



## Analysis & Background

### Expected Revisions to Colorado Nonfarm Payroll Jobs

Fourth quarter 2012 Quarterly Census of Employment and Wages (QCEW) results indicate little change to Colorado total nonfarm payroll jobs estimates for this period with the release of benchmarked estimates in March 2014. November 2012 estimates are expected to be revised up by about 4,400 or 0.2 percent and little change is expected for the October 2012 and December 2012 estimates.

Applying these results through April 2013 brings estimated total nonfarm payroll jobs in April to 2,361,900, not significantly different from the currently published 2,362,700. This change brings over the year payroll job growth estimates through April 2013 to 62,400 or 2.7 percent.

The final March 2014 benchmarked series are expected to vary from these estimates due to new seasonal adjustment factors and new estimates of nonfarm payroll jobs not covered by the unemployment insurance program.

Industry sectors expected to undergo the greatest upward revisions to payroll jobs estimates in the 4<sup>th</sup> quarter include construction (~3,900), trade, transportation and utilities (~3,300), and information (~1,000). Fourth quarter 2012 QCEW results indicate payroll jobs estimates for professional and business services, financial activities and mining and logging may also be revised up.

Industry sectors expected to undergo the greatest downward revisions to payroll jobs estimates in the 4<sup>th</sup> quarter include leisure and hospitality (~4,300), government (~3,800), and manufacturing (~1,200). Education and health services may also be revised down.

Total nonfarm payroll jobs estimates for the Denver Metropolitan Statistical Area are expected to be revised up in the 4<sup>th</sup> quarter of 2012 by about 12,000. Estimates for the Colorado Springs and Greeley Metropolitan Statistical Areas are expected to be revised up in the quarter by about 2,300 and 1,900, respectively. Estimates for the Fort Collins Metropolitan Statistical Area may also be revised up.

Payroll jobs estimates for the Grand Junction, Pueblo and Boulder Metropolitan Statistical Areas may be revised down with Grand Junction undergoing the largest downward revision.

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Expected Revisions to Colorado Nonfarm Payroll Jobs based on 1<sup>st</sup> quarter 2013 QCEW data will be released August 28, 2013.

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Every month of the year other than February the Colorado Department of Labor and Employment, in cooperation with the U.S. Bureau of Labor Statistics, releases estimates of Colorado nonfarm payroll jobs for the previous month based on results from a survey of business establishments. Estimates for Colorado are produced by the Bureau of Labor Statistics for total nonfarm payroll jobs and specific industry sectors or groups of sectors across the entire state, and for the seven metropolitan statistical areas.

In February of each year these survey based estimates are compared to and adjusted in a process called “benchmarking” based on administrative records available since the release of the survey estimates. The results of that comparison are released in March.

For instance, at the beginning of the 2014 calendar year Colorado nonfarm payroll jobs estimates for the 4<sup>th</sup> quarter of 2012 and all of 2013 will be benchmarked based on information available from the QCEW program for the 4<sup>th</sup> quarter of 2012 and the first three quarters of 2013. These updated estimates will be released in March 2014.

The source of these administrative records for the QCEW program are unemployment insurance reports Colorado employers are required to file quarterly with the Colorado Department of Labor and Employment. Among other information, employers include the number of people employed at the firm for each month of the quarter for which the report is being filed. Although only firms with employees covered by the Colorado Unemployment Insurance program are required by state and federal law to submit these reports, this quarterly census of employment covers about 98 percent of all nonfarm payroll jobs and about 88 percent of total employment in Colorado.

Aggregated by industry, the QCEW data are more closely aligned with the definition of nonfarm payroll jobs than with total employment. This is because an individual holding more than one job is counted only once in the total employment estimate but multiple times in both QCEW and the nonfarm payroll jobs estimates. Total employment estimates are by place of residence while both QCEW and payroll jobs are by place of business.

Though the official nonfarm payroll jobs estimates are benchmarked only once a year, data from QCEW are available quarterly and, once available, can be compared to the official series to see by about how much the official statistics will be adjusted.

**Statewide by Industry Sector, in Thousands**

**Colorado Nonfarm Payroll Jobs Estimates**

Seasonally Adjusted	4th Quarter 2012												4th Quarter 2011			Over the Year Change	
	Apr-13	Mar-13	Feb-13	Jan-13	Dec-12	Nov-12	Oct-12	Apr-12	Dec-11	Nov-11	Oct-11	Apr-13	Dec-12	Change	Change		
Modified Total Nonfarm Payroll Jobs <sup>2 &amp; 3</sup>	2,361.9	2,350.3	2,352.3	2,341.3	2,335.0	2,337.3	2,325.2					62.4	55.6				
Total Nonfarm Payroll Jobs <sup>1</sup>	2,362.7	2,351.1	2,353.1	2,342.1	2,335.8	2,332.9	2,326.3	2,299.5	2,279.4	2,276.1	2,270.3	63.2	56.4				
Expected Revision	-0.8	-0.8	-0.8	-0.8	-0.8	4.4	-0.1										
Expected Percent Revision	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%										
Modified Mining & Logging <sup>2 &amp; 3</sup>	30.0	29.8	30.1	30.2	30.0	30.1	30.2					-0.6	0.1				
Mining & Logging <sup>1</sup>	29.8	29.6	29.9	30.0	29.8	29.9	30.2	30.6	29.9	29.7	29.3	-0.8	-0.1				
Expected Revision	0.2	0.2	0.2	0.2	0.2	0.2	0.0										
Expected Percent Revision	0.8%	0.8%	0.8%	0.8%	0.8%	0.6%	0.0%										
Modified Construction <sup>2 &amp; 3</sup>	125.1	123.2	122.7	121.6	119.7	118.2	117.4					10.0	6.1				
Construction <sup>1</sup>	121.2	119.3	118.8	117.7	115.8	115.3	115.6	115.1	113.6	112.9	112.5	6.1	2.2				
Expected Revision	3.9	3.9	3.9	3.9	3.9	2.9	1.8										
Expected Percent Revision	3.3%	3.3%	3.3%	3.4%	3.4%	2.5%	1.6%										
Modified Manufacturing <sup>2 &amp; 3</sup>	131.5	131.3	131.9	130.9	132.4	132.6	132.4					-0.2	1.4				
Manufacturing <sup>1</sup>	132.7	132.5	133.1	132.1	133.6	133.4	133.4	131.7	131.0	130.5	130.4	1.0	2.6				
Expected Revision	-1.2	-1.2	-1.2	-1.2	-1.2	-0.8	-1.0										
Expected Percent Revision	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.6%	-0.7%										
Modified Trade, Transportation & Utilities <sup>2 &amp; 3</sup>	418.3	419.6	422.2	421.3	415.4	415.8	412.5					11.1	11.1				
Trade, Transportation & Utilities <sup>1</sup>	415.0	416.3	418.9	418.0	412.1	412.2	410.1	407.2	404.3	404.3	403.3	7.8	7.8				
Expected Revision	3.3	3.3	3.3	3.3	3.3	3.6	2.4										
Expected Percent Revision	0.8%	0.8%	0.8%	0.8%	0.8%	0.9%	0.6%										
Modified Information <sup>2 &amp; 3</sup>	70.0	69.8	69.5	69.8	69.6	69.4	69.4					0.1	-0.6				
Information <sup>1</sup>	69.0	68.8	68.5	68.8	68.6	68.9	69.1	69.9	70.2	70.5	70.7	-0.9	-1.6				
Expected Revision	1.0	1.0	1.0	1.0	1.0	0.5	0.3										
Expected Percent Revision	1.4%	1.4%	1.4%	1.4%	1.4%	0.7%	0.5%										
Modified Financial Activities <sup>2 &amp; 3</sup>	146.2	146.7	147.5	147.9	148.0	148.1	147.7					0.7	3.7				
Financial Activities <sup>1</sup>	145.9	146.4	147.2	147.6	147.7	146.9	146.3	145.5	144.3	144.3	143.8	0.4	3.4				
Expected Revision	0.3	0.3	0.3	0.3	0.3	1.2	1.4										
Expected Percent Revision	0.2%	0.2%	0.2%	0.2%	0.2%	0.8%	0.9%										
Modified Professional & Business Services <sup>2 &amp; 3</sup>	373.2	366.6	365.8	362.4	361.4	363.2	363.2					21.2	15.1				
Professional & Business Services <sup>1</sup>	372.5	365.9	365.1	361.7	360.7	361.3	359.5	352.0	346.3	345.7	343.4	20.5	14.4				
Expected Revision	0.7	0.7	0.7	0.7	0.7	1.9	3.7										
Expected Percent Revision	0.2%	0.2%	0.2%	0.2%	0.2%	0.5%	1.0%										

**Statewide by Industry Sector, in Thousands**

Seasonally Adjusted	Colorado Nonfarm Payroll Jobs Estimates												Over the Year Change	
	4th Quarter 2012						4th Quarter 2011						Apr-13	Dec-12
	Apr-13	Mar-13	Feb-13	Jan-13	Dec-12	Nov-12	Oct-12	Apr-12	Dec-11	Nov-11	Oct-11	Apr-13	Dec-12	
Modified Education & Health Services <sup>2 &amp; 3</sup>	288.6	288.8	287.1	286.7	286.3	284.6	284.1					8.4	8.4	
Education & Health Services <sup>1</sup>	289.5	289.7	288.0	287.6	287.2	286.2	285.4	280.2	277.9	276.2	276.1	9.3	9.3	
Expected Revision	-0.9	-0.9	-0.9	-0.9	-0.9	-1.6	-1.3							
Expected Percent Revision	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.5%	-0.4%							
Modified Leisure & Hospitality <sup>2 &amp; 3</sup>	287.9	285.8	286.4	283.5	283.2	285.7	280.9					10.0	8.4	
Leisure & Hospitality <sup>1</sup>	292.2	290.1	290.7	287.8	287.5	286.1	284.2	277.9	274.8	274.7	273.8	14.3	12.7	
Expected Revision	-4.3	-4.3	-4.3	-4.3	-4.3	-0.4	-3.3							
Expected Percent Revision	-1.5%	-1.5%	-1.5%	-1.5%	-1.5%	-0.1%	-1.2%							
Modified Other Services <sup>2 &amp; 3</sup>	98.0	95.6	95.5	96.1	96.2	96.2	96.2					2.9	2.2	
Other Services <sup>1</sup>	98.0	95.6	95.5	96.1	96.2	95.9	96.3	95.1	94.0	94.0	93.8	2.9	2.2	
Expected Revision	0.0	0.0	0.0	0.0	0.0	0.3	-0.1							
Expected Percent Revision	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	-0.1%							
Modified Government <sup>2 &amp; 3</sup>	393.1	393.1	393.6	390.9	392.8	393.6	392.1					-1.2	-0.3	
Government <sup>1</sup>	396.9	396.9	397.4	394.7	396.6	396.8	396.2	394.3	393.1	393.3	393.2	2.6	3.5	
Expected Revision	-3.8	-3.8	-3.8	-3.8	-3.8	-3.2	-4.1							
Expected Percent Revision	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-0.8%	-1.0%							

<sup>1</sup> Source: Official payroll jobs series produced by the U.S. Bureau of Labor Statistics and the Colorado Department of Labor and Employment.

<sup>2</sup> Modified 4th quarter estimates produced by the Colorado Department of Labor and Employment based on 4th quarter 2012 QCEW and an estimate of payroll jobs not covered by QCEW.

<sup>3</sup> Modified 1st and 2nd quarter 2013 estimates produced by the Colorado Department of Labor and Employment based on modified 4th quarter results and over the month changes from the official payroll jobs series.

**By Metropolitan Statistical Area  
in Thousands**

**Colorado Nonfarm Payroll Jobs Estimates**

Seasonally Adjusted	4th Quarter 2012												4th Quarter 2011			Over the Year Change	
	Apr-13	Mar-13	Feb-13	Jan-13	Dec-12	Nov-12	Oct-12	Apr-12	Dec-11	Nov-11	Oct-11	Apr-13	Dec-12				
Modified Statewide Total Nonfarm Payroll Jobs <sup>2&amp;3</sup>	2,361.9	2,350.3	2,352.3	2,341.3	2,335.0	2,337.3	2,326.2					62.4	55.6				
Statewide Total Nonfarm Payroll Jobs <sup>1</sup>	2,362.7	2,351.1	2,353.1	2,342.1	2,335.8	2,332.9	2,326.3	2,299.5	2,279.4	2,276.1	2,270.3	63.2	56.4				
Expected Revision	-0.8	-0.8	-0.8	-0.8	-0.8	4.4	-0.1										
Expected Percent Revision	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%										
Modified Boulder MSA Total Nonfarm Payroll Jobs <sup>2&amp;3</sup>	171.4	171.4	171.1	171.6	169.7	169.3	169.0					3.6	4.0				
Boulder MSA Total Nonfarm Payroll Jobs <sup>1</sup>	171.5	171.5	171.2	171.7	169.8	170.2	169.7	167.8	165.7	165.1	164.9	3.7	4.1				
Expected Revision	-0.1	-0.1	-0.1	-0.1	-0.1	-0.9	-0.7										
Expected Percent Revision	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.5%	-0.4%										
Modified Colorado Springs MSA Total Nonfarm Payroll Jobs <sup>2&amp;3</sup>	257.5	256.3	256.9	256.9	254.6	254.8	253.9					6.3	4.5				
Colorado Springs MSA Total Nonfarm Payroll Jobs <sup>1</sup>	255.2	254.0	254.6	254.6	252.3	252.6	252.5	251.2	250.1	249.8	250.1	4.0	2.2				
Expected Revision	2.3	2.3	2.3	2.3	2.3	2.2	1.4										
Expected Percent Revision	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.5%										
Modified Denver MSA Total Nonfarm Payroll Jobs <sup>2&amp;3</sup>	1,285.6	1,278.5	1,280.2	1,277.2	1,270.3	1,267.9	1,262.2					44.6	44.1				
Denver MSA Total Nonfarm Payroll Jobs <sup>1</sup>	1,273.6	1,266.5	1,268.2	1,265.2	1,258.3	1,257.2	1,254.3	1,241.0	1,226.2	1,223.1	1,220.3	32.6	32.1				
Expected Revision	12.0	12.0	12.0	12.0	12.0	10.7	7.9										
Expected Percent Revision	0.9%	0.9%	0.9%	0.9%	0.9%	0.8%	0.6%										
Modified Fort Collins MSA Total Nonfarm Payroll Jobs <sup>2&amp;3</sup>	143.5	142.8	143.1	140.0	142.1	141.8	140.7					4.2	3.8				
Fort Collins MSA Total Nonfarm Payroll Jobs <sup>1</sup>	143.1	142.4	142.7	139.6	141.7	141.3	140.6	139.3	138.3	137.7	137.0	3.8	3.4				
Expected Revision	0.4	0.4	0.4	0.4	0.4	0.5	0.1										
Expected Percent Revision	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.0%										
Modified Grand Junction MSA Total Nonfarm Payroll Jobs <sup>2&amp;3</sup>	59.4	59.3	59.3	59.3	59.7	59.7	59.6					-0.8	0.0				
Grand Junction MSA Total Nonfarm Payroll Jobs <sup>1</sup>	60.2	60.1	60.1	60.1	60.5	60.6	60.6	60.2	59.7	59.5	59.6	0.0	0.8				
Expected Revision	-0.8	-0.8	-0.8	-0.8	-0.8	-0.9	-1.0										
Expected Percent Revision	-1.3%	-1.3%	-1.3%	-1.3%	-1.3%	-1.4%	-1.6%										
Modified Greeley MSA Total Nonfarm Payroll Jobs <sup>2&amp;3</sup>	87.2	87.1	87.0	87.1	86.7	86.1	86.5					3.0	3.8				
Greeley MSA Total Nonfarm Payroll Jobs <sup>1</sup>	85.3	85.2	85.1	85.2	84.8	84.9	85.2	84.2	82.9	82.6	82.6	1.1	1.9				
Expected Revision	1.9	1.9	1.9	1.9	1.9	1.2	1.3										
Expected Percent Revision	2.2%	2.2%	2.2%	2.2%	2.2%	1.4%	1.5%										
Modified Pueblo MSA Total Nonfarm Payroll Jobs <sup>2&amp;3</sup>	58.9	58.6	58.6	58.2	58.2	58.5	58.7					0.4	-0.3				
Pueblo MSA Total Nonfarm Payroll Jobs <sup>1</sup>	59.4	59.1	59.1	58.7	58.7	58.8	58.2	58.5	58.5	58.9	58.6	0.9	0.2				
Expected Revision	-0.5	-0.5	-0.5	-0.5	-0.5	-0.3	0.5										
Expected Percent Revision	-0.8%	-0.8%	-0.8%	-0.8%	-0.8%	-0.5%	0.8%										

<sup>1</sup> Source: Official payroll jobs series produced by the U.S. Bureau of Labor Statistics and the Colorado Department of Labor and Employment.

<sup>2</sup> Modified 4th quarter estimates produced by the Colorado Department of Labor and Employment based on 4th quarter 2012 QCEW and an estimate of payroll jobs not covered by QCEW.

<sup>3</sup> Modified 1st and 2nd quarter 2013 estimates produced by the Colorado Department of Labor and Employment based on modified 4th quarter results and over the month changes from the official payroll jobs series.