

## LMI Tuesdays

Session 2022-3: Non-covered work

February 1, 2022

Jeff Rosenthal
Senior Labor Market Analyst
Labor & Economic Analysis Division
NC Department of Commerce

Jamie Vaughn
Senior Analyst for Market Intelligence
Labor & Economic Analysis Division
NC Department of Commerce

### We're hiring!



- Economist
  - Economist | Job Details tab | Career Pages (governmentjobs.com)

This position is located in LEAD's Data Analytics and Research Team which carries out research projects that focus on the design, development and analyses of the effectiveness and operation of North Carolina's education, employment and training programs and services. The work includes the oversight, research, and analyses for the NC Common Follow-up System (CFS) (https://nccareers.org/CFS/); data collection, analyses and reporting for federal and state program performance requirements; and oversight of "big data" research projects which support local, regional, and statewide educational, workforce and economic development efforts.

#### **Outline**

- Defining covered and non-covered work
- Examples of non-covered data and work
- Conclusion

# Defining covered work

- First consider covered work:
- The official statistics we produce for industries for North Carolina and sub-state regions like counties and Metropolitan Statistical Areas is Quarterly Census of Employment and Wages (QCEW)
- QCEW captures covered work.
  - More than 95% of US jobs, nationally as posted on BLS website (<a href="https://www.bls.gov/cew/">https://www.bls.gov/cew/</a>)
  - "QCEW monthly employment data represent the number of covered workers who worked during, or received pay for, the pay period that included the 12<sup>th</sup> day of the month." (QCEW Scope and Exclusions)

# Defining covered work

- Based on 'covered' by Unemployment Insurance
- This is a legal distinction- this definition varies by state.
- Below are two resources for information on North Carolina Unemployment Insurance:
  - <a href="https://des.nc.gov/employers/are-you-required-pay-taxes">https://des.nc.gov/employers/are-you-required-pay-taxes</a>
  - https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/ByChapter/Chapter 96.pdf

# Defining covered work

https://des.nc.gov/employers/are-you-required-pay-taxes

#### You are required to pay taxes if you are:

- 1. A general business employer with gross payroll of at least \$1,500 in any calendar quarter or with at least one worker in 20 different weeks during a calendar year.
- 2. An employer who acquires all or any portion of a liable business in North Carolina.
- 3. An employer who voluntarily elects to become liable regardless of not meeting the required criteria.
- 4. An employer subject to the Federal Unemployment Tax Act, 26 U.S.C. § 3301 et seq.
- 5. A 501(c)(3) non-profit organization with at least four workers in 20 different calendar weeks during a calendar year.
- 6. An employer with agricultural labor of 10 or more workers on any day during 20 different calendar weeks in a calendar year, or with \$20,000 or more in gross payroll for any calendar quarter.
- 7. An employer with domestic employment in a private home, college club, fraternity or sorority with a gross payroll of at least \$1,000 in any calendar quarter.
- 8. A state or local government agency or department.
- 9. An employment service company that contracts to supply individuals to perform employment services for clients or customers.
- 10. Any Indian Tribe as defined in the Federal Unemployment Tax Act.

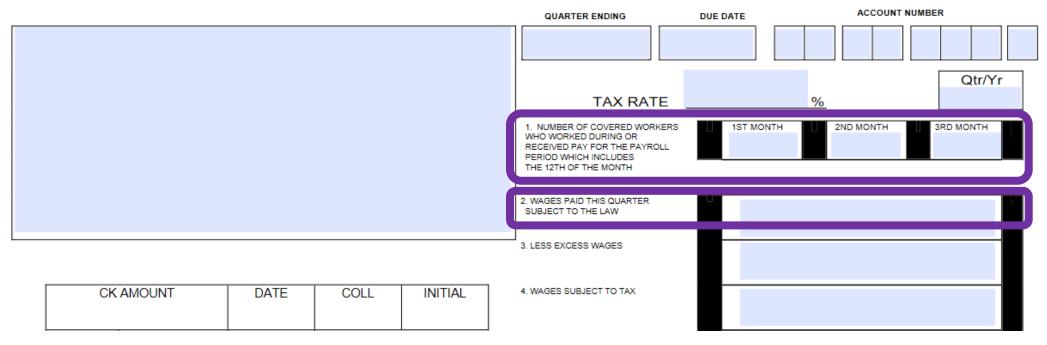
#### Quarterly Tax & Wage Report as QCEW base

STAPLE CONTINUATION SHEET HERE
BEHIND THIS PAGE

EMPLOYER'S QUARTERLY
TAX AND WAGE REPORT

YOU CAN FILE THIS REPORT ONLINE AT DES.NC.GOV

#### DO NOT USE THIS FORM IF REPORTING 10 OR MORE WAGE ITEMS



Source: NC Department of Commerce: Division of Employment Security Form NCUI 101

#### Where LEAD includes non-covered work

- Current Employment Statistics (CES) (seen at <a href="https://d4.nccommerce.com/CesSelection.aspx">https://d4.nccommerce.com/CesSelection.aspx</a>)
  - Benchmark data comes from scope of establishment survey (~97% of total nonfarm employment) plus from records from Railroad Retirement Board and County Business Patterns (remaining ~3%).
- Employment Projections (seen at <a href="https://tools.nccareers.org">https://tools.nccareers.org</a>)
  - Industry employment largely taken from QCEW, but non-covered employment required for all employment.

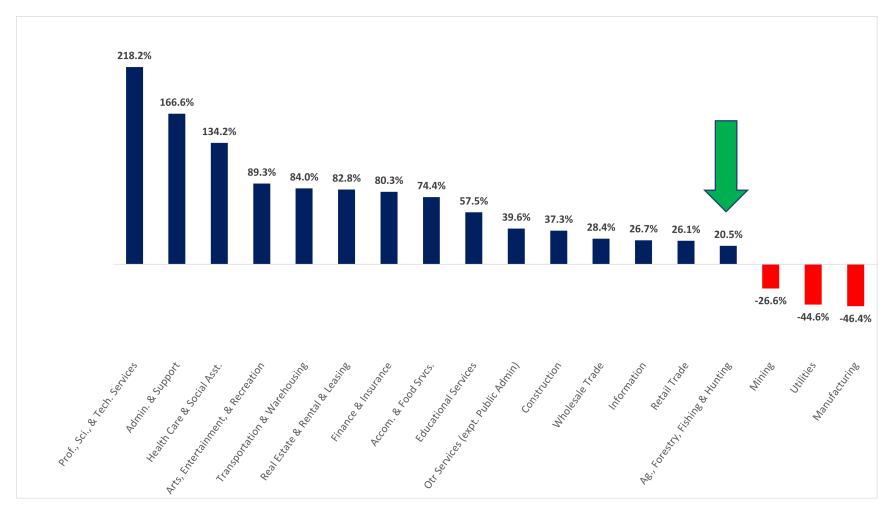
### Examples of non-covered work

#### Industries:

- Railroad (NAICS 482: Rail Transportation)
- Religious Organizations (NAICS: 813110)
- Some:
  - non-profits
  - real estate (real estate agents)
  - university positions (student workers)
  - insurance agents
- Political positions like elected officials
- Self employed (can get into that and entrepreneurship in a future session)
- Agriculture

## Agricultural Example

### NC Industry Growth 1990-2020



Source: Generated by LEAD using QCEW data, Statewide 1990 & 2020 Annual

## Largest Employing Agricultural Industries

NAICS	Industry (6-digit)	2020 Avg. Annual Employment	Avg. Annual Employment Growth 1990 - 2020
112210	Hog & Pig Farming	4,463	169%
113310	Logging	2,532	-35.2%
111421	Nursery & Tree Production	2,173	23.5%
111422	Floriculture Production	1,444	N/A
111910	Tobacco Farming	1,426	-40%
111998	All Other Miscellaneous Crop Farming	1,276	-48.4%
115114	Postharvest Crop Activities	1,015	60.1%

Source: Generated by LEAD using QCEW data, Statewide 1990 & 2020 Annual

## What data is available for Agriculture?

- Census of Agriculture
- Statewide and County Level profiles
  - o # of farms
  - Acreage (size)
  - Crops vs. Livestock %
  - Value of crops sold
  - o Farm income
  - Per farm averages
  - How farms are being used
    - Cropland
    - Pastureland
    - ❖ Woodland



### Examples of non-covered work

#### **Occupations:**

- What occupations are most likely to be not-covered?
  - Compare the entire industry/occupation matrix and levels in Occupational Employment and Wage Statistics
  - Those occupations with low proportions of total employment from OES may be largely notcovered

#### Examples of non-covered work

#### **Occupations:**

- What occupations are most likely to be not-covered?
  - Farmers, Ranchers, and Other Agricultural Managers
  - Religious Workers, All Other
  - Directors, Religious Activities and Education
  - Clergy
  - Farmworkers, Farm, Ranch, and Aquacultural Animals
  - Music Directors and Composers
  - Musicians and Singers
  - Farmworkers and Laborers
  - Cooks, All Other
  - Barbers

#### Sources for non-covered work

- County Business Patterns (<a href="https://www.census.gov/programs-surveys/cbp.html">https://www.census.gov/programs-surveys/cbp.html</a>)
  - They come out annually, and tables can be downloaded from <a href="https://data.census.gov">https://data.census.gov</a>
- American Community Survey (<a href="https://www.census.gov/programs-surveys/acs">https://www.census.gov/programs-surveys/acs</a>)
  - Same as County Business Patterns in terms of distribution
  - Can examine Class of Worker (self-employed in own unincorporated businesses AND unpaid workers in family business)
- Census of Agriculture (<a href="https://www.nass.usda.gov/AgCensus/">https://www.nass.usda.gov/AgCensus/</a>)
  - For number of farms
- Railroad information from Railroad Retirement Board (<a href="https://rrb.gov/">https://rrb.gov/</a>)
  - Estimates # of workers

#### Conclusion

- Need to consider non-covered employment in our TOTAL understanding of the economy
- May need to consult with other resources, like <u>Current Employment Statistics</u>, <u>County Business Patterns</u>, <u>Bureau of Economic Analysis</u>, and even <u>Projections</u>.
- If you're interested in investigating further, please contact us, and we can help you determine which data would be appropriate for your needs.



# Questions?

Jamie Vaughn

Jeff Rosenthal

jamie.vaughn@nccommerce.com

jeff.rosenthal@nccommerce.com



Follow us on Twitter...

@LeadNC

@CareersInNC

#### **Topic for February 15**

Session 2022-4: Creative Ways to Use NCcareers.org

What are the different ways to start career searches on NCcareers.org?



## Thank You!

Jamie Vaughn

jamie.vaughn@nccommerce.com

Jeff Rosenthal

jeff.rosenthal@nccommerce.com



@LeadNC

@CareersInNC