

sample in manufacturing is desirable because manufacturing industries have a greater tendency to vary from regular cyclical or seasonal patterns than do nonmanufacturing industries.

Reliability of the employment estimates

The estimates derived from the employment and payroll survey may differ from the figures that would have been obtained if it were possible to take a complete census using the same schedules and procedures. However, the relatively large size of the samples maintained by the State agencies and the annual adjustment of employment estimates to more recent benchmark levels assure a very high degree of accuracy. One measure of the reliability of an estimate projected from a benchmark is the amount by which it differs from the new benchmark at the next adjustment period. BLS uses this criterion rather than the standard error of the estimates. The distribution of States by percentage differences between benchmarks and estimates—March 1982—by industry division are shown in table 1. Table 2 indicates the distribution of States and areas by percentage differences between benchmarks and estimates since 1979.

Differences between the benchmarks and the estimates result not only from sampling and response errors but also from changes in the industrial classification of individual establishments (resulting from changes in their product), which are not reflected in the estimate levels until the data are adjusted to new benchmarks. At the more detailed industry levels, particularly within manufacturing, changes in classification are often the major cause of differences. Another cause of differences, generally minor, between the estimates and the benchmarks is improvement in the quality of the benchmark data.

COMPARABILITY WITH OTHER SERIES

County Business Patterns

Data in this publication (Bureau of the Census, U.S. Department of Commerce) differ from BLS establishment statistics in the treatment of central administrative offices and auxiliary units. Differences also may arise because of industrial classification, and reporting practices. In addition, CBP coverage is incomplete for some nonprofit activities, and interstate railroads and government are excluded.

Employment covered by State unemployment insurance programs

Most nonagricultural wage and salary workers are covered by unemployment insurance programs.

Beginning in January 1972, coverage was expanded to include employees of small firms and selected nonprofit organizations who had not been covered previously. However, certain activities, such as interstate railroads, parochial schools, and churches are not covered by unemployment insurance programs whereas these are included in the BLS establishment statistics. Beginning in January 1978, coverage was extended to include almost all State and local government employees.

Statistics on manufacturers and business, Bureau of the Census

BLS establishment statistics on employment differ from employment counts derived by the Bureau of the Census from its censuses or annual sample surveys of manufacturing establishments and the censuses of business establishments. The major reasons for noncomparability are different treatment of business units considered parts of an establishment, such as central administrative offices and auxiliary units, the industrial classification of establishments, and different reporting patterns of multiunit companies.

Table 1. Number of States by percent differences between benchmarks and estimates by industry division, March 1982

Industry division	In percent—						
	Less than 0.5	0.5-0.9	1.0-1.9	2.0-2.9	3.0-3.9	4.0-4.9	5.0 and over
Total	18	8	18	5	1	0	1
Mining	4	3	4	2	4	7	17
Construction	3	10	6	3	3	1	26
Manufacturing	16	10	14	5	1	1	4
Transportation and public utilities	9	9	13	11	4	2	4
Wholesale and retail trade	7	10	15	11	3	2	4
Finance, insurance, and real estate	11	11	16	6	6	1	1
Services	10	10	16	9	2	1	4
Government	11	10	16	9	2	2	2

There are also differences in the scope of the industries covered, e.g., the Census of Business excludes professional services, public utilities, and financial establishments, whereas these are included in BLS statistics.

Statistics on State and local government, Bureau of the Census

BLS statistics on State and local government employment differ slightly from the employment counts of the Bureau of the Census in its censuses and annual sample surveys. BLS excludes and Census includes certain nominal employment (such as paid elected officials of small cities) and Federal-State cooperative extension personnel serving under a Federal appointment.