Short Term Industry Forecasts Methodology

Estimates of nonagricultural employment for Pennsylvania industries are projected for two years and are revised every year. Data supporting the industry forecasts were derived from a monthly survey of employers (Current Employment Statistics Program) and a quarterly tax report from employers (QCEW program). These programs are part of a cooperative effort between the Pennsylvania Department of Labor & Industry and the U.S. Bureau of Labor Statistics (BLS) to measure employment.

Data were produced at the three-digit North American Industry Classification System (NAICS) level with the appropriate Major Industry Division aggregations.

Industry employment forecasts are obtained through regression analysis using historical employment data, with consideration of economic and demographic factors. Specifically, consideration is given to the area's projected population of persons age 16 and above (current and that projected by the U.S. Census Bureau), labor force participation rate, unemployment rate, industry employment trends, share of national employment, and seasonal economic indicators. The key difference in the presentation of short-term forecasts and long-term projections is the display of seasonal movements.

Forecasts of educational services (NAICS 610) and health services (NAICS 620) include public (government) employment. Sources of economic indicator data used in the forecast models include: Global Insight, BLS, and CWIA.

The forecasts are estimates of employment levels and trends, not exact counts. They are most useful when used in conjunction with other economic data.

The data reflect the number of jobs in an industry, not the number of people, since no attempt is made to correct for multiple job holding. Jobs include both full-time and part-time.

For questions or more information on this methodology, please e-mail us at workforceinfo@pa.gov.