

# Current Employment Statistics Program Prepares to Switch to NAICS

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The Bureau of Labor Statistics (BLS) is in the process of converting business establishment classification from the Standard Industrial Classification (SIC) structure to the North American Industry Classification System (NAICS) in several programs. Covered Employment and Wages, also known as ES-202, was the first BLS program to change to this new system beginning with the publication of first quarter 2001 data. The second phase of implementation will be in the Current Employment Statistics (CES) program. CES publishes estimates of employment, hours, and earnings for the nation, states, and metropolitan statistical areas (MSAs) each month. The CES series is also used as a primary input for other key economic indicators.

BLS will begin releasing monthly statistics from the CES program under NAICS in 2003. All national CES employment, hours, and earnings series will begin publication under NAICS in June 2003 with the release of May 2003 preliminary estimates. Texas' data will be published in March 2003 with the release of the January 2003 data. A twelve-year NAICS historical series will also be released at the same time. Employment estimates will be available for all published levels of detail from 1990 to the present. However, BLS will only provide top-line level Total Nonagricultural Wage and Salary figures for the period 1939 to 1989.

Concerning the hours and earnings series, no historical series will be available. Data for those series were not reconstructed; therefore, a series break will occur. The NAICS hours and earnings series will start in January 2001 with levels set from the probability sample averages. As in the SIC structure, hours and earnings data will only be available for certain publication levels within *Manufacturing* for the largest four MSAs: Dallas, Fort Worth-Arlington, Houston, and San Antonio. Publication levels for statewide data will vary.

Monthly estimates will continue to be provided at the statewide level and for the 27 metropolitan statistical areas. However, the level of detail of published data will change. Eight major division levels are currently published within the SIC system. NAICS has ten super-sector levels. BLS has also created one "expanded" super-sector. In the CES program, the super-sector of Trade, Transportation, and Utilities will be expanded into three separate super-sectors in order to provide better detail. Therefore, data will be available for (1) *Wholesale Trade*, (2) *Retail Trade*, and (3) *Transportation, Warehousing, and Utilities* (see table 1).

BLS has guaranteed a minimum publication level for the MSAs to be the expanded super-sectors. For statewide data, the guaranteed levels are the expanded super-

sectors plus the sectors. Guaranteed levels will be additive to Goods Producing, Service Providing, Total Private, and Total Nonfarm employment levels. Most of the changes will occur in the Private Sector, however, some changes may also be seen in the Government Sector. Currently, at the statewide SIC level, 150 lines of data are published. Under NAICS, 174 lines of data will be available at the statewide level (see table 2).

Within NAICS, the Total Nonagricultural Wage and Salary level will be tabulated in a slightly different manner than under SIC. Private Household (NAICS 814110) will continue to remain out of the CES scope. Under SIC structure, most of agriculture was eliminated with the exception of Veterinary Services (SIC 074), Animal Services (SIC 075), and Landscaping and Horticultural Services (SIC 078). Under NAICS structure, agriculture continues to be out of scope. Logging (NAICS 1133), which was included in agriculture, will be the exception. Logging will be added into the super-sector of Natural Resources and Mining.

Coinciding with the NAICS conversion, BLS will be converting the remainder of the Service Producing Sector to a probability-sample design in 2003. This will complete the final stages of the redesign effort, which began in 2001 with the conversion of Wholesale Trade. The Goods Producing Sector was added in 2002. The sample redesign contains improved techniques for estimating business births and deaths, improved sample solicitation techniques, as well as the application of a weight to each sample unit.

The North American Industry Classification System offers many advantages. NAICS was designed to focus on new and emerging industries; thereby, allowing future revisions to the system to accommodate those industries. Under the SIC structure the emphasis was on manufacturing, whereas under NAICS the emphasis is on services and information. Lastly, converting the CES program to NAICS will allow for the direct comparison of employment data between the U.S., Mexico and Canada.

**Table 1**

<p><b>Total Nonfarm (all in-scope NAICS codes)</b>  <b>Total Private (total nonfarm less government)</b>  <b>Goods Producing (NAICS 1133, 21, 23, 31, 32, 33)</b>  <i>Natural Resources and Mining (NAICS 1133 [logging], NAICS 21)</i>  <i>Construction (NAICS 23)</i>  <i>Manufacturing (NAICS 31-33)</i>  <b>Service-Providing (NAICS 42, 44, 45, 48, 49, 22, 51, 52, 53, 54, 55, 56, 61, 62, 71, 72, 81, Govt)</b>  <i>Trade, Transportation, and Utilities (NAICS 42, 44, 45, 48, 49, 22)</i>  <i>Wholesale Trade (NAICS 42)</i>  <i>Retail Trade (NAICS 44-45)</i>  <i>Transportation, Warehousing, and Utilities (NAICS 48-49, 22)</i>  <i>Information (NAICS 51)</i>  <i>Financial Activities (NAICS 52, 53)</i>  <i>Professional and Business Services (NAICS 54, 55, 56)</i>  <i>Educational and Health Services (NAICS 61, 62)</i>  <i>Leisure and Hospitality (NAICS 71, 72)</i>  <i>Other Services (NAICS 81)</i>  <i>Government (defined by ownerships 1, 2, 3)</i>  Federal Government  State Government  Local Government</p>
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<b>Total Nonfarm (all in-scope NAICS codes)</b>	
<b>Total Private (total nonfarm less government)</b>	
<b>Goods Producing (NAICS 1133, 21, 23, 31, 32, 33)</b>	
<b>Natural Resources and Mining (NAICS 1133 [logging], NAICS 21)</b>	
Mining (NAICS 21)	Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)
Oil and Gas Extraction (NAICS 211)	General Merchandise Stores (NAICS 452)
Support Activities for Mining (NAICS 213)	Department Stores (NAICS 4521)
<b>Construction (NAICS 23)</b>	Other General Merchandise Stores (NAICS 4529)
Construction of Buildings (NAICS 236)	Miscellaneous Store Retailers (NAICS 453)
Heavy and Civil Engineering Construction (NAICS 237)	Office Supplies, Stationary, and Gift Stores (NAICS 4532)
Utility System Construction (NAICS 2371)	Nonstore Retailers (NAICS 454)
Highway, Street, and Bridge Construction (NAICS 2373)	<b>Transportation, Warehousing, and Utilities (NAICS 48-49,22)</b>
Specialty Trade Contractors (NAICS 238)	Transportation and Warehousing (NAICS 48,49)
Foundation, Structure, and Building (NAICS 2381)	Air Transportation (NAICS 481)
Building Equipment Contractors (NAICS 2382)	Rail Transportation (NAICS 482)
Building Finishing Contractors (NAICS 2383)	Truck Transportation (NAICS 484)
Other Specialty Trade Contractors (NAICS 2389)	General Freight Trucking (NAICS 4841)
<b>Manufacturing (NAICS 31-33)</b>	Specialized Freight Trucking (NAICS 4842)
Durable Goods	Pipeline Transportation (NAICS 486)
Wood Product Manufacturing (NAICS 321)	Support Activities for Transportation (NAICS 488)
Nonmetallic Mineral Product Manufacturing (NAICS 327)	Couriers and Messengers (NAICS 492)
Cement and Concrete Product Manufacturing (NAICS 3273)	Warehousing and Storage (NAICS 493)
Primary Metal Manufacturing (NAICS 331)	Utilities (NAICS 22)
Iron and Steel Mills and Ferroalloy Manufacturing (NAICS 3311)	Electric Power Generation, Transmission and Distribution (NAICS 2211)
Alumina and Aluminum Production and Processing (NAICS 3313)	Natural Gas Distribution (NAICS 2212)
Foundries (NAICS 3315)	<b>Information (NAICS 51)</b>
Fabricated Metal Product Manufacturing (NAICS 332)	Publishing Industries (Except Internet) (NAICS 511)
Architectural and Structural Metals (NAICS 3323)	Newspaper, Periodical, Book, and Database Publishers (NAICS 5111)
Machinery Manufacturing (NAICS 333)	Broadcasting (Except Internet) (NAICS 515)
Agriculture, Construction, and Mining Machinery Manufacturing (NAICS 3331)	Radio and Television Broadcasting (NAICS 5151)
Industrial Machinery Manufacturing (NAICS 3332)	Cable and Other Subscription Program Distribution (NAICS 5152)
Ventilation, Heating, Air-Conditioning and Commercial Refrigeration	Telecommunications (NAICS 517)
Equipment Manufacturing (NAICS 3334)	Internet Service Providers, Web Search Portals (NAICS 518)
Computer and Electronic Product Manufacturing (NAICS 334)	<b>Financial Activities (NAICS 52,53)</b>
Computer and Peripheral Equipment Manufacturing (NAICS 3341)	Finance and Insurance (NAICS 52)
Communications Equipment Manufacturing (NAICS 3342)	Credit Intermediation and Related Activities (NAICS 522)
Semiconductor and Other Electronic Component Manufacturing (NAICS 3344)	Depository Credit Intermediation (NAICS 5221)
Navigational, Measuring, Electromedical, and Control Instruments	Nondepository Credit Intermediation (NAICS 5222)
Manufacturing (NAICS 3345)	Securities, Commodities Contracts, and Other Financial Investments and Related
Electrical Equipment, Appliance, and Component Manufacturing (NAICS 335)	Activities (NAICS 523)
Transportation Equipment Manufacturing (NAICS 336)	Insurance Carriers and Related Activities (NAICS 524)
Motor Vehicle Manufacturing (NAICS 3361)	Insurance Carriers (NAICS 5241)
Motor Vehicle Parts Manufacturing (NAICS 3363)	Agencies, Brokerages, and Other Insurance Related Activities
Aerospace Product and Parts Manufacturing (NAICS 3364)	(NAICS 5242)
Furniture and Related Product Manufacturing (NAICS 337)	Funds, Trusts, and Other Financial Vehicles (NAICS 525)
Household and Institutional Furniture and Kitchen Cabinet Manufacturing	Real Estate and Rental and Leasing (NAICS 53)
(NAICS 3371)	Real Estate (NAICS 531)
Miscellaneous Manufacturing (NAICS 339)	Rental and Leasing Services (NAICS 532)
Nondurable Goods	Automotive Equipment Rental and Leasing Services (NAICS 5321)
Food Manufacturing (NAICS 311)	<b>Professional and Business Services (NAICS 54,55,56)</b>
Fruit and Vegetable Preserving and Specialty Food Manufacturing (NAICS 3114)	Professional, Scientific and Technical Services (NAICS 54)
Animal Slaughtering and Processing (NAICS 3116)	Legal Services (NAICS 5411)
Beverage and Tobacco Product Manufacturing (NAICS 312)	Accounting, Tax Preparation, Bookkeeping and Payroll Services (NAICS 5412)
Apparel Manufacturing (NAICS 315)	Architectural, Engineering, and Related Services (NAICS 5413)
Cut and Sew Apparel Manufacturing (NAICS 3152)	Computer Systems Design and Related Services (NAICS 5415)
Paper Manufacturing (NAICS 322)	Management, Scientific, and Technical Consulting Services (NAICS 5416)
Printing and Related Support Manufacturing (NAICS 323)	Management of Companies and Enterprises (NAICS 55)
Petroleum and Coal Products Manufacturing (NAICS 324)	Administration and Support and Waste Management and Remediation Services (NAICS 56)
Chemical Manufacturing (NAICS 325)	Administrative and Support Services (NAICS 561)
Basic Chemical Manufacturing (NAICS 3251)	Employment Services (NAICS 5613)
Resin, Synthetic Rubber, and Artificial and Synthetic Fibers and Filaments	Business Support Services (NAICS 5614)
Manufacturing (NAICS 3252)	Investigation and Security Services (NAICS 5616)
Plastics and Rubber Manufacturing (NAICS 326)	Services to Buildings and Dwellings (NAICS 5617)
<b>Service-Providing (NAICS 42, 44, 45, 48, 49, 22, 51, 52, 53, 54, 55, 56, 61, 62, 71, 72, 81, Govt)</b>	Waste Management and Remediation Services (NAICS 562)
Trade, Transportation, and Utilities (NAICS 42,44,45,48,49,22)	<b>Educational and Health Services (NAICS 61,62)</b>
Wholesale Trade (NAICS 42)	Educational Services (NAICS 61)
Merchant Wholesalers, Durable Goods (NAICS 423)	Colleges, Universities, and Professional Schools (NAICS 6113)
Motor Vehicle and Motor Vehicle Parts and Suppliers Merchant Wholesalers	Health Care and Social Assistance (NAICS 62)
(NAICS 4231)	Ambulatory Health Care Services (NAICS 621)
Lumber and Other Construction Materials Merchant Wholesalers (NAICS 4233)	Offices of Physicians (NAICS 6211)
Professional and Commercial Equipment and Supplies Merchant Wholesalers	Home Health Care Services (NAICS 6216)
(NAICS 4234)	Hospitals (NAICS 622)
Electrical and Electronic Goods Merchant Wholesalers (NAICS 4236)	Nursing and Residential Care Facilities (NAICS 623)
Hardware, and Plumbing and Heating Equipment and Supplies Merchant	Social Assistance (NAICS 624)
Wholesalers (NAICS 4237)	Child Day Care Services (NAICS 6244)
Machinery, Equipment and Supplies Merchant Wholesalers (NAICS 4238)	<b>Leisure and Hospitality (NAICS 71,72)</b>
Merchant Wholesalers, Nondurable Goods (NAICS 424)	Arts, Entertainment, and Recreation (NAICS 71)
Grocery and Related Product Merchant Wholesalers (NAICS 4244)	Amusement, Gambling, and Recreation (NAICS 713)
Chemical and Allied Products Merchant Wholesalers (NAICS 4246)	Accommodation and Food Services (NAICS 72)
Retail Trade (NAICS 44-45)	Accommodation (NAICS 721)
Motor Vehicle and Parts Dealers (NAICS 441)	Food Services and Drinking Places (NAICS 722)
Automobile Dealers (NAICS 4411)	<b>Other Services (NAICS 81)</b>
Automotive Parts, Accessories, and Tire Stores (NAICS 4413)	Repair and Maintenance (NAICS 811)
Furniture and Home Furnishings Stores (NAICS 442)	Personal and Laundry Services (NAICS 812)
Electronics and Appliance Stores (NAICS 443)	Religious, Grantmaking, Civic, Professional, and Similar Organizations (NAICS 813)
Building Material and Garden Equipment and Supplies Dealers (NAICS 444)	<b>Government (defined by ownerships 1,2,3)</b>
Building Material and Supplies Dealers (NAICS 4441)	Federal Government
Food and Beverage Stores (NAICS 445)	National Security
Grocery Stores (NAICS 4451)	U.S. Postal Service
Health and Personal Care Stores (NAICS 446)	State and Local Government
Gasoline Stations (NAICS 447)	State Government
Clothing and Clothing Accessories Stores (NAICS 448)	State Education
Clothing Stores (NAICS 4481)	Local Government
	Local Education

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