

- Contributions to cafeteria plans that are excluded from QCEW payroll data for private industries and state and local governments in twenty-eight states;
- Payrolls of nonprofit organizations, in numerous industries, that are exempt from UI coverage because they have fewer than four employees;
- Wages and salaries of students employed by the institutions of higher education in which they are enrolled, which are classified in private education, state government education, and local government education;
- Pay-in-kind of the members of religious orders who teach at private colleges and universities but who do not receive cash wages;
- Pay-in-kind of workers in private hospitals who do not receive cash wages (mainly interns, student nurses, and members of religious orders);
- Salaries of elected officials and members of the judiciary in state and local governments;
- Commissions received by insurance solicitors and real estate agents;
- Transportation subsidies paid to federal civilian employees who use mass transit to commute to and from work and allowances paid to federal civilian employees in selected occupations for uniforms;
- Prisoner compensation, in counties where prisons are located, in federal government;
- Compensation to justices of the peace for marriage fees in local government non-education;
- Compensation to jurors and expert legal witnesses in state government non-education; and
- Prisoner compensation, in counties where prisons are located, in state government non-education.

Alternative measure of county wages

Another measure of county wages by place of work is the payroll data published in the Census Bureau's *County Business Patterns* (CBP). It differs in source data and coverage from BEA's wage and salary disbursements and QCEW wages.¹⁰

The CBP data are derived from Census Bureau business establishment surveys and federal administrative records.

The coverage of the CBP data differs from that of the QCEW data primarily because the CBP data exclude most government employees, while the QCEW data cover civilian government employees.¹¹ CBP data also exclude several private industries covered at least in part by the QCEW: crop and animal production; rail transportation; insurance and employee benefit funds; trusts, estates, and agency accounts; and private households. However, the CBP data cover the employees of educational institutions,

¹⁰ See table C.

¹¹ The CBP data cover only those government employees who work in government hospitals, federally chartered savings institutions and credit unions, retail liquor stores, wholesale liquor establishments and university publishers. QCEW data in most states exclude state and local elected officials, members of the judiciary, state national and air national guardsmen, temporary emergency employees, and those in policy and advisory positions.

membership organizations, and small nonprofit organizations in other industries more completely than the QCEW data.¹²

Beginning in 2001, QCEW classifies employees of Indian tribal governments and enterprises in local government. These employees were previously classified in the relevant private industries.¹³ In the CBP data, these employees are still classified in private industries.

Supplements to Wages and Salaries

Supplements to wages and salaries consist of employer contributions for employee pensions and insurance funds (previously called other labor income) and employer contributions for government social insurance. For most components of supplements to wages and salaries, county-level source data are not available and so state estimates are allocated to counties on the basis of wages or employment. See *State Personal Income and Employment Methodology* for a full description of each component of supplements and the data sources and estimation methods used for the state estimates. Supplements amount to 19.5 percent of compensation at the national level in 2010 (table D).

Employer contributions for employee pension and insurance funds

Employer contributions for employee pension and insurance funds amounted to 13.6 percent of compensation at the national level in 2010 (table D). State estimates of employer contributions for the following funds are distributed to counties, by industry, using the allocator noted:

- **Private employee pension and welfare funds**—BEA estimates of wage and salary disbursements for each private 3-digit NAICS industry.¹⁴
- **Privately administered workers' compensation funds**—BEA estimates of wage and salary disbursements.
- **Government employee health and life insurance funds**—BEA estimates of government employment. Employment is used rather than wages because health care premiums typically are a fixed amount per employee rather than a percentage of wages.
- **Government employee retirement funds**—There are two types of government employee retirement funds, those administered by governments, and those administered by private carriers. State estimates of employer contributions to

¹² Some religious elementary and secondary schools are not covered by QCEW because of a 1981 Supreme Court decision stating “schools operated and supported by churches and not separately incorporated [are] held exempt from unemployment compensation taxes.” College students (and their spouses) employed by the school in which they are enrolled and student nurses and interns employed by hospitals as part of their training are also excluded from QCEW. While QCEW coverage varies, half of the states only include nonprofit organizations with four or more employees during twenty weeks in a calendar year.

¹³ For example, employees of casinos owned by tribal councils were included in the North American Industry Classification System subsector “Amusement, Gambling, and Recreation Industries.”

¹⁴ Because wage and salary disbursements by industry are used to allocate the national estimates to states and counties, the state and county estimates reflect the various mixes of industries among the states and counties and the wide variation in contribution rates relative to wages among industries, but not the variation in contribution rates among states and counties for a given industry.