of textile workers, the current year's average annual income, for example, \$10,000, is divided by the average annual income for 1967, which was \$8,000;  $10,000/8,000 = 1.25$ . To eliminate the decimal point, this figure is multiplied by 100:  $100 \times 1.25 = 125$ . This would indicate that income in the current year is 25 percent higher than it was in the base year.

**Benchmark Statistics** – Comprehensive data that are used as a basis for developing and adjusting interim estimates made from sample information.

**Bureau of Economic Analysis (BEA)** – Is an agency of the Department of Commerce. BEA is part of the Department's Economics and Statistics Administration. BEA produces economic accounts statistics that enable government and business decision-makers, researchers, and the American public to follow and understand the performance of the Nation's economy.

**Bureau of Labor Statistics (BLS)** – A federal agency, established in 1884 and now part of the U.S. Department of Labor, that 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. This often is accomplished in cooperation with state employment security agencies through federal/state cooperative agreements. Its chief publications include the Monthly Labor Review, Consumer Price Index, Wholesale Prices and Price Indexes, and Employment and Earnings.

**Business Cycle** – A pattern of fluctuation in economic activity, characterized by alternate expansion and contraction. In general, business activity expands with rising industrial production, employment, prices, wages, and profits. It reaches a high point of prosperity and remains there for a time. Then activity begins to contract, with business volume receding, and production, employment, prices, etc., declining for a time until a low point is reached. After a time, recovery begins and business activity expands again. Economists distinguish four phases, known by various names: 1) expansion (prosperity boom), 2) contraction (crisis, recession, slump, downturn), 3) depression (trough, bust, crash, bottom), 4) recovery (revival, upturn).

## C

**Capital** – The means of production including factories, office buildings, machinery, tools, and equipment; alternatively, it can mean financial capital, the money to acquire the foregoing and employ land and labor resources.

**Census** – A census is a complete count or enumeration (as opposed to a sample or an estimate) of a specified population or some other characteristics in a given area (housing, industry, etc.).

**Census Bureau or Bureau of the Census (BOC)** – The BOC is a bureau of the U.S. Department of Commerce. It conducts censuses of population and housing every 10 years and of agriculture, business, governments, manufacturers, mineral industries, and transportation at five-year intervals. It also conducts the Current Population Survey (CPS) for the Bureau of Labor Statistics.

**Census Tracts** – A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features in some instances; they always nest within counties. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment, census tracts average about 4,000 inhabitants. They may be split by any sub-county geographic entity.

**Civilian Labor Force** – The sum of all employed and unemployed people excluding people under 16 years of age, inmates of institutions, and members of the armed

forces.

**Civilian Labor Force Participation Rate** – The proportion of the civilian non-institutional population over 16 years of age that is actively participating in the civilian labor force.

**Claimant** – The claimant is a person who files either an initial claim or a continued claim under a state or federal unemployment compensation program.

**Class of Worker** – There are three classes of workers: 1) wage and salary workers who receive wages, salary, commission, tips, or pay in kind from an employer; 2) self-employed people who work for profit or fees in their own business, profession, or trade, or on their own farms; and 3) unpaid family workers who work without pay for 15 or more hours a week on a farm or in a business operated by a household member to whom they are related by birth, marriage, or adoption.

**Collective Bargaining** – A process by which decisions regarding the wages, hours, and conditions of employment are determined by the interaction of workers acting through their unions and employers.

**Consumer Price Index (CPI)** – A statistical measure of changes in the prices of a representative sample of urban family purchases relative to a previous period.

**Continued Claim** – This is a claim filed after the initial claim, by mail, telephone, electronically, or in person, for waiting-period credit or payment for a certified week of unemployment.

**Cost-of-Living Adjustment (COLA)** – A frequently used provision of labor contracts that grants wage increases based on changes in the consumer price index; often referred to in negotiations as the "escalator clause."

**Covered Employment** – Those jobs covered by an unemployment compensation program are considered covered employment. Presently, those jobs for which coverage is not required in Nevada include most agricultural workers; employees of religious organizations; railroad workers; elected state and local government officials; federal government employees; military personnel; student workers at universities, interns, and student nurses; self-employed workers; sole proprietors and their immediate families.

**Current Employment Statistics (CES) Survey** – A monthly survey of non-farm business establishments used to collect wage and salary employment, worker hours, and payroll, by industry and area. Through the 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 and the District of Columbia, and more than 250 metropolitan areas.

**Current Population Survey (CPS)** – A national household survey conducted by the

Bureau of the Census for the Bureau of Labor Statistics. The CPS provides a variety of demographic, economic, and social characteristics on the civilian non-institutional population 16 years of age and older. Data are collected each month from a probability sample of approximately 59,500 occupied households. The sample is based on the activity of the household for the calendar week that includes the 12th of the month.

**Cyclical Industry** – An industry whose sales and profits reflect to a great extent the ups and downs of the business cycle. Practically all of the capital goods industries (steel, machine tools, etc.) are cyclical because a moderate decline may eliminate the demand for the capital goods needed to make the final product.

**Cyclical Unemployment** – Unemployment that is caused by periodic declines in business activity that gives rise to inadequate demand for workers in the economy.

## **D**

**Deliverable** – As specified by the Labor Market Information contract, any product required to be delivered by the states to the Bureau of Labor Statistics is generically called a "deliverable."

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

**Deregulation** – The process of eliminating government regulations and reducing the scope and power of regulatory bodies.

**Disaggregate** – To divide a statistic into its component parts.

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

**Disposable Income** – The amount of after-tax income that households have available for consumption or saving.

**Diversification** – The process in which a business firm increases the variety of products it produces and sells, either by introducing new products into the same product line or market, or by going into new product lines or markets.

**DOT** – The Department of Labor's Dictionary of Occupational Titles.

**Durable Goods** – Items with a normal life expectancy of three years or more. Automobiles, furniture, household appliances, and mobile homes are examples.

Because of their nature, expenditures for durable goods are generally postponable. Consequently, durable goods sales are the most volatile component of consumer expenditures.

## **E**

**Earned Income** – Wages, salaries, and other employee compensation plus earnings from self-employment.

**Econometric Model** – A set of related equations used to analyze economic data through mathematical and statistical techniques. Such models are devised to depict the essential quantitative relationships that determine the behavior of output, income, employment, and prices. Econometric models are used for forecasting, estimating the likely quantitative impact of alternative assumptions, including those pertaining to government policies, and for testing various theories about the way the economy works.

**Economic Growth** – An increase in the production capacity of the economy.

**Economic Indicator** – A statistical series that has been found to represent fairly accurately changes in business conditions. There are three major groups of economic indicators that demonstrate a consistent relationship to the timing of general business fluctuations: 1) leading indicators signal in advance a change in the basic pattern of economic performance. Examples are new orders for durable goods, construction contracts, and formation of new business enterprises, hiring rates, and the average length of the workweek. These indicators move ahead of turns in the business cycle. For this reason, they provide significant clues to future shifts in the general direction of business activity, 2) coincident indicators measure current economic performance. Their movements coincide roughly with aggregate economic activity. Gross National Product, industrial production, personal income, employment, unemployment, wholesale prices and retail sales are examples; 3) lagging indicators, such as capital expenditures and consumer installment debt, usually move up or down after general business activity has altered its course.

**Economic Time Series** – A set of quantitative data collected over regular time intervals (e.g., weekly, monthly, quarterly, annually) that measure some aspect of economic activity. The data may measure a broad aggregate, such as GNP, or a narrow segment, such as auto sales or the price of copper.

**Employed** – In the CPS, those individuals 16 years of age or older who worked at least one hour for pay or profit or worked at least 15 unpaid hours in a family business during the reference week are considered employed. Individuals are also counted as employed if they had a job but did not work because they were ill, on vacation, in a labor dispute, prevented from working because of bad weather, or taking time off for personal reasons.

**Employment and Training Administration (ETA)** – A part of the U.S. Department of Labor. This agency oversees the state UI programs and job training and placement

services provided by state employment security agencies.

**Employment Benchmark** – A reasonably complete count of employment used to adjust estimates derived from a sample. Adjustment is usually done annually. The basic source of benchmark data for the Current Employment Statistics program is data collected from employers by state employment security agencies as a by-product of the unemployment insurance (UI) system. About 98 percent of all employees on non-agricultural payrolls are covered by the UI system.

**Employment Cost Index (ECI)** – The BLS measures the rate of change in employee compensation, which includes wages, salaries and employer's cost for employee benefits. The ECI was developed in response to a frequently expressed need for such a statistical series. The ECI is comprehensive in that it 1) includes costs incurred by employers for employee benefits in addition to wages and salaries; and 2) covers all establishments and occupations in both the private non-farm and public sectors. It measures the change in the cost of employing a fixed set of labor inputs, so it is not affected over time by changes in the composition of the labor force.

**Employment Population Ratio** – The proportion of the civilian non-institutional population age 16 and older that is employed. The state E/P ratio is the dependent variable in the equation that yields monthly state employment estimates.

**Equal Employment Opportunity Commission (EEOC)** – An independent federal agency established in 1965 to prohibit employment discrimination on the basis of race, color, national origin, religion, gender or physical limitation. The enforcement body for the equal employment provisions of the Civil Rights Act of 1964.

**Establishment** – An economic unit, such as a farm, mine, factory or store, which produces goods or provides services. It is usually at a single physical location and engaged in one predominant type of economic activity.

**Establishment-Based Industrial Employment** – Establishment-based industrial employment, or non-agricultural wage and salary employment, is basically defined as the count of jobs by the location of the firm - not by employee residence as in the labor force concept. Industrial employment is classified by eight major industries as defined by the 1987 standard industrial classification (sic) manual. These industries include:

**Mining Industries** – This includes all establishments primarily engaged in mining activities. Mining includes mine, quarry or well operation, mineral extraction, exploration and development, and mine site preparation such as quarrying and milling.

**Construction Industries** – Firms primarily engaged in construction activity. It includes new work, additions, alterations, reconstruction, installations and repairs. This activity covers building construction, heavy construction and construction activity by special trade contractors.

**Manufacturing Industries** – Manufacturing includes businesses engaged in the mechanical or chemical transformation of materials or substances into new products.

The materials, which are processed, include agriculture, forestry, fishing, mining and quarrying as well as products of other manufacturing establishments.

Transportation; Communication and Public Utilities (TCPU) –

Trade Industries –

Finance; Insurance; and Real Estate (FIRE) Industries – Firms in this field normally operate in one aspect of the industry. Finance companies range from banks and credit union agencies to securities institutions. Insurance covers carriers of all types plus agents and brokers. Real estate includes owners, lessors, lessees, buyers, sellers, agents and developers.

Service Industries – This includes establishments engaged in providing a wide variety of services for individuals, business, government and other organizations. It includes hotels and other lodging places, health, legal, engineering, and other professional services.

Public Administration Industries – This includes all executive, legislative, judicial, administrative and regulatory activities of federal, state, local and international governments.

**Estimate** – To judge tentatively or approximately the value, worth, or significance of.

**Exhaustees** – People who have exhausted all of the unemployment insurance benefits to which they are entitled within a benefit year and cannot establish a new benefit year.

**Export (X)** – Domestically produced good or service sold abroad.

**Extrapolate** – To project values of a variable in an unobserved interval from values within an already observed interval. This consists of establishments engaged in wholesale and retail trade. Wholesale firms are primarily engaged in selling merchandise to retailers and to other agents or wholesalers. Retail establishments sell and service merchandise for personal or household consumption. This includes firms providing passenger and freight transportation, communications services or electricity, gas, steam, water and sanitary services to the general public or to other businesses. It also includes the U.S. Postal Service. Part of the U.S. Department of Commerce. A federal statistical agency responsible for estimation of Gross Domestic Product (GDP). Data from the Current Employment Statistics and Employment Statistics - QCEW programs are used in the GDP estimates.

## **F**

**Fair Labor Standards Act** – The federal Wage and Hours Law adopted by Congress in 1938 that set a minimum wage for most American workers. It also mandates overtime pay beyond an eight-hour workday or over 40 hours a week.

**Federal Information Processing Standards (FIPS)** – Standards for information processing issued by the National Bureau of Standards in the U.S. Department of Commerce. Includes a numeric designation for geographic areas such as states, counties, and metropolitan areas.

**Federal/State Cooperative Programs** – A series of statistical programs in which the states and federal government cooperate in accomplishing the goals of the program.



**Finance, Insurance, Real Estate (FIRE)** – In the Standard Industrial Classification coding structure, a service producing industry.

**Firm** – A business entity, either corporate or otherwise. May consist of one or several establishments.

**Fixed Costs** – Production costs that do not change with changes in the quantity of output.

**Frictional Unemployment** – The temporary joblessness that results from individuals who are between jobs, engaged in seasonal work, have quit their jobs and are looking for better ones, or are looking for their first jobs. This type of unemployment is usually short term and is caused by the economy's inability to match job seekers with jobs quickly.

**Fringe Benefits** – Non-wage returns to workers for labor services; includes time off with pay for holidays, vacations, and sick leave, retirement benefits, health care, and similar benefits.

**Full Employment** – A state of the economy in which all people who wants to work can find employment without much difficulty at prevailing rates of pay. Some unemployment, both voluntary and involuntary, is not incompatible with full employment, since allowances must be made for frictional and seasonal factors that are always present to some degree.

**Full-Time Employment** – Generally includes people who worked 35 hours or more during the survey week (week of the month that includes the 12th). Persons who worked between one and 34 hours are designated as working part-time.

**Federal Unemployment Tax Act (FUTA)** – This Act became Chapter 23, Sections 3301-3311, of the U.S. Internal Revenue Code, authorizing the tax imposed on employers with respect to people they employ for the purpose of funding unemployment insurance benefits. The FUTA made possible the federal/state system that established an employment security program in each state.

## **G**

**Gross Domestic Product (GDP)** – The total of all goods and services produced by the U.S. economy. GDP is compiled quarterly by the U.S. Department of Commerce. Current Employment Statistics employment and earnings data are used for advance GDP estimates. ES-202 wage data are used for the final GDP estimates.

**Goods Producing Industries** – In the Standard Industrial Classification coding structure (soon to be North American Industry Classification System or NAICS), those industries that primarily produce goods: mining, construction, and manufacturing.

**Gross National Product (GNP)** – The market value of the output of goods and services produced by the nation's economy. GNP is a "gross" measure because no deduction is made to reflect the wearing out of the machinery and other capital assets used in production. The GNP is a key measure of the overall performance of the economy and a gauge of the health of important sectors.

## H

**High Technology** – A term applied to companies with the following characteristics: 1) advanced technologies are used in the manufacturing process and the final product; 2) a large percentage of revenue is spent on research and development; 3) their products have high growth rates and rapid obsolescence; 4) the value added to the product is high; 5) the companies tend to cluster around brain power and air transportation; 6) scientists and engineers comprise at least 10 percent of the workforce; and 7) the executives are trained in technical fields. High technology industries focus on the physical sciences and life sciences, such as computers, communications, bioengineering, space technology, and electronics.

**Household** – As defined by the Census Bureau, all people who occupy a housing unit. A housing unit is a room or group of rooms intended for occupancy as separate living quarters and having either a separate entrance or complete cooking facilities for the exclusive use of the occupants.

**Human Capital** – Labor that is literate, skilled, trained, healthy, and economically motivated.

## I

**Import (M)** – A good or service purchased from foreign suppliers.

**Import-Competing Industry** – A domestic industry that produces the same or a close substitute good that competes in the domestic market with imports.

**Index of Leading Economic Indicators** – An index that includes 12 economic variables that have been found to have a historical tendency to precede the turning points of the level of Gross National Product. The index is a composite of those 12 indicators.

**Index Number** – a number used to indicate change in magnitude (as of cost or price) as compared with the magnitude at some specified time usually taken as 100

**Industry** – An establishment or group of establishments engaged in producing similar types of goods and services.

**Industry-Occupation (I-O) Matrix** – A tabulation of employment data cross-classified by industry and offices. A numerical quantity calculated from sample data, or from a model, and intended to provide information about a universe.

**Inflation** – A continuously rising general pricelevel, resulting in a loss of the purchasingpower of money

**Initial Claim** – An initial claim is any notice of unemployment filed by an individual to initiate 1) a determination of entitlement to and eligibility for compensation (a new claim); 2) a subsequent period of unemployment within a benefit year or period of eligibility (an additional claim); or 3) a new claim filed to request a determination of eligibility and establishment of a new benefit year within an existing spell of unemployment (transitional claim).

**Insured Unemployment** – Unemployment during a week for which waiting period credit or benefits are claimed under the regular unemployment insurance compensation programs, supplemental extended benefit programs, or the railroad unemployment insurance program, is considered insured.

**Interpolate** – To estimate values of a variable between two known values. A measure of the relative changes occurring in a series of values compared with a base period. The base period usually equals 100, and any changes from it represent percentages. By use of an index number, large or unwieldy business data, such as sales in thousands of dollars or costs in dollars and cents, are reduced to a form in which they can be readily used and more easily understood.

## J

**Job Leavers** – Job leavers are people who quit or otherwise terminate their employment voluntarily and immediately begin looking for work.

**Job Losers** – Job losers are people on layoff and those whose employment ended involuntarily and who immediately begin looking for work.

**Just-in-Time** – A system that provides for raw materials and subassemblies to be delivered by suppliers to the location where they will be processed at the time they are needed rather than being stored in inventories.

## K

## L

**Labor Force** – The civilian labor force comprises the total of all civilians age 16 or older classified as employed and unemployed. The labor force, in addition, includes members of the armed forces stationed in the United States.

**Labor Market Area (LMA)** – An economically integrated geographical unit within which workers may readily change jobs without changing their place of residence. All states are divided into exhaustive LMA's, which usually consist of (except in New England) a county or a group of contiguous counties.

**Labor Market Information (LMI)** – Also referred to as "employment statistics."

1) A large body of data and facts that can be used to gauge the economic climate, to learn about the kinds of industries and occupations providing work and to become familiar with occupational characteristics such as prevailing wage rates, labor supply and demand, and job outlook.

2) LMI also is used to refer to the statistical research and analysis offices of the state employment security agencies. These offices are also referred to as Research and Analysis (R&A) or Research and Statistics (R&S) offices.

**Labor Surplus Area** – This is defined under the Defense Manpower Policy No. 4A as an area with at least 120 percent of the national unemployment rate.

**Laborshed** - The area or region from which an employment center draws its commuting workers regardless of natural or political boundaries. A continuously rising general price level, resulting in a loss of the purchasing power of money.

**Laborshed Studies** - A research survey which addresses the availability and willingness of current and prospective employees to change employment within an employment center, the current and desired occupations, wages, and hours worked, distances willing to commute for employment opportunities as well as underemployment and out-commuting patterns.

**Local Area Unemployment Statistics (LAUS)** – The federal/state cooperative program under which employment and unemployment estimates for states and local areas are developed. These estimates are prepared by state employment security agencies in accordance with Bureau of Labor Statistics definitions and procedures. They are used for planning and budgetary purposes, as an indication of need for employment and training programs, and to allocate federal funds under the Workforce Investment Act (WIA), Federal Emergency Management Agency (FEMA), etc.

## **M**

**Macrodata** – A single establishment or household (micro) data aggregated to any level. Data at the estimating cell level and summary cell levels are all macrodata. Compare to microdata.

**Manufacturing** – Establishments engaged in the mechanical or chemical transformation of materials or substances into new products. These establishments are usually described as plants, factories, or mills and characteristically use power-driven machines and materials handling equipment. The new product of a manufacturing establishment may be "finished" in the sense that it is ready for utilization or consumption, or it may be "semi-finished" to become a raw material for an establishment engaged in further manufacturing.

**Mass Layoff Event** – This is a layoff in which 50 initial claims or more have been filed against an establishment during a five-week period, with the separations expected to last longer than 30 days.

**Mass Layoff Statistics Program (MLS)** – A Bureau of Labor Statistics federal/state cooperative program that collects and publishes data on mass layoffs.

**Mean** – The simplest of all statistical averages, it represents a set of observations and is obtained by dividing the sum of the observations by the number of observations. The mean can be weighted or unweighted.

**Median** – The middle value (or midpoint between two middle values) in a set of data arranged in order of increasing or decreasing magnitude. As such, one-half of the items in the set are less than the median and one-half are greater.

**Metropolitan Area (MA)** – A geographic area comprising a county containing a central city of 50,000 inhabitants or more, plus continuous counties that are socially and economically integrated with the central city. A metropolitan statistical area is one type of MA.

**Metropolitan Statistical Area (MSA)** – An MSA is a relatively free standing MA typically surrounded by non-metropolitan counties. (New England MSAs are comprised of towns and cities, rather than counties.)

**Microdata** – Data reported from an individual establishment or household. Compare to macrodata.

**Minimum Wage** – The minimum hourly rate of pay required by either federal or state law. Nevada's basic minimum hourly wage and the federal minimum hourly rate became \$5.15 on September 1, 1997. The Nevada Labor Commissioner is responsible for enforcing the Nevada Minimum Wage Law.

**Mode** – The most frequently occurring value in a group of values. Like the median, the mode is not influenced by extreme values in the group, but it is used less often in statistical analysis than either the median or the mean.

**Model** – A model is a mathematical equation that relates different variables and data. In time series, this relationship is computed over time. In the Local Area Unemployment Statistics (LAUS) signal-plus-noise models, the monthly state Current Population Survey (CPS) labor force estimates are related to different independent variables and data that show strong correlations to the monthly estimates.

**Multi-Establishment** – A firm or reporting unit that consists of more than one establishment.

## N

**New Entrants** – In the Current Population Survey (CPS), new entrants are new workers looking for a job. They include students entering the labor market after graduation from school and others who have not previously held a full-time job lasting two weeks or longer.

**Non-Agricultural Wage and Salary Employment** – The most accurate and dependable measure of the working population. It is a count of jobs, by place of work, and includes all full- and part-time employees who work in non-agricultural establishments. It does not include pensioners, domestic workers in households, military personnel, self-employed or unpaid family workers, or people on leave of absence without pay.

**Non-Durable Goods** – Items that generally last for only a short time (three years or less). Food, beverages, apparel, and gasoline are common examples. Because of the nature of non-durable goods, they are generally purchased when needed.

**Non-Sampling Error** – Any error in the estimate other than the sampling error. Non-sampling error can arise from the use of an inaccurate sampling frame, improper sample allocation and selection procedures, poorly designed survey questionnaires, inaccurate data clarification/verification techniques, inaccurate reporting or coding from survey respondents, errors in estimation methodology, incorrect specifications, human error in execution and validation, computer program errors, etc. It is important to note that non-sampling errors also occur in censuses.

**North American Industrial Classification System (NAICS)** – This industrial classification system groups establishments into industries based on the activities in which they are primarily engaged. It will soon replace the old Standard Industrial Classification (SIC) system in the United States, Mexico and Canada. NAICS was developed to provide a consistent framework for the collection, analysis and dissemination of industrial statistics used by government policy analysts, by academics and researchers, by the business community, and by the public.

**Not in the Labor Force** – All people 16 years of age or older who are neither employed nor unemployed are considered "not in the labor force." Some examples are students, housewives, retirees, etc.

## O

**Occupation** – The unique set of tasks, skills, and abilities associated with a worker's performing a particular job.

**Occupational Staffing Patterns** – This concept describes an industry in terms of its occupational distribution. For example, an occupational staffing pattern for the electrical

machinery industry would indicate how many of the workers in the industry were employed as electrical engineers, electronic technicians, assemblers, etc.

**Occupational Employment Statistics (OES) Program** – A federal/state cooperative program that collects detailed occupational employment and wage data by industry.

### **Occupational Employment**

- Professional, Technical, and Managerial Occupations – These occupations are concerned with the theoretical and practical aspects of many fields of human endeavor (e.g., Architect, scientist, engineer, lawyer, computer specialist, general manager, health diagnosing and treating occupations, etc.). It also includes occupations in support of these occupations, as well as other specialized activities. Most of these occupations require substantial educational preparation.
- Service Occupations- A category of jobs working in private households, institutions, recreation, commercial, gaming or other establishments serving individuals or protecting the public.
- Agricultural, Fishery, and Forestry Occupations – These occupations are associated with plant and animal life, logging, and caring for parks, gardens, and grounds.
- Processing Occupations – This includes occupations, among others, which are concerned with the refining and mixing of products to prepare them for use in other manufacturing or sales as a finished product.
- Machine Trades Occupations – This category includes occupations involved with the operation of machines that cut, bore, mill, abrade and print using materials such as metal, paper, wood, and plastics.
- Bench Work Occupations – These occupations typically use hand tools and bench machines to fabricate, inspect, or repair relatively small products (e.g., Jewelry).
- Structural Work Occupations – This includes occupations concerned with fabricating, erecting, installing, paving, painting, and repairing structures and structural parts.
- Miscellaneous Occupations – Occupations in this category entail a wide variety of jobs, which are peripherally associated with occupations in all of the other categories.

## **P**

**Per Capita Personal Income** – Individual personal income, mostly wages, stated in non-inflationary monetary units. It is calculated by dividing the total national income (orGrossNational Product) by the population size.

**Performance Measure** – A measure of what a process presently is doing in relationship to what it is supposed to be doing. There are four such measures: Input – measures the resources invested in the process (e.g., allotted funds, staff assigned).

Output –measures the amount of work accomplished, the goods produced or service produced by the process.

Efficiency –measures the cost, unit cost, or productivity associated with a given output or outcome.

Outcome – measures the extent to which process or customer objectives have been met while showing the effect or public good produced by the efforts.

**Place of Residence** –The place of residence refers to the civil subdivision of a country (district, county, municipality, province, and department, state) in which the individual resides.

**Place of Work** – A concept used to define employment where people are counted by where they work, regardless of where they live. Current Employment Statistics (CES or total non-agricultural wage and salary estimates) are derived from this concept.

**Poverty Line** – The family income level below which people are officially classified as poor.

**Probability Sampling** – (Also referred to as Random Sampling) A sampling procedure that gives each of the possible samples a fixed and determinate probability of selection or that gives each unit on a sampling frame a fixed and known chance of being included in the sample. Probability samples permit the calculation, from the sample data, of measures of reliability for the estimates.

**Producer Price Index (PPI)** – A statistical measure that replaced the Wholesale Price Index as the most important monthly measure of prices at the wholesale level. PPI is really three indexes: one for producer finished goods, one for intermediate, and one for crude commodities. The PPI usually refers to the finished goods index.

**Production Worker** – This group covers employees, up through the level of working supervisors, who are engaged directly in the manufacture of the product of an establishment. Among those excluded from this category are people in executive and managerial positions and people engaged in activities such as accounting, sales, advertising, routine clerical work, and professional and technical functions

## Q

**Quarterly Census of Employment and Wages Program** – A federal/state cooperative program that collects and compiles employment and wage data for workers covered by state unemployment insurance (UI) laws, and federal by employers. These data are maintained in the state in micro and macro data forms, and also are provided to BLS. Any data from this program may be generically referred to as "QCEW" data.

## R



**Recession** - A period of time usually lasting from six months to a year, marked by widespread contractions in many sectors of the economy and a significant decline in total output, income, employment and trade.

**Reentrants** – In the Current Population Survey, people who previously worked at a full-time job at least two weeks but who were out of the labor force for two weeks or more prior to beginning to look for work.

**Reference Week** – The week (Sunday through Saturday) for which data are collected. For the Current Population Survey (CPS), Local Area Unemployment Statistics (LAUS), Current Employment Statistics (CES), and Employment Statistics (QCEW) programs, the reference week is the calendar week including the 12th of the month.

**Regression Analysis** – Widely used in statistics and econometrics as a method for predicting the value of a dependent variable from known values of independent variables. For example, it might be used to predict the output of certain production workers (dependent variable) based on the results of testing them for mechanical aptitude (independent variable). Simple regression analysis involves just one independent variable; multiple regression analysis involves several independent variables.

**Resources** – The inputs used in production. Includes natural resources (minerals, timber, rivers), labor (blue collar, white collar), and capital (machinery, buildings). A concept used to define labor force data where people are counted by where they live, regardless of where they work. This concept is used to derive local area unemployment statistics (LAUS) employment and unemployment estimates.

## S

**Sample** – A sample is a subset of a statistical population selected for the purpose of making generalized statements about the whole.

**Sampling Error** – An error arising from the fact that the sample used does not correspond closely enough to the population from which it is selected. As the size of a sample increases, the likelihood of sampling error decreases. Sampling error differs from other kinds of statistical errors in that it occurs at random and is unbiased. Non-sampling error, on the other hand, is error that can be attributed to mistakes in data collection or tabulation or analysis, etc.

**Seasonal Adjustment** – A statistical procedure that removes the month-to-month seasonal effects from a data series. Over the course of a year, the levels of employment and unemployment undergo sharp fluctuations due to such seasonal developments as changes in weather, the planting and harvesting of crops, major holidays, and the opening and closing of schools. Since these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by

adjusting the statistics from month to month. The adjusted figures provide a more useful tool with which to analyze changes in economic activity.

**Seasonal Industry** – An industry, in which activity is affected by regularly recurring weather changes, holidays, vacations, etc. The construction industry is typically characterized as seasonal.

**Self-Employed Worker** – An individual who works more or less regularly, but usually does so in his/her own home or office. This person is not listed on any establishment's payroll. The self-employed include many truck drivers, professionals (doctors, lawyers, dentists, architects, consultants) and others who work on a free-lance, assignment basis.

**Series Break** – An interruption in a time series caused either by a change in definition or in methodology that makes it improper to compare data from after the change with data from before the change.

**Service Producing Industries** – In the North American Industry Classification System (NAICS), those industries that primarily produce services: 1) transportation communication and public utilities (TCPU), 2) trade, 3) finance, insurance and real estate (FIRE) 4) services, and 5) government.

**State Employment Security Agency (SESA)** – A generic name for the State agency usually responsible for three activities:

1. The unemployment insurance (UI) program—UI tax collection, administration, and determination and payment of unemployment benefits.
2. The employment or job service program—an exchange for workers seeking work and employers seeking workers.
3. Labor market information —collection, analysis, and publication of information on workers and jobs.

**Standard Deviation** – A measure of dispersion around the mean value of a population. Frequently denoted by sigma. It is the square root of the variance.

**Standard Industrial Classification (SIC)** – This is the statistical classification standard underlying all establishment-based federal economic statistics identified by industry. The SIC is used to promote the comparability of establishment data describing various facets of the United States economy. The SIC Manual allows establishments to be grouped into both broad and narrow categories. By grouping together industries, and then businesses within industries, the value of the data is enhanced for users interested in different levels of detail. The SIC was designed to be used within government agencies for statistical purposes in 2003 North American Industry Classification System or NAICS replaced it.

**Statistics** – The data on economic variables; also the techniques of analyzing, interpreting, and presenting data.

**Strike** – A work stoppage by employees acting together in an attempt to bring pressure on management to give in to their demands concerning wages, working conditions, union recognition, or some other issue.

**Structural Unemployment** – Long-term joblessness that results from changes in the kinds of workers needed by the economy, either by skill obsolescence, competition from foreign imports, or lack of training for the skills local employers require.

**Survey** – The process used to collect data for the analysis of some aspect of a group or area.

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**T**

**Time Series** – The changes in the values of a variable over time; a chart in which time, generally years, is one of the variables.

**Transportation, Communication, Public Utilities (TCPU)** – In the Standard Industrial Classification (SIC) coding structure (soon to be North American Industry Classification System or NAICS), a service producing industry.

**Trend** – The long-term or overall movement of a series over time. Any economic time series is assumed to be made up of trend, irregular, cyclical and seasonal movements.

**U**

**Underemployed** – Workers who cannot obtain full-time employment or who are working at jobs for which they are overqualified.

**Unemployed** – In the Current Population Survey (CPS), those individuals considered unemployed must be 16 years of age or older who do not have a job but are available for work and are actively seeking work during the reference week (the week including the 12th of the month). The only exceptions to these criteria are individuals who are waiting to be recalled from a layoff and individuals waiting to report to a new job within 30 days. They are also considered unemployed.

**Unemployed Disqualified** – Unemployed disqualified refers to people who are able to work and are available for work but are disqualified from receiving benefits for separation issues or other non-monetary reasons.

**Unemployment Insurance** – A program that provides cash benefits for workers who are unemployed through no fault of their own and who are able to work, available to work, and who are actively seeking work. Eligibility to receive these benefits is set by law. The program is financed through taxes paid into a trust fund by Nevada employers

for their employees.

**Unemployment Rate** – The number of people unemployed, expressed as a percentage of the civilian non-institutional labor force.

**Unemployment Trust Fund** – A fund established in the treasury of the United States that contains all monies deposited by state agencies to the credit of their unemployment fund accounts and federal unemployment taxes collected by the Internal Revenue Service. Each state has a separate account in this fund. States deposit unemployment insurance contributions into this account and draw on the account to pay unemployment benefits.

**Unemployment Trust Fund Balance** – Usually refers to the balance in the individual state account in the Unemployment Trust Fund.

**Universe** – The entire population to be measured.

## V

**Variance** – A mathematical measure of the dispersion of the values of a variable around its mean. The variance may arise from a sampling of the population under study, or may just measure the variability of population values around its mean. The variance is denoted as sigma squared,  $s^2$ .

**Vertically Integrated** – Separate divisions of one company producing the different stages of a product and marketing their output to one another.

## W

**Workforce Investment Act (WIA)** – This Act was signed into law on August 7, 1998, capping a seven-year effort to consolidate and streamline the nation's employment and training programs. WIA replaced the Job Training Partnership Act (JPTA), enacted October 13, 1982. Under WIA, the federal government, states, and local communities join efforts to develop a system providing workers with job search assistance, training, and advice. In addition, all entities will work together to provide employers with skilled workers.

## X

## Y

## Z

