

Glossary
Quarterly Census of Employment and Wages

Annual Average Employment or Jobs:

Annual average employment is a simple average of the reported monthly employment figures for the calendar year. In some industries where there are significant seasonal changes in the number employed during the year, the annual average employment may differ significantly from the level of employment in any one month. Employment is a count of jobs, not workers. A worker with two jobs is counted twice, once for each job.

Annual Average Wage:

The annual average wage is computed by dividing total annual wages by annual average employment. Because it is an average of aggregate data the annual average wage should not be used to estimate hourly wages. Employers do not report hourly information. Wage data includes hourly and salaried workers, and persons paid on a commission basis, all of who may be working full-time, part-time, or overtime. Annual average wage figures are influenced by the mix of these items and should be interpreted with caution.

Change and % Change:

All information referring to "change" or "% change" is based on net change. The amount of change between periods is equal to the total number of jobs added by expanding firms minus the total number of jobs lost by contracting firms. Between any two periods some firms are laying off and other firms are hiring. Change in the overall economy is determined by the net of this churn.

Confidentiality Standards:

Confidentiality standards apply to private sector data only. Publication of data that would disclose an individual firm's employment or wage information is prohibited under the Bureau of Labor Statistic's guidelines of confidentiality. Aggregate data is not published if it represents fewer than three private employers or if one private employer represents 80% or more of the data. In addition, Vermont does not publish data with fewer than ten private sector employees. In many cases, suppressions may also be necessary for otherwise disclosable data that may be used to derive sensitive information from another industry or area. However, published totals of higher-level aggregations, when disclosed, include the suppressed lower-level data. All government data is publishable.

Covered Employer:

Covered employer refers to a business subject to the Vermont Unemployment Compensation Law, or for federal agencies, the Federal Unemployment Compensation Law. **Included are:** 1) private for-profit businesses with one or more employees, 2) federal, state and local government agencies, 3) non-profit religious, charitable, or educational firms with at least four employees, 4) farms employing ten or more workers, 5) private homes employing domestics, and 6) exempt firms who voluntarily elect coverage. **Excluded are:** 1) the self-employed, 2) most farms, 3) some non-profits, 4) churches, 4) railroads (workers are covered by the railroad unemployment insurance system), 5) elected officials, 6) officers

and family members of sole proprietorships or partnerships, and 7) student workers in a work-study or academic program.

Covered Employment and Wages:

The data in this report refers to employees and their wages in businesses required to furnish unemployment insurance coverage. See Covered Employer.

Data Source:

Data is compiled from quarterly reports submitted by employers covered by the Vermont Unemployment Compensation Law. The reports contain monthly employment information for the pay period that includes the 12th of the month and total wages paid in the quarter.

Establishment:

An establishment is an economic unit, such as a farm, factory, or store, which produces goods or provides services at a single physical worksite and engaged, predominantly, in one type of economic activity. Most employers operate only one place of business. For these employers an establishment represents all a firm's activity in the state. For employers who operate more than one establishment in the state, data is collected for each worksite or establishment separately, if possible. Occasionally, a single physical location encompasses two or more distinct and significant activities that, if possible, are reported as separate worksites. For employers with multiple worksites, an establishment represents only part of the firm's activity in the state. Accordingly, there are more establishments than employers or firms and the number of establishments should not be used as a count of firms.

Industry Classification:

The economic activity of an establishment is classified according to the North American Industry Classification System – NAICS. The NAICS classification structure groups industries based on similar production processes. It is used by governmental and private organizations in the United States, Canada and Mexico for the purposes of uniformity in presenting statistical data. More information is available at the Bureau of Labor Statistics, <https://www.bls.gov/bls/naics.htm>.

Ownership:

The ownership of an establishment is classified as either Private, Federal Government (United States Government agencies), State Government (State of Vermont agencies or funded organizations) or Local Government (town government and k-12 schools).

Reclassification:

In an active economy, firms change their physical location and, occasionally, their primary business activity. To maintain accurate location and activity information, employers are surveyed every three years. Updates are effective at the start of the next calendar year. While this improves the accuracy of data analysis, it also introduces fluctuations in the data from year to year due to these administrative changes.

Seasonal Activity:

Seasonal activity in Vermont industries produces significant variation in employment levels during the year. The annual average provides a convenient summary of the year's employment and wages. However, by definition, it obscures the peaks and valleys.

Size Class:

Each establishment is assigned to one of nine size class categories based upon March employment. For employers with multiple establishments, size class is based on each worksite, not the firm's total employment.

1 – 4 or fewer workers

2 – 5 to 9 workers

3 – 10 to 19 workers

4 – 20 to 49 workers

5 – 50 to 99 workers

6 – 100 to 249 workers

7 – 250 to 499 workers

8 – 500 to 999 workers

9 – 1,000 plus workers

Unclassified Data by Area:

A small percentage of establishments are not classified by area. In these cases, either the work is not performed at a given physical location (e.g., traveling salespeople) or the work location information is not available (e.g. Medicaid respite workers).