



U. S. CENSUS BUREAU

# LED NEWSLETTER

Volume 3 Issue 2

July 2004

## PARTNERSHIP EXPANSION

The Employment and Training Administration (ETA) has provided funding for the Local Employment Dynamics (LED) program to expand. Eleven additional states have requested and received information about joining—and we have already welcomed the addition of the District of Columbia, Indiana, and Alabama to the partnership.

As part of that expansion, ETA funded the development of an online mapping application of the block-to-block origin-destination flows that were produced for Minnesota, Florida and Illinois. The prototype—viewable at <http://excensus.gritechnologies.com>—has been very well received. We are asking 10 partner states to work with us, their transportation planners, and their Workforce Investment Boards (WIB's) to ensure high quality input data as well as to make sure the site can be used to quickly answer WIB questions.



## QWI ENHANCEMENTS

The March delivery of the Quarterly Workforce Indicators (QWI's) featured two new developments. The program switched over to using NAICS industry codes. We also provided QWI's at the detailed industry level for counties, WIB's and metro areas. This is the first time that demographic information on these issues has been available at such a level of geographic and industry detail! Since the data are being rolled out for the first time, we expect some glitches - if you see any, please email us at [dsd.local.employment.dynamics@cms.gov](mailto:dsd.local.employment.dynamics@cms.gov).

LEHD Maryland Industry Reports - Quarterly Workforce Indicators

Geographic Reports: County | Metro | WIB  
 Top Level Industry Reports: County | Metro | WIB

| Select                   | NAICS Code | Description                                | Name                 | Value |
|--------------------------|------------|--|----------------------|-------|
| <input type="checkbox"/> | 11         | Agriculture, Forestry, Fishing and Hunting | Year: 2003           |       |
| <input type="checkbox"/> | 21         | Mining                                     | Quarter: Q2          |       |
| <input type="checkbox"/> | 22         | Utilities                                  | AgeGroup: 14-99      |       |
| <input type="checkbox"/> | 23         | Construction                               | Sex: Male and Female |       |
| <input type="checkbox"/> | 28-33      | Manufacturing                              | Demographic: All     |       |
| <input type="checkbox"/> | 42         | Wholesale Trade                            | County: 24 Maryland  |       |
| <input type="checkbox"/> | 44-49      | Retail Trade                               |                      |       |

| QWI Quick Facts      | Agriculture, Forestry, Fishing and Hunting (11) | Agriculture, Forestry, Fishing and Hunting (Avg previous 4 quarters) | All NAICS sectors (Q2) | All NAICS sectors (Avg previous 4 quarters) |
|----------------------|---|--|------------------------|---|
| Total Employment     | 4,689   | 4,327  | 2,297,091              | 2,295,932                                   |
| Men, Job Flows       | 815   | 427  | 81,717                 | 13,886                                      |
| Job Creation         | 887   | 856  | 156,855                | 151,438                                     |
| New Hires            | 1,481   | 1,122  | 415,656                | 370,956                                     |
| Separations          | 1,625   | 1,113  | 473,229                | 458,571                                     |
| Turnover             | 11.5%   | 10.2%  | 10.9%                  | 11.4%                                       |
| Avg Monthly Earnings | \$1,202.00                                      | \$1,191.50   | \$1,340.00             | \$1,320.00                                  |

PARTNERSHIP EXPANSION 1

QWI ENHANCEMENTS 1

LOCAL LABOR MARKET SCANS 2

HIDDEN HIGH GROWTH INDUSTRIES 2

TRAINING 3

REPORTS ON THE AGING WORKFORCE 4

REPORTS FROM THE STATES: IOWA 4

CENSUS BUREAU/BLS/STATE/ETA PARTNERSHIP 5

PRESENTATIONS 5

DATA DISSEMINATION 6

ONGOING RESEARCH 7

SUCCESSOR/PREDECESSOR FILES 8

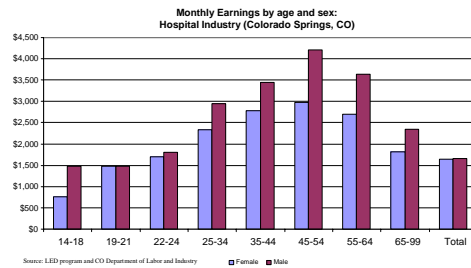
EDITED WAGE RECORDS 8

TEAM NEWS 8

## LOCAL LABOR MARKET SCANS

What are workers in my industry paid, and how high is the turnover in my industry? In response to requests from small and medium sized businesses, we’re developing online local labor market reports that can answer these questions for each industry and local area. The reports will enable employers and WIB’s to click on their industry and local area and instantly have at their fingertips report quality tables and graphs that describe

- Employment
- Earnings for new hires
- Earnings for incumbent workers
- Turnover rates
- Retention rates
- Earnings trends



Source: LED program and CO Department of Labor and Industry

|        | 14-18   | 19-21   | 22-24   | 25-34   | 35-44   | 45-54   | 55-64   | 65-99   | Total   |
|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Female | \$768   | \$1,474 | \$1,697 | \$2,331 | \$2,783 | \$2,982 | \$2,699 | \$1,812 | \$1,640 |
| Male   | \$1,485 | \$1,479 | \$1,810 | \$2,948 | \$3,438 | \$4,211 | \$3,636 | \$2,351 | \$1,652 |

by age and sex. We’ll also be providing training to LMI analysts to help develop more in-depth reports that answer these questions. Look for a beta version to be on our website in August—and give us feedback on how to make it better!

*What are workers in my industry paid?*

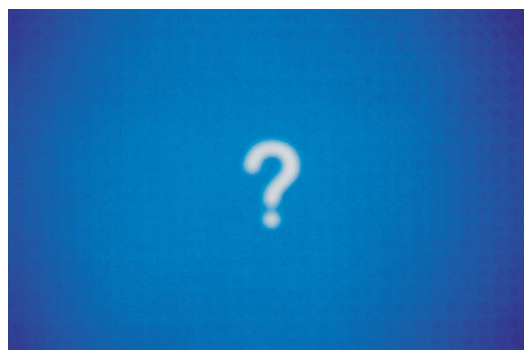
## HIDDEN HIGH GROWTH INDUSTRIES

Where are the “hot” industries in my area? How can I use LED data to identify hidden high growth industries? We’re developing online templates that begin to answer these questions in a quick, report-oriented fashion.

LED data have shown us that the top industries in terms of employment are not necessarily the top ten industries in terms of hiring—and that the top ten hirers for 19-21 year old males are not the same as the top ten hirers for 45-54 year old women! So our templates provide graphs and tables that show WIB’s and decision makers which industries have had the greatest

- Employment growth
- Hiring growth
- Earnings growth
- Growth in new hire earnings
- Growth in job creation

These reports will show which are the “hot” industries by demographic group in each industry.



*What are the “hot” industries in my area?*

## TRAINING

**W**e are planning at least three training sessions for LMI analysts in the next year. George Putnam, from the Illinois Department of Employment Security, and Eric Moore, from the Oregon Employment Department, will jointly run the sessions (with support from LED).

We are also planning at least two WIB training sessions, following directly from the LMI training. These will be run by Ray Uhalde and Mark Troppe, from the National Center on Education and the Economy. The second session will be held immediately before the NAWB Forum in March. All training sessions will be located in Washington, D.C.

### LMI Analyst Training

This class is designed for analysts who have a familiarity with labor market information. The training will include classroom presentation and a number of “hands-on” computer exercises. It is not assumed that students have any expertise with specific statistical software. Students should have a working familiarity with desktop computing. Participants will utilize custom automated tools to extract and display state workforce indicators.

### Introduction to LED Measures (September 1, 2, and 3, 2004)

The training will focus on: the measurement of quarterly workforce indicators; the analysis and quality control of the quarterly workforce indicators; product development; and the uses of the QWI’s to understand the local economy and to facilitate strategic planning.

### Local Labor Market Scans Using Quarterly Workforce Indicators (September 27, 28, and 29, 2004; February 28 and March 1, 2005)

The training will cover worker employment, worker retention, worker turnover, worker earnings, and firm employment change. Participants will utilize the templated labor market scans to develop analyses of detailed industries in local geographies by categories of age and sex.

### WIB Training

#### Using LED (September 30 and October 1, 2004; March 2, 2005)

The training sessions will incorporate a combination of lecture, participant discussion, and practical exercises designed to reinforce the material presented. The target audience for the training will be staff of WIBs and other local workforce development staff. The March course may also be suitable for WIB members, particularly the business membership. The exercises will focus on the use of the LED QWI and templates in developing and implementing high growth industry sector initiatives, particularly in the health sector.



*At least three training sessions are planned for LMI analysts; two for WIBs*

# REPORTS ON THE AGING WORKFORCE

Publication of State-specific reports on the aging workforce began in March. About 15 states worked with us to produce these reports—which are distributed to the press, governors' liaisons, Census State Data Centers, and a variety of other state agencies. The Census Public Information Office coordinates the release with each state LMI agency, and the reports have been a big hit.

These reports answer such key questions as:

- What is the age composition of the workforce and what are the changes?
- Which industries are most affected by the aging of the workforce?
- How stable are the jobs of older workers?
- In which industries are older workers most likely to be employed?
- How much do older workers earn?

This project is sponsored by the National Institute on Aging. For more information, contact Jennifer Marks ([jennifer.p.marks@census.gov](mailto:jennifer.p.marks@census.gov)). If you have ideas on other reports that might be of interest in your state, do let us know.



# REPORTS FROM THE STATES: IOWA

Paulette Day reports that Iowa's aging report continues to get positive press coverage, plus we are getting many comments from our customers praising the data. Iowa is currently conducting workshops not only for their WIA regions, but also to their Employer Council of Iowa (ECI) and economic development groups.



*I love that new LED application! I believe I have been pursuing some of those stats for ten years (turnover comes to mind). I shared the link with lots of research friends. Thanks for your help. Iowa user*

## CENSUS BUREAU / BLS / STATE / ETA PARTNERSHIP

**A**fter reaching preliminary agreement on a general framework of cooperation, staff from the Census Bureau and the Bureau of Labor Statistics (BLS) met to expand the discussions. Subsequently, Phil Rhones from BLS, Chet Bowie from the Census Bureau, and Henry Jackson from Illinois made a joint appearance and outlined the federal and state visions during the annual Labor Market Information conference in Omaha, Nebraska in May. At that meeting, the presentation by the deputy assistant secretary of ETA, Mason Bishop, outlined a vision for a demand-driven labor market and workforce information system which included the LED program.

A four-way (Census Bureau, BLS, ETA, and States) meeting was convened in June for two days, reaching a general consensus on a draft partnership charter. The working group has also agreed on a flow chart outlining the proposed production process, which has been distributed to all parties for comment. Contact your Labor Market Information Director if you wish to view the chart.

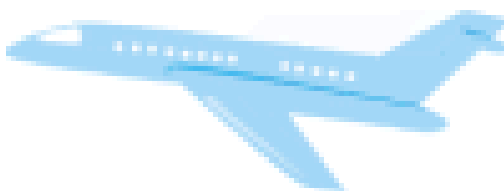
*The working group has also agreed on a flow chart that outlines the proposed production process*

## PRESENTATIONS

**T**he LED staff have been making a number of presentations around the country—both at national meetings and in states (when the LMI Director in that state invites them to do so). These presentations have gone well—examples of the powerpoint presentations are on our website at <http://lehd.dsd.census.gov>.

Among the forthcoming presentations are:

- Workforce Innovations Conference in San Antonio (Julia Lane) on July 18
- NASWA/LMI conference in Minneapolis (Jeremy Wu) on July 25
- American Statistical Association in Toronto (John Abowd and Lars Vilhuber) in August
- LMI Forum in Portland (Julia Lane) in November



We will also have a booth at the Workforce Innovations Conference—stop by and see what we're up to!

## DATA DISSEMINATION

**P**roducing industry detail for the QWI's at the substate level has created a massive amount of data and the related challenge of how to disseminate it. We are consequently developing a multi-tiered data dissemination strategy. Your suggestions are welcomed!

### 1. Research Statistical Server for QWI Data

*Specifications:* Current CRADC services as defined in the documentation and services listed at <http://www.ciser.cornell.edu/CRADC/home.shtml>

*Server maintenance:* Cornell University

*Target users:* LMI analysts and those authorized by the Census Bureau or State partners (research professionals). LMI analysts from partner states can access their own state's QWI files, as well as those of other states (if permission is granted by their state data custodian), and work from their offices on the CRADC computer. Note that no Title 13 confidential data are on the CRADC.

*Functionality:* SAS, E-views, Microsoft Office, Stata, SPSS, Genstat, Matlab, other packages licensed by CISER if requested.

### 2. Web server

*Specifications:* Current web design as implemented in QWI Online

*Server maintenance:* Census Bureau

*Target Users:* General population

*Functionality:* Access to SIC and NAICS based QWIs for 8 of the basic indicators. Limited table, chart, and download capability. SIC tables will disappear when historical NAICS tables are made available.



### 3. ALMIS Format Distribution of QWI Data

*Specifications:* ETA at <http://www.doleta.gov/almis/>

*Server maintenance:* State specific

*Target users:* LMI applications developed from the ALMIS server

*Functionality:* QWI data in the ALMIS system can be used separately or in combination with other ALMIS-accessible systems. Illinois and Florida are developing procedures for loading QWI data into ALMIS.

### 4. Changes to QWI Distribution for R2004Q3

*Specifications:* in development

*Server maintenance:* produced on Census Bureau systems for distribution on the Census Bureau website and for use on desktop computers

*Target users:* current state partner QWI users

*Functionality:* The current proposal is to distribute the data in CSV format. Only the minimum number of files needed to describe the entire release will be created. The IL data extraction utilities will be modified to work on CSV files. We will also provide the SAS control cards necessary to convert the CSV format data back to SAS format. There will be no DBF distribution.

*Your suggestions on improving the data dissemination system are welcomed.*

## ONGOING RESEARCH

**S**taff research is focused on developing an understanding of the interaction of workers and firms in the labor market—in terms of both their jobs and their geographic location

A major focus of the program has been to understand the workings of the low-wage labor market. The resulting book “Moving Up or Moving On: Who Gets Ahead in the Low-Wage Labor Market” by Fredrik Andersson, Julia Lane, and Harry Holzer will be published by Russell Sage in December. We will send a complimentary copy to all of our LMI shop partners.

Another major focus of the program has been to understand how and why firms offer benefits. A paper by Anja Decressin, Tomeka Hill, Julia Lane, Kristin McCue and Martha Stinson that looks at the role of fringe benefits in employer and workforce dynamics will be presented at the NBER-CRIW Pre-conference on Producer Dynamics in Boston in July 2004. The group is also working with Federal Reserve researchers Stephanie Aaronson and Julia Coronado on a project on the evolution of firm benefit offerings over time. Staff used the same file to examine firm provision of health insurance and make a presentation to the Assistant Secretary for Planning and Evaluation of the Department of Health and Human Services in May 2004.

The Sloan project — which examines the relationship between economic turbulence and career ladders, firm performance and wage inequality — has been extremely successful. Four papers from that project will be presented at the National Bureau of Economic Research’s summer institute in Boston. The first draft of the book, which is tentatively titled “Economic Turbulence: The Impact on Workers, Firms, and Economic Growth,” is expected to be finished in August.



The spatial aspect of work is another important area of research. Marc Roemer has begun creating a longitudinal data set for place-of-residence. This effort will extend the geographic information from 1999 forward and be updated annually. Fredrik Andersson has extended his research on the sources of higher productivity in urban areas, which has been accepted to be presented at the European Association of Labor Economists' conference in Lisbon, Portugal in September.

The relationship between welfare reciprocity, exit from the low-wage labor market, and employer characteristics is another focus. Erika McEntarfer’s work on how former welfare recipients fare in the labor market will also be presented in Lisbon, Portugal.

*Staff research is focused on developing an understanding of the interaction of workers and firms in the labor market—in terms of both their jobs and their geographic location*

## SUCCESSOR/PREDECESSOR FILES

**W**e have now integrated the production of successor/predecessor files into the QWI production process, and all partner states received these files last quarter. A good description of how the files can be used is described in our Technical Paper TP-2003-09 "Using Worker Flows in the Analysis of the Firm."

## EDITED WAGE RECORDS

**T**he last procedure to be moved from research and development mode to full production mode has been the wage record editing procedure. This has taken a long time to automate, because it requires an enormous amount of analyst time, as well as being very computer intensive. Files for three states were sent out in the first week of July. Lars Vilhuber and Erika McEntarfer have been working to modify the code to produce 'automatic' reports, having the programs generate LaTeX tables that will speed the report-generating part of the edit. The biggest problem is speeding up processing for the biggest states—our current methods are much too slow to handle these states within a reasonable length of time (some could take 4-6 months—which is obviously much too long). We will be working with those largest states to develop further modifications to cut down on processing time.

## TEAM NEWS

**J**eremy Wu took up the position of LEHD manager in February, coming to us from a position as Chief Statistician at the Department of Transportation. He was previously at the Energy Department and the Department of Agriculture.

Jennifer Marks, who was in charge of marketing for the 2000 Decennial Census, has been assigned by the Deputy Director to handle LEHD marketing.

Anja Decressin and Martha Stinson returned from Maternity Leave in January 2004.

Anna Andersson (Lotta) and Holly Brown joined the production staff in the spring. Lotta is the database administrator. Holly is the office administrator.

Romain Aeberhardt, from INSEE, will return to France in August. He'll be sorely missed

Iben Bolvig, from Denmark, will join us as a visiting scholar in the spring.

Julia Lane has taken a position at the National Science Foundation starting at the end of August. NSF has agreed that she can continue working on LED one day a week.

*Jeremy Wu  
took up the  
position of  
LEHD  
manager in  
February,  
coming to us  
from a position  
as Chief  
Statistician at  
the Department  
of  
Transportation*