



January 2019

# KENTUCKY

## LABOR FORCE UPDATE

### Get to Know the Kentucky Labor Market Information Branch

The Kentucky Labor Market Information (LMI) Branch is part of the Kentucky Center for Statistics (KYSTATS), an agency within the Kentucky Education and Workforce Development Cabinet. The LMI Branch, through grants from the U.S. Department of Labor, Employment and Training Administration (ETA) and the Bureau of Labor Statistics (BLS), maintains a comprehensive information system of the state's labor market and workforce and provides employment statistics, occupational estimates, and economic data and analysis to the public, practitioners, and policymakers.

Industry employment and wage data, occupational employment and wage estimates, including projections, and employment and unemployment estimates, are all available on the Labor Market Information Report Library at <https://kystats.ky.gov/KYLMi>. Data are produced monthly, quarterly and annually, depending on the particular program. Data are produced at the most detailed geographic level possible, including the state, Local Workforce Area (LWA), Area Development District (ADD), Metropolitan Statistical Area (MSA) and county levels when possible. The summary table below outlines the frequency of reporting, the level of geography at which the data are reported, and how the data are collected.

#### Summary of Statistical Programs Administered by the Kentucky LMI Branch

Program	Local Area Unemployment Statistics (LAUS)	Current Employment Statistics (CES)	Quarterly Census of Employment and Wages (QCEW)	Occupational Employment Statistics (OES)	Occupational Employment Projections
Frequency of Reporting	Monthly	Monthly	Quarterly	Annual	Annual
Geography	State, LWA, ADD, MSA, County	State	State, LWA, County	State, LWA	State, LWA
How are data collected?	Prepared monthly using economic models which incorporate data from the Current Population Survey (CPS), U.S. Census Bureau, CES, QCEW and unemployment insurance (UI)	Monthly survey of businesses	Quarterly state-mandated UI contribution report based on the physical location of business establishment, which includes employment count during reference week and corresponding quarterly wages	Survey of businesses based on a three-year data collection cycle; surveys are sent out twice a year to capture data for the 2 <sup>nd</sup> and 4 <sup>th</sup> quarter reference periods	Projections are produced using a time series of Kentucky employment data in conjunction with typical staffing patterns for each industry

### ALSO IN THIS ISSUE:

◇ Labor Force Estimates (LAUS) Nov. 2018

◇ Labor Force Estimates (CES) Nov. 2018

◇ Unemployment Ins. Claims Nov. 2018

◇ KYSTATS Mini-Conference Schedule



# Contents

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<b>Get to Know the Kentucky Labor Market Information Branch</b>	<b>1</b>
<b>November 2018 Labor Force Estimates (LAUS)</b>	<b>7</b>
<b>November 2018 Labor Force Estimates (CES)</b>	<b>8</b>
<b>Unemployment Insurance Claims November 2018</b>	<b>9</b>

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## **Kentucky Labor Force Update**

A monthly publication of the  
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# Get to Know the KY Labor Market Information Branch

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## Local Area Unemployment Statistics (LAUS)

The Local Area Unemployment Statistics (LAUS) program produces monthly and annual estimates of the civilian labor force, employment, unemployment, and unemployment rate for the state, Local Workforce Areas (LWA), Area Development Districts (ADD), Metropolitan Statistical Areas (MSA), and counties. The civilian labor force is a measure of people ages 16 and older who are available for work and includes both the employed and unemployed. The unemployment rate is the ratio of unemployed to the civilian labor force. The LAUS program is also used to estimate the monthly labor force participation rate for the state. This calculation measures the share of the civilian, noninstitutional population that is either employed or unemployed.

The LAUS program is designed to measure trends in the number of people working and relies on data from the Current Population Survey, Current Employment Statistics (CES), and Unemployment Insurance (UI) claims. It includes jobs in agriculture as well as individuals who are self-employed. Users should note that LAUS estimates undergo both monthly and annual revisions.<sup>1</sup>

How can the information from this program be used?

- As a current economic indicator of state, regional, and local economies
- For long term trend analysis on employment and unemployment
- To determine the need for local employment and training programs

## Current Employment Statistics (CES)

Nonfarm employment, hours, and payroll estimates are gathered from a sample of more than 7,500 Kentucky businesses surveyed monthly under the Current Employment Statistics (CES) program. Self-employed and unpaid workers are excluded from the counts. Establishments are classified by industry on the basis of their principal products or activities using the North American Industry Classification System (NAICS). NAICS is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. The Kentucky LMI Branch provides monthly, statewide estimates of employment by most two-digit NAICS, as long as the sample is sufficiently large. Because CES estimates are subject to sampling and non-sampling error, estimates are revised annually, a process known as benchmarking.<sup>2</sup>

How can this information be used?

- As a current economic indicator of state economy
- To track statewide employment trends in various industries

## Quarterly Census of Employment and Wages (QCEW)

The Quarterly Census of Employment and Wages (QCEW) program publishes quarterly employment and wages reported by employers with workers covered under the state Unemployment Insurance (UI) program as well as those covered under the Unemployment Compensation for Federal Employees (UCFE) program. Employment covered by these programs represents an estimated 97 percent of all nonfarm payroll employment. Excluded are members of the



# Get to Know the KY Labor Market Information Branch

armed forces, the self-employed, proprietors, domestic workers, unpaid family workers, and railroad workers covered by the railroad unemployment insurance system.

Data are aggregated from single establishments into industries organized by the North American Industry Classification System (NAICS). These data are aggregated to higher industry levels (NAICS industry groups, sectors, and supersectors), and to higher geographic levels (county, LWA, and State). The Kentucky LMI Branch publishes quarterly and annual employment and average weekly wage data for NAICS supersectors at the state, LWA, and county levels, if disclosure restrictions are met.<sup>3</sup> The CES, LAUS, OES, and Projections programs all rely on data from QCEW to develop their estimates or survey sample.

How can the information from this program be used?

- To identify and analyze trends in different industries at the county, LWA, and state level
- To assess the economic health of Kentucky
- For economic development, forecasting, transportation planning, and other purposes

The Kentucky LMI Branch developed an interactive report – Kentucky Industry Profiler – using employment and wage data from the QCEW program. Users have the ability to filter available data by area, time period, type of ownership, and industry. Available areas include LWA, Workforce Planning Regions (WPR), and statewide. Data are available from 2000 forward, and new data are loaded quarterly. Industry data are available at the supersector, sector, and industry levels. The Industry Profiler can be found in the Reports section of our website (<https://kystats.ky.gov>).

## Occupational Employment Statistics (OES)

The Kentucky LMI Branch conducts a semi-annual survey of employers in May and November to collect employment and wage rates by occupation for wage and salary workers in nonfarm establishments. The Occupational Employment Statistics (OES) program publishes occupational employment and wage estimates annually for approximately 700 occupations. The estimates are available for the state as a whole, as well as for the LWAs. Annual and hourly wage estimates are provided for various wage levels: entry, mean, 25th percentile, median, 75th percentile, and experienced. Self-employed persons are not included in the estimates.

The OES survey is designed to create detailed, cross-sectional, employment and wage estimates, providing a “snapshot” of occupational employment and wages for a particular area and time. It is not designed to be used as a time series. Challenges in using OES data as a time series include changes in occupational, industry and geographical classification systems; changes in data collection methodology and procedures; changes in the survey reference periods; changes in mean wage estimation methodology; and other features of the OES methodology.

How can the information from this program be used?

- To ascertain current employment and wages
- To assist employers in setting competitive wages
- To assist job seekers in wage negotiations
- To help those exploring careers
- To attract businesses by developing economic and workforce development programs
- To compare occupational composition and wages across areas



# Get to Know the KY Labor Market Information Branch

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## Occupational Employment Projections

Occupational employment projections reflect predicted employer demand for labor for the next 10 years. These projections are produced using a time series of Kentucky employment data. Then, typical staffing patterns of each industry are used to draw inferences about the expected future demand for each occupation. Projections are available at the major and detailed SOC levels. Statewide occupational projections are produced in even-numbered years (e.g. 2018), and occupational projections by LWA are produced in odd-numbered years.

Occupational employment projections include information on projected job openings resulting from three events: individuals transferring among occupations (e.g. a career change), individuals exiting the workforce (e.g. retirement), and economic growth. The projections also include information on the typical education, training, and experience needed for entry and on-the job training typically needed to reach competency in the occupation. Comparisons to previous years are impossible due to changes in methodology from year to year.

How can the information from this program be used?

- To study long-range employment trends
- To develop education and training programs
- Career guidance

## Summary

These programs represent a comprehensive understanding of Kentucky's labor market and workforce, both current and historic. Data developed through these programs can be found on our website (<https://kystats.ky.gov/KYLM>). An overview table describing the five programs is on the following page.

Requests for additional reports, analysis, or data can be submitted to our Workforce Intelligence Branch at (502) 564-7976. All requests are subject to the KYSTATS Data Access and Use Policy found on our website.

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<sup>1</sup> Each month the LAUS program releases two set of estimates, a preliminary set for the current month and a revised set for the prior month. In addition, LAUS estimates are benchmarked at the beginning of each year. These benchmark revisions incorporate updated population data from the Current Population Survey (CPS), updated employment from benchmarked CES estimates, revisions to other LAUS inputs, and changes to the LAUS estimation models.

<sup>2</sup> CES estimates are benchmarked to employment counts derived from the Quarterly Census of Employment and Wages (QCEW) program. These QCEW employment counts replace the CES employment estimates where available. Where QCEW data are not yet available, CES estimates are revised utilizing updated business birth/death factors and updates to the series levels from QCEW.

<sup>3</sup> In accordance with the BLS confidentiality policy, some data are not disclosed to protect the identity or identifiable information of participating employers. However, published totals of higher-level aggregations, when disclosed, do include the suppressed lower-level data.



# Get to Know the KY Labor Market Information Branch

## Overview of Statistical Programs Administered by the Kentucky LMI Branch

	<b>Local Area Unemployment Statistics (LAUS)</b>	<b>Current Employment Statistics (CES)</b>	<b>Quarterly Census of Employment and Wages (QCEW)</b>	<b>Occupational Employment Statistics (OES)</b>	<b>Occupational Employment Projections</b>
Frequency of release	Monthly	Monthly	Quarterly	Annual	Annual
Geography	State, LWA, ADD, MSA, County	State	State, LWA, County	State, LWA	State, LWA
How are data collected?	Prepared monthly using economic models which incorporate data from the Current Population Survey (CPS), CES, and unemployment insurance claims	Monthly survey of businesses	Quarterly state-mandated UI contribution report based on the physical location of business establishment, which includes employment count during reference week and corresponding quarterly wages	Survey of businesses based on a three-year data collection cycle; surveys are sent out twice a year to capture data for the 2 <sup>nd</sup> and 4 <sup>th</sup> quarter reference periods	Projections are produced using a time series of Kentucky employment data in conjunction with typical staffing patterns for each industry
What data are measured?	Estimated number of people employed and unemployed by place of residence	Estimated number of jobs held by place of employment	Number of jobs held by place of employment and wages by industry	Estimated wages and employment by occupation by place of work	Projected employment by occupation by place of work
Who is included?	<p>Persons who, during the reference week, work at least one hour for pay/profit; or work at least 15 hours as an unpaid family worker; or are self-employed, or have a job but did not go to work.</p> <p>Includes persons who are 16 years or older, farm and nonfarm workers; self employed; unpaid family workers who worked 15 hours or more; and those temporarily absent from work.</p>	<p>Persons on establishment payrolls who receive pay for any part of the pay period which includes the 12<sup>th</sup> of the month.</p> <p>Includes all ages of employed. Includes most workers covered by Unemployment Insurance (UI) and segments of non-covered employment.</p>	<p>Persons covered under state unemployment insurance (UI) laws or the Unemployment Compensation for Federal Employees (UCFE) program.</p> <p>Includes all ages who are paid a wage or salary from an employer liable to pay Unemployment Insurance. Agricultural workers and domestic workers are included if employer meets liability criteria.</p>	<p>Persons included on the payroll which includes the 12<sup>th</sup> of the month during the months of May and November.</p> <p>Includes all ages of employed.</p>	Includes all ages of employed.
Who is excluded?	Individuals not in the labor force, including those under age 16 or institutionalized.	Self-employed, agricultural workers, domestic workers, unpaid workers and military.	Self-employed, military, unpaid family workers, railroad workers, work-study students, elected officials, or any business not covered by unemployment insurance.	Self-employed, some agricultural workers, domestic workers, and military.	Self-employed, some agricultural workers, domestic workers, and military.

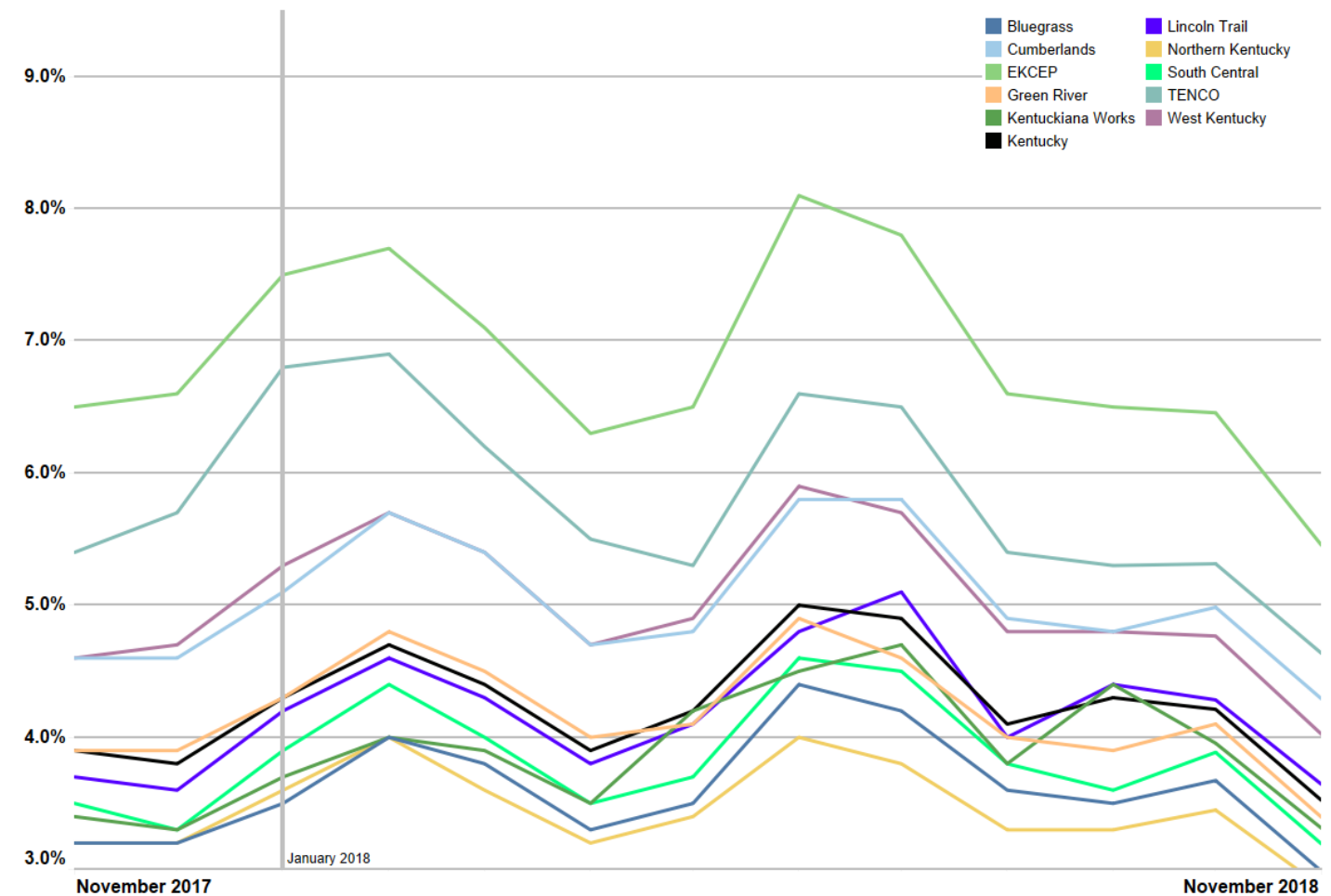


# November 2018 Labor Force Estimates

Source: KYSTATS, Local Area Unemployment Statistics (LAUS)\*

	Nov 2018	Oct 2018	Nov 2017	OVER-the-MONTH		OVER-the-YEAR	
				Change	Rate	Change	Rate
Civilian Labor Force	2,075,664	2,075,387	2,053,968	277	0.0%	21,696	1.1%
Employment	1,983,063	1,981,358	1,961,014	1,705	0.1%	22,049	1.1%
Unemployment	92,601	94,029	92,954	-1,428	-1.5%	-353	-0.4%
Unemployment Rate	4.5%	4.5%	4.5%	0.0%	-	0.0%	-
U.S. Unemployment Rate	3.7%	3.7%	4.1%	0.0%	-	-0.4%	-

Unemployment Rate by Local Workforce Area and State



\* November data are preliminary and subject to revision.





# November 2018 Labor Force Estimates

Source: KYSTATS, Current Employment Statistics (CES)\*

	Nov 2018	Oct 2018	Nov 2017	OVER-the-MONTH		OVER-the-YEAR	
				Change	Rate	Change	Rate
<b>Total Nonfarm Employment</b>	<b>1,940,200</b>	<b>1,935,000</b>	<b>1,923,200</b>	<b>5,200</b>	<b>0.3%</b>	<b>17,000</b>	<b>0.9%</b>
<b>Private Sector Employment</b>	<b>1,625,600</b>	<b>1,620,700</b>	<b>1,608,300</b>	<b>4,900</b>	<b>0.3%</b>	<b>17,300</b>	<b>1.1%</b>
<b>Goods Producing Industries</b>	<b>338,800</b>	<b>338,500</b>	<b>336,300</b>	<b>300</b>	<b>0.1%</b>	<b>2,500</b>	<b>0.7%</b>
Mining and Logging	10,400	10,500	10,200	-100	-1.0%	200	2.0%
Construction	75,800	76,600	76,200	-800	-1.0%	-400	-0.5%
Manufacturing	252,600	251,400	249,900	1,200	0.5%	2,700	1.1%
Durable Goods	164,200	164,300	162,200	-100	-0.1%	2,000	1.2%
Non-durable Goods	88,400	87,100	87,700	1,300	1.5%	700	0.8%
<b>Private Service Providing Industries</b>	<b>1,286,800</b>	<b>1,282,200</b>	<b>1,272,000</b>	<b>4,600</b>	<b>0.4%</b>	<b>14,800</b>	<b>1.2%</b>
Trade, Transportation, & Utilities	414,800	413,800	405,500	1,000	0.2%	9,300	2.3%
Wholesale Trade	77,100	76,500	76,600	600	0.8%	500	0.7%
Retail Trade	217,400	216,800	216,100	600	0.3%	1,300	0.6%
Transp, Warehousing, & Util.	120,300	120,500	112,800	-200	-0.2%	7,500	6.6%
Information	22,200	22,100	22,700	100	0.5%	-500	-2.2%
Financial Activities	94,100	94,900	92,500	-800	-0.8%	1,600	1.7%
Finance and Insurance	74,600	75,300	72,800	-700	-0.9%	1,800	2.5%
Real Estate, Rental & Leasing	19,500	19,600	19,700	-100	-0.5%	-200	-1.0%
Professional and Business Services	218,200	215,500	214,000	2,700	1.3%	4,200	2.0%
Prof, Scientific, & Tech Services	77,100	76,700	74,500	400	0.5%	2,600	3.5%
Management of Companies	19,600	19,700	19,700	-100	-0.5%	-100	-0.5%
Admin & Support & Waste Mgmt	121,500	119,100	119,800	2,400	2.0%	1,700	1.4%
Educational & Health Services	274,800	274,000	272,900	800	0.3%	1,900	0.7%
Educational Services	28,900	28,900	28,800	0	0.0%	100	0.3%
Health Care & Social Assistance	245,900	245,100	244,100	800	0.3%	1,800	0.7%
Leisure and Hospitality	195,400	194,700	197,300	700	0.4%	-1,900	-1.0%
Arts, Entertainment & Recreation	22,000	21,800	22,400	200	0.9%	-400	-1.8%
Accommodation & Food Services	173,400	172,900	174,900	500	0.3%	-1,500	-0.9%
Other Services	67,300	67,200	67,100	100	0.1%	200	0.3%
<b>Government</b>	<b>314,600</b>	<b>314,300</b>	<b>314,900</b>	<b>300</b>	<b>0.1%</b>	<b>-300</b>	<b>-0.1%</b>
Federal	36,400	36,300	36,600	100	0.3%	-200	-0.5%
State	94,300	94,300	95,400	0	0.0%	-1,100	-1.2%
Local	183,900	183,700	182,900	200	0.1%	1,000	0.5%

\* Data are seasonally adjusted. November data are preliminary and subject to revision.





# Unemployment Insurance Claims November 2018 (Kentucky, Statewide)

Source: U.S. Dept. of Labor, Employment and Training Administration

Month	Initial Claims	First Payments	Weeks Claimed	Weeks Compensated	Average Weekly Benefit	Benefits Paid	Final Payments
11/30/2017	10,966	3,215	67,915	59,025	\$340.70	\$19,608,362	1,242
12/31/2017	26,508	3,591	76,304	63,973	\$340.60	\$21,288,258	1,193
1/31/2018	17,894	8,647	118,511	99,107	\$344.74	\$33,167,729	1,622
2/28/2018	11,053	4,450	96,918	85,251	\$342.91	\$28,589,923	1,429
3/31/2018	8,670	3,448	88,059	78,794	\$334.01	\$26,414,438	1,013
4/30/2018	9,593	2,786	75,397	73,360	\$338.85	\$24,936,012	1,188
5/31/2018	17,484	3,302	74,279	66,733	\$340.04	\$22,776,755	1,119
6/30/2018	15,974	3,549	73,020	63,967	\$332.05	\$21,316,145	1,065
7/31/2018	23,169	5,097	105,655	92,626	\$343.98	\$31,915,100	1,565
8/31/2018	8,393	3,316	72,220	67,823	\$336.07	\$22,891,972	1,381
9/30/2018	17,977	2,997	64,427	72,171	\$340.67	\$24,679,872	1,312
10/31/2018	8,340	2,817	70,942	62,601	\$346.01	\$21,718,218	1,308
11/30/2018	11,629	2,553	60,459	53,298	\$347.80	\$18,585,342	982

Data queried from <https://oui.doleta.gov/> on 1/7/2019.

## Need more KYSTATS? Come see us in action.

The Kentucky Center for Statistics is excited to announce a series of mini-conferences to be held across the state in 2019. You are invited to join us as we highlight popular new reports featuring data on Kentucky education, the workforce, and more.

Date	Location	Time	Host organization
January 31, 2019	Northern KY	9am to 11:30am	Gateway Community & Technical College
February 12, 2019	Pulaski County	9am to 11:30am	Pulaski County Schools Central Office

More dates and locations to come. Register for KYSTATS events [here](#).



Follow us on Twitter **@KYSTATS** for registration opportunities and event announcements

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Published 1/15/2019