

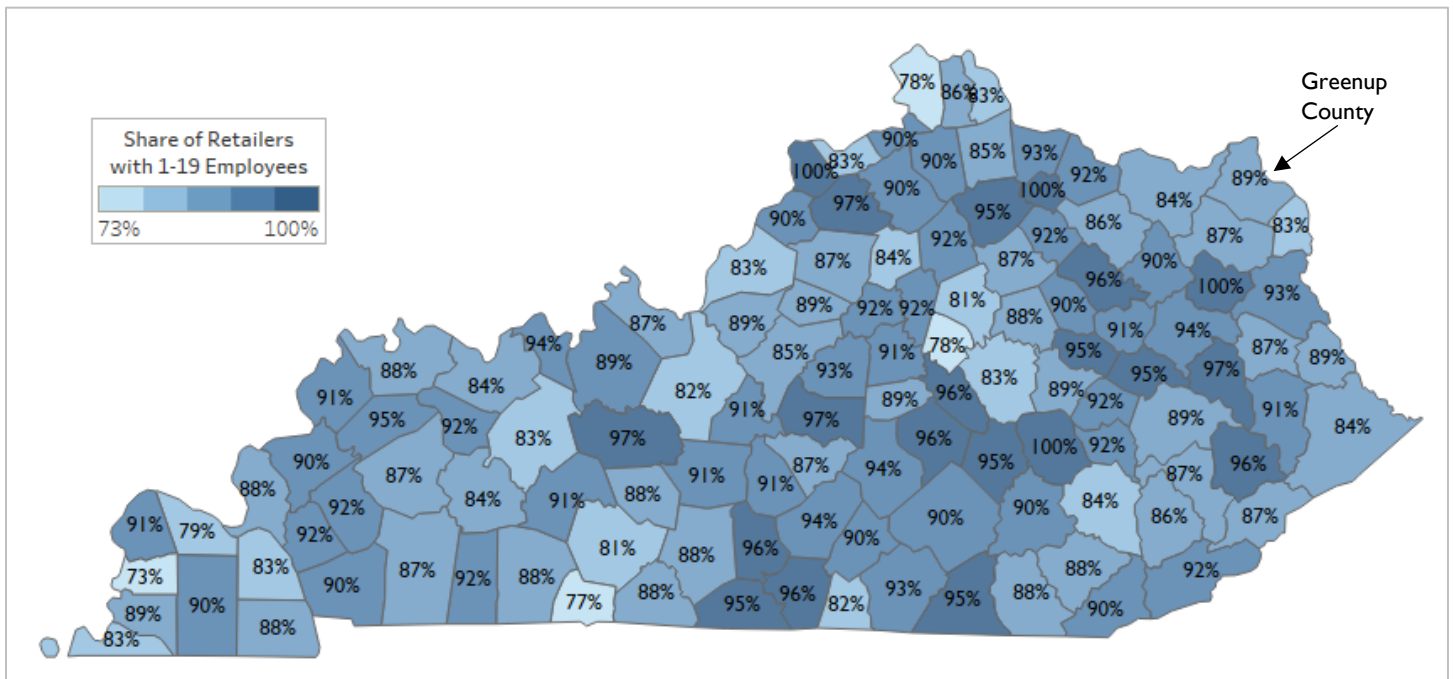


November 2018 **KENTUCKY** **LABOR FORCE UPDATE**

Employment in Kentucky's Small Businesses

This year, Small Business Saturday is on November 24th. First begun in 2010, Small Business Saturday encourages holiday shoppers to patronize local, small stores. For those interested in supporting small businesses this holiday season, this article includes information on Kentucky's small retailers as well as some general information on small businesses throughout the Commonwealth.

Data from the U.S. Bureau of Labor's *Quarterly Census of Employment and Wages (QCEW)*¹ program show that 85.6 percent of retail establishments in Kentucky have between 1 and 19 employees. The map below shows this share for each county. For example, in Greenup County, 89 percent of the retailers employ fewer than 20 people.



Source: Kentucky Center for Statistics (KYSTATS), Kentucky Labor Market Information Branch, Quarterly Census of Employment & Wage (QCEW), March 2018

ALSO IN THIS ISSUE:

- ◇ Business Employment Dynamics, 2018 Q1
- ◇ Labor Force Estimates, Sept. 2018
- ◇ Unemployment Claims Data, Sept. 2018
- ◇ KYSTATS Mini-Conference Schedule



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Kentucky Labor Force Update

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Employment in Kentucky's Small Businesses

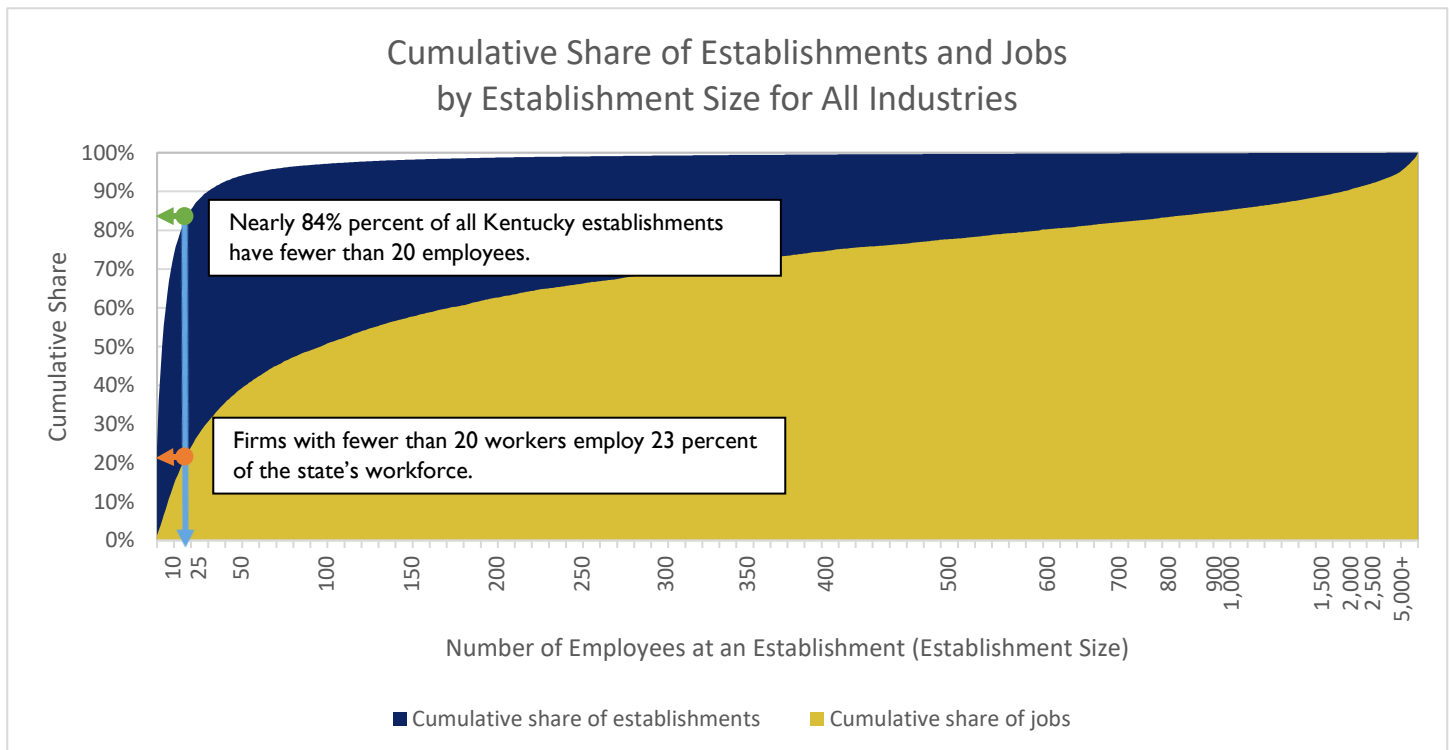
How small is a small business? It depends on who you ask. Government agencies and advocacy groups have their own definitions. According to the Affordable Care Act (ACA), small businesses, those with fewer than 50 full-time equivalent (FTE) employees, are exempt from the employer mandate to provide employee health care coverage. Within the U.S. Small Business Administration (SBA), the Office of Advocacy defines a small business as having fewer than 500 employees. However, the SBA's Office of Size Standards establishes specific industry-level criteria of what qualifies as a small business based on either the number of employees or annual receipts. These definitions determine which businesses can participate in government contracting programs or receive SBA financial assistance.²

99.7 percent of all Kentucky establishments are considered small businesses.

Using the broadest SBA definition above, a small business has fewer than 500 employees, 99.7 percent of all establishments in Kentucky are small businesses. This is the same proportion as in the U.S. Small businesses provide many opportunities for Kentucky entrepreneurs and workers. Using this definition, more than three-quarters (77.7%) of workers in the state are employed at small businesses.

The following chart shows the cumulative share of establishments (blue) and the cumulative share of jobs (gold) by establishment size in Kentucky. The horizontal axis shows the number of people employed at a Kentucky establishment. The light blue line represents businesses with 19 employees. As illustrated by the green arrow, nearly 84 percent of all Kentucky establishments have fewer than 20 employees. These same, very small businesses employ almost 23 percent of the state's workers, indicated in orange.

Nearly 78 percent of Kentucky workers are employed at establishments with less than 500 employees.

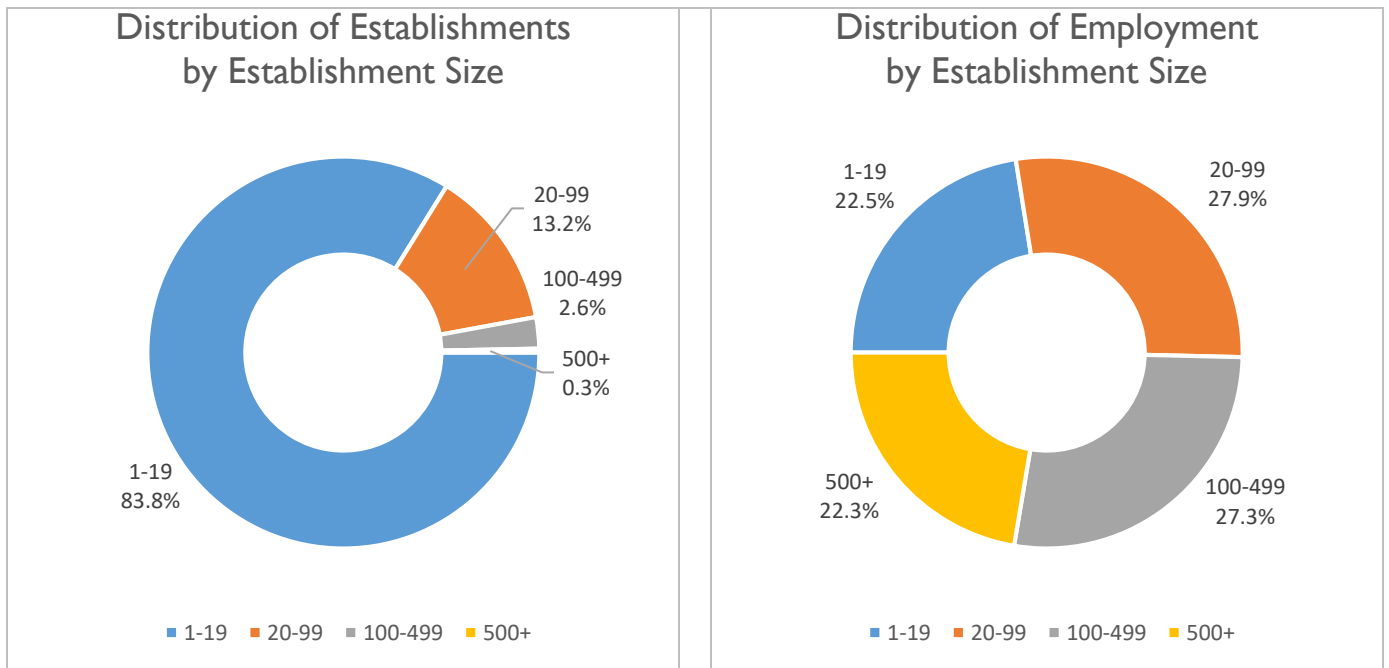


Source: KYSTATS, Kentucky Labor Market Information Branch, QCEW March 2018



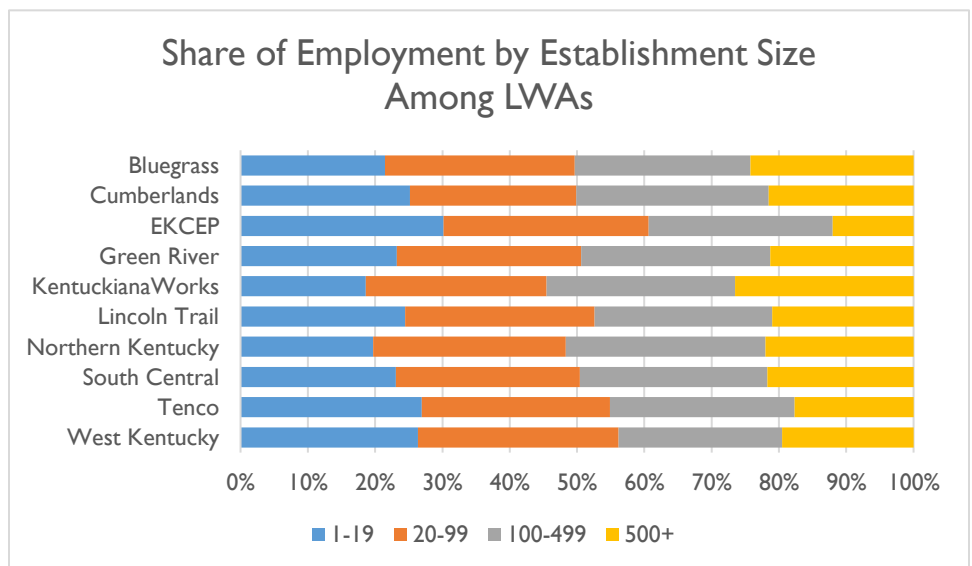
Employment in Kentucky's Small Businesses

Due to the large number of small establishments, the data are broken down into the size categories used by the SBA Office of Advocacy.³ The SBA examined data on establishments with 1 to 19 employees, 20 and 99 employees, 100 to 499 employees and businesses with more than 500 employees. While the largest share of establishments in Kentucky have between 1 and 19 employees (blue sections in charts below), the distribution of workers is more evenly distributed across the size categories. As for the largest establishments, there are 320 in Kentucky with more than 500 employees, 0.3 percent of all establishments. Combined, these large establishments employ more than 418,400 employees, 22.3 percent of Kentucky's workforce (yellow section).



Source: KYSTATS, Kentucky Labor Market Information Branch, QCEW March 2018

There is variation in establishment size among the Local Workforce Areas (LWA). In Kentucky, overall, 50 percent of workers are employed by establishments with less than 100 employees (blue and orange bars combined). However, in EKCEP, that number rises to nearly 61. Tenco and West Kentucky also have a higher percentage of workers in smaller businesses than the state average.

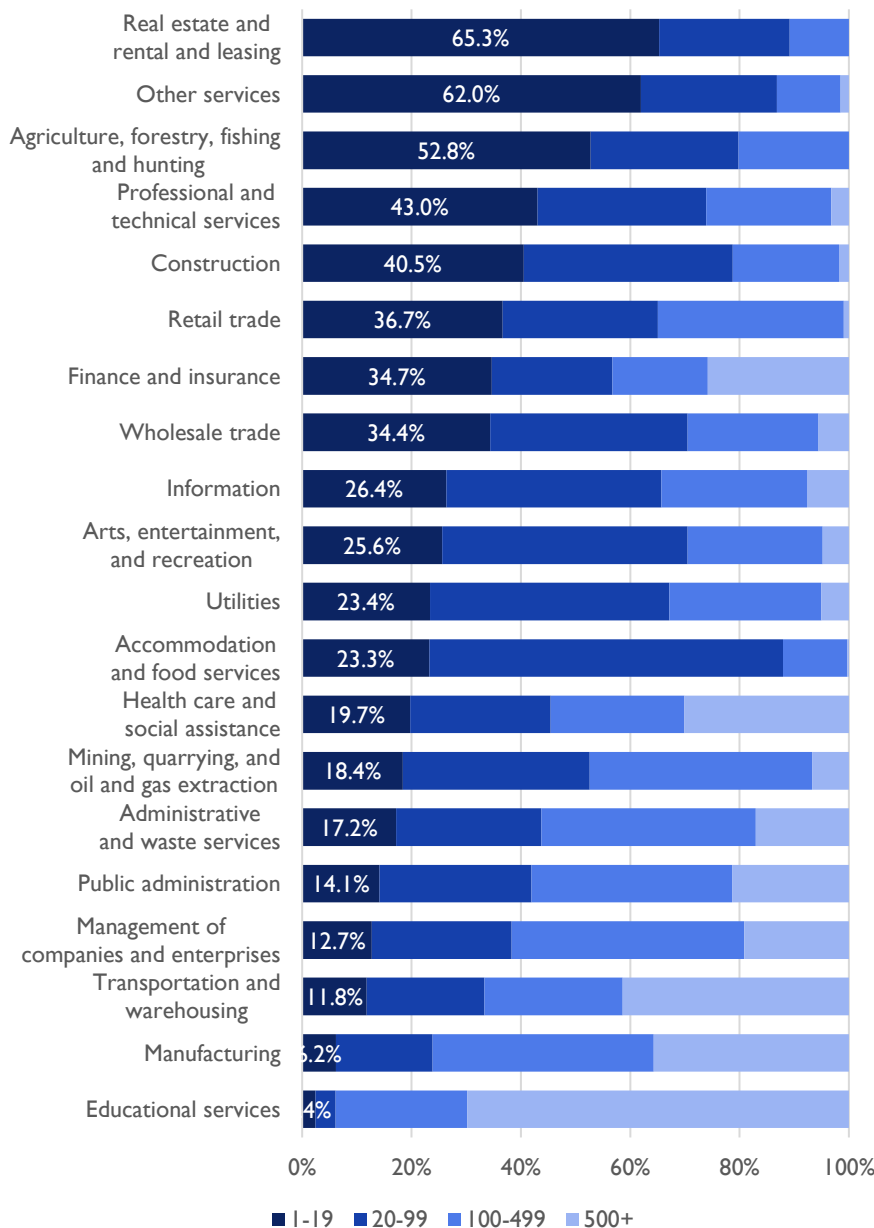


Source: KYSTATS, Kentucky Labor Market Information Branch, QCEW March 2018



Employment in Kentucky's Small Businesses

Share of Employment by Firm Size



Industry sectors also exhibit vast differences in employment by establishment size. The adjacent chart shows what share of the jobs are in the four size categories. Within the Construction sector, 40.5 percent of all jobs are at establishments with less than 20 employees. Less than 2 percent of all construction jobs are at establishments with more than 500 employees. By contrast, in the Manufacturing sector, 6.2 percent of jobs are in the smallest establishments (1-19 employees) and 35.7 percent of the jobs in this sector are at the largest companies.

Small businesses are found throughout the Commonwealth, in all industry sectors and in all Local Workforce Areas. Combined, these businesses provide employment opportunities for more than 1.87 million people.

Source: KYSTATS, Kentucky Labor Market Information Branch, QCEW March 2018

¹ The Quarterly Census of Employment and Wages (QCEW) includes data on establishments covered by State unemployment insurance system. This excludes proprietors, the unincorporated self-employed, unpaid family members and certain farm and domestic workers. This dataset includes both public and private employees. Only establishments with one or more paid employee are included in this analysis.

² More information is on the SBA website (<https://www.sba.gov/document/support-table-size-standards>).

³ Source: <https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-US.pdf>



First Quarter 2018 Business Employment Dynamics (BED)

Source: U.S. Bureau of Labor Statistics*

Industry	Employment Gains			Employment Losses		
	Expansions	Openings	Total	Contractions	Closings	Total
Total Private Sector	78,830	18,518	97,348	78,997	14,421	93,418
Construction	7,349	1,910	9,259	6,325	1,467	7,792
Education and health services	10,026	2,658	12,684	9,916	2,162	12,078
Financial activities	3,634	893	4,527	4,048	893	4,941
Information	808	341	1,149	836	188	1,024
Leisure and hospitality	13,826	3,956	17,782	13,232	2,461	15,693
Manufacturing	6,292	582	6,874	5,543	511	6,054
Professional and business services	13,138	3,537	16,675	16,038	2,851	18,889
Retail trade	11,216	2,044	13,260	10,069	1,744	11,813
Transportation and warehousing	5,783	467	6,250	6,912	343	7,255
Wholesale trade	2,605	1,014	3,619	2,455	611	3,066
Other services (except public administration)	2,687	671	3,358	2,148	849	2,997

* Data are seasonally adjusted. Data queried from <https://www.bls.gov/bdm/> on 1/11/18.

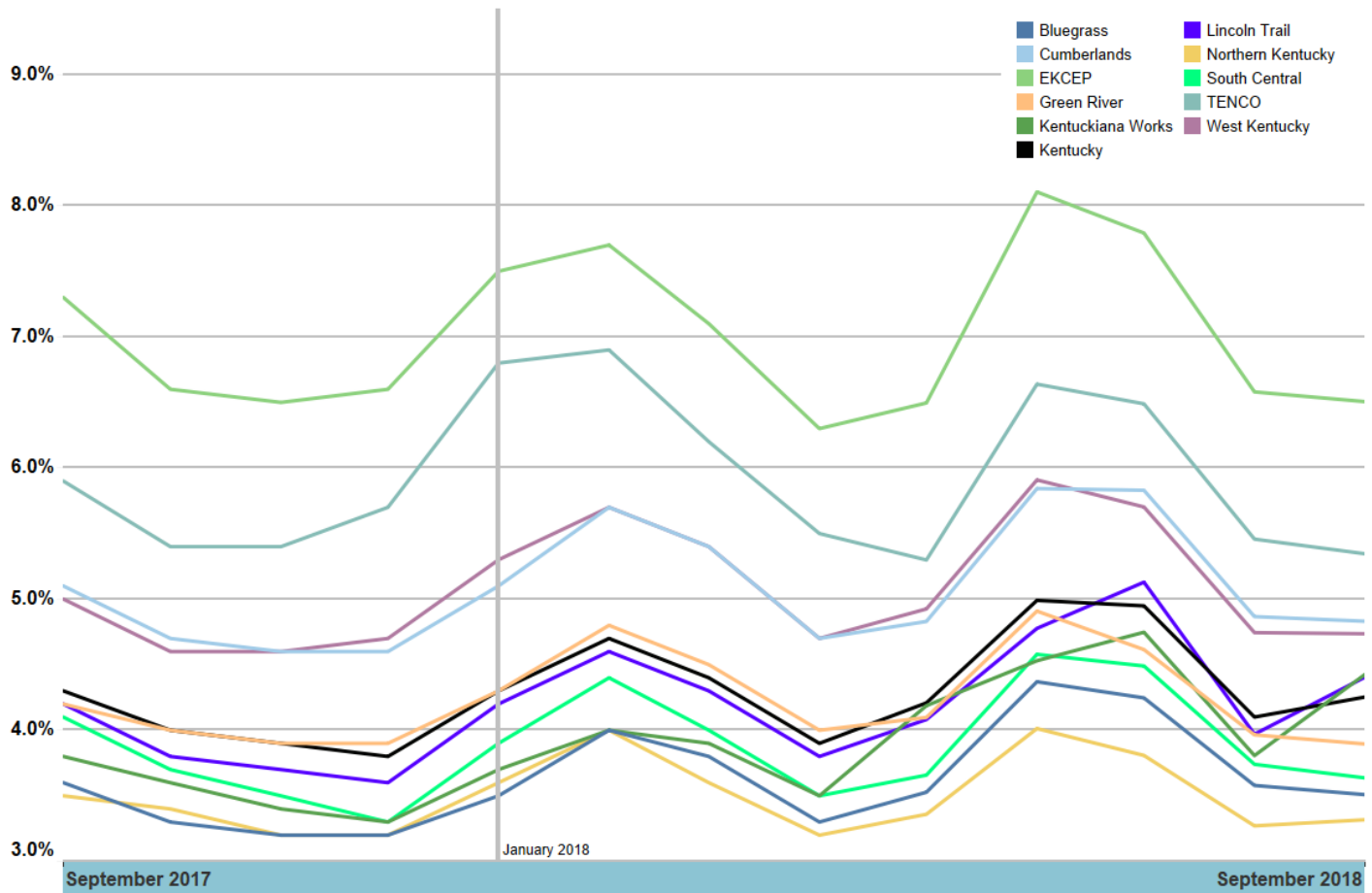


September 2018 Labor Force Estimates

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

	Sep 2018	Aug 2018	Sep 2017	OVER-the-MONTH		OVER-the-YEAR	
				Change	Rate	Change	Rate
Civilian Labor Force	2,073,753	2,071,442	2,057,649	2,311	0.1%	16,104	0.8%
Employment	1,981,195	1,980,418	1,960,964	777	0.0%	20,231	1.0%
Unemployment	92,558	91,024	96,685	1,534	1.7%	-4,127	-4.3%
Unemployment Rate	4.5%	4.4%	4.7%	0.1%	-	-0.2%	-
U.S. Unemployment Rate	3.7%	3.9%	4.2%	-0.2%	-	-0.5%	-

Unemployment Rate by Local Workforce Area and State



*Not seasonally adjusted

* September data are preliminary and subject to revision.



September 2018 Labor Force Estimates

Source: KYSTATS, Current Employment Statistics (CES)*

	Sep 2018	Aug 2018	Sep 2017	OVER-the-MONTH		OVER-the-YEAR	
				Change	Rate	Change	Rate
Total Nonfarm Employment	1,938,400	1,936,300	1,923,900	2,100	0.1%	14,500	0.8%
Private Sector Employment	1,622,500	1,619,400	1,607,700	3,100	0.2%	14,800	0.9%
Goods Producing Industries	337,100	335,500	337,400	1,600	0.5%	-300	-0.1%
Mining and Logging	10,500	10,400	10,300	100	1.0%	200	1.9%
Construction	76,900	75,200	77,800	1,700	2.3%	-900	-1.2%
Manufacturing	249,700	249,900	249,300	-200	-0.1%	400	0.2%
Durable Goods	163,400	164,000	161,700	-600	-0.4%	1,700	1.1%
Non-durable Goods	86,300	85,900	87,600	400	0.5%	-1,300	-1.5%
Private Service Providing Industries	1,285,400	1,283,900	1,270,300	1,500	0.1%	15,100	1.2%
Trade, Transportation, & Utilities	414,000	413,100	404,300	900	0.2%	9,700	2.4%
Wholesale Trade	75,900	75,300	76,400	600	0.8%	-500	-0.7%
Retail Trade	218,800	218,600	216,800	200	0.1%	2,000	0.9%
Transp, Warehousing, & Util.	119,300	119,200	111,100	100	0.1%	8,200	7.4%
Information	22,300	22,400	22,600	-100	-0.4%	-300	-1.3%
Financial Activities	94,300	94,300	93,300	0	0.0%	1,000	1.1%
Finance and Insurance	75,000	74,900	73,600	100	0.1%	1,400	1.9%
Real Estate, Rental & Leasing	19,300	19,400	19,700	-100	-0.5%	-400	-2.0%
Professional and Business Services	218,200	217,700	214,700	500	0.2%	3,500	1.6%
Prof, Scientific, & Tech Services	76,200	76,000	73,900	200	0.3%	2,300	3.1%
Management of Companies	19,500	19,600	19,900	-100	-0.5%	-400	-2.0%
Admin & Support & Waste Mgmt	122,500	122,100	120,900	400	0.3%	1,600	1.3%
Educational & Health Services	273,500	273,400	272,600	100	0.0%	900	0.3%
Educational Services	29,200	29,300	29,100	-100	-0.3%	100	0.3%
Health Care & Social Assistance	244,300	244,100	243,500	200	0.1%	800	0.3%
Leisure and Hospitality	196,300	196,000	196,900	300	0.2%	-600	-0.3%
Arts, Entertainment & Recreation	22,200	22,300	22,700	-100	-0.4%	-500	-2.2%
Accommodation & Food Services	174,100	173,700	174,200	400	0.2%	-100	-0.1%
Other Services	66,800	67,000	65,900	-200	-0.3%	900	1.4%
Government	315,900	316,900	316,200	-1,000	-0.3%	-300	-0.1%
Federal	36,000	36,200	36,900	-200	-0.6%	-900	-2.4%
State	94,500	94,600	95,900	-100	-0.1%	-1,400	-1.5%
Local	185,400	186,100	183,400	-700	-0.4%	2,000	1.1%

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



Unemployment Insurance Claims September 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
9/30/2017	6,862	2,707	68,251	61,236	\$336.05	\$20,125,623	1,154
10/31/2017	11,208	2,720	74,992	66,311	\$338.69	\$21,891,196	1,586
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

Data queried from <https://oui.doleta.gov/> on 11/14/18.

Help Wanted this Holiday Season!

The North Pole needs to fill the following positions quickly:



-  Toy Makers and Testers
-  Cookie Bakers
-  Candy and Candy Cane Makers
-  Christmas Tree Harvesters
-  Reindeer Groomers
-  Gift Wrappers
-  Elves
-  Sleigh Drivers and Technicians
-  Stocking Stuffers
-  Travel Planner
-  Personal Trainers for Santa

Must be able to work long hours. A generally jolly attitude and love of snow helpful. Ample rewards, warm cookies and hot cocoa provided.

Send resumes to Mrs. Claus at the North Pole.

What would be the average wages of workers at Santa's workshop? Using national estimates from the U.S. Bureau of Labor Statistics, and coding possible North Pole occupations to the Standard Occupational Classification (SOC) system, Santa's Sleigh Pilots would top the list, pulling in a very, merry annual salary of \$138,690. Sleigh Technicians slide in at a distant second, with an average annual salary of \$62,540. Rounding out the top three would be Personal Trainers, \$43,720, needed to help Santa get back in shape after all those holiday cookies. At the bottom branch of the Christmas tree salary scale, are Christmas Tree Harvesters, with an average annual salary at \$25,070. Take a look at the table below for more elf and Santa-inspired occupations.

Occupation	SOC	SOC Title	Total U.S. Employment	Annual Mean Wage
Toy Makers	51-2098	Assemblers and Fabricators, All Other, Including Team Assemblers	1,306,150	\$33,180
Toy Testers	51-9061	Inspectors, Testers, Sorters, Samplers, and Weighers	537,500	\$41,040
Cookie Bakers	51-3011	Bakers	182,890	\$27,920
Candy & Candy Cane Makers	51-3092	Food Batchmakers	151,950	\$30,880
Christmas Tree Harvesters	45-2092	Farmworkers and Laborers, Crop, Nursery, and Greenhouse	282,300	\$25,070
Reindeer Groomers	39-2021	Nonfarm Animal Caretakers	190,520	\$25,170
Gift Wrappers	53-7064	Packers and Packagers, Hand	700,560	\$25,410
Elves – Shipping	43-5071	Shipping, Receiving, and Traffic Clerks	671,780	\$33,790
Elves – Stock & Orders	43-5081	Stock Clerks and Order Fillers	2,046,040	\$27,450
Sleigh Drivers	53-2010	Aircraft Pilots and Flight Engineers	122,570	\$138,690
Sleigh Technicians	49-3011	Aircraft Mechanics and Service Technicians	131,500	\$62,540
Stocking Stuffers	43-5021	Couriers and Messengers	76,710	\$30,000
Travel Planners	41-3041	Travel Agents	67,330	\$40,840
Personal Trainers	39-9031	Fitness Trainers and Aerobics Instructors	280,080	\$43,720

Source: U.S. Bureau of Labor Statistics (BLS), Occupational Employment Statistics (OES), 2017 U.S. Occupational Employment & Wage Estimates

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.



Follow us on Twitter [@KYSTATS](https://twitter.com/KYSTATS) for registration opportunities and event announcements

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