



## Analysis & Background

### Expected Revisions to Colorado Nonfarm Payroll Jobs

Third quarter 2013 Quarterly Census of Employment and Wages (QCEW) results indicate Colorado total nonfarm payroll jobs estimates will likely be revised up for this period with the release of benchmarked estimates in March 2014. September 2013 estimates are expected to be revised up by about 17,100 or seven tenths of a percentage point and July and August 2013 estimates are expected to be revised up by about two tenths of a percentage point and six tenths of a percentage point, respectively.

Applying these results through December 2013 brings estimated total nonfarm payroll jobs in December to 2,396,800. This change brings over the year payroll job growth estimates through December 2013 to 61,000 or 2.6 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 3<sup>rd</sup> quarter include trade, transportation and utilities (~8,200), financial activities (~6,400), and construction (~3,700). Third quarter 2013 QCEW results indicate payroll jobs estimates for manufacturing, other services, information, mining and logging, and professional and business services may also be revised up.

The industry sectors expected to undergo a downward revision to payroll jobs estimates in the 3<sup>rd</sup> quarter are government (~4,500), leisure and hospitality (~700), and education and health services (~400).

Total nonfarm payroll jobs estimates for the Denver Metropolitan Statistical Area are expected to be revised up in the 3<sup>rd</sup> quarter of 2013 by about 15,100. Estimates for the Greeley (~3,400), Colorado Springs (~2,000) and Fort Collins (~1,500) Metropolitan Statistical Areas are also expected to be revised up.

Payroll jobs estimates for the Boulder and Grand Junction Metropolitan Statistical Areas may be revised down.

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Expected Revisions to Colorado Nonfarm Payroll Jobs based on 4th quarter 2013 QCEW data will be released Wednesday, May 28, 2014.

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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 Seasonally Adjusted	Colorado Nonfarm Payroll Jobs Estimates												Over the Year Change						
	3rd Quarter 2013												3rd Quarter 2012			Dec-13		Sep-13	
	Dec-13	Nov-13	Oct-13	Sep-13	Aug-13	Jul-13	Dec-12	Sep-12	Aug-12	Jul-12	Dec-13	Sep-13	Dec-13	Sep-13					
Modified Total Nonfarm Payroll Jobs <sup>2 &amp; 3</sup>	2,396.8	2,394.6	2,391.8	2,387.5	2,386.9	2,378.2							61.0	70.2					
Total Nonfarm Payroll Jobs <sup>1</sup>	2,379.7	2,377.5	2,374.7	2,370.4	2,371.6	2,374.0	2,335.8	2,317.3	2,310.9	2,310.9	2,310.9	2,310.9	43.9	53.1					
Expected Revision	17.1	17.1	17.1	17.1	15.3	4.2													
Expected Percent Revision	0.7%	0.7%	0.7%	0.7%	0.6%	0.2%													
Modified Mining & Logging <sup>2 &amp; 3</sup>	31.5	31.4	31.6	31.3	31.1	30.7							1.7	1.1					
Mining & Logging <sup>1</sup>	30.4	30.3	30.5	30.2	30.1	29.9	29.8	30.2	30.3	30.5	30.5	30.5	0.6	0.0					
Expected Revision	1.1	1.1	1.1	1.1	1.0	0.8													
Expected Percent Revision	3.7%	3.8%	3.7%	3.8%	3.3%	2.7%													
Modified Construction <sup>2 &amp; 3</sup>	126.5	127.3	126.7	128.2	128.4	127.0							10.7	12.3					
Construction <sup>1</sup>	122.8	123.6	123.0	124.5	125.2	125.9	115.8	115.9	115.2	115.1	115.1	115.1	7.0	8.6					
Expected Revision	3.7	3.7	3.7	3.7	3.2	1.1													
Expected Percent Revision	3.0%	3.0%	3.0%	2.9%	2.5%	0.9%													
Modified Manufacturing <sup>2 &amp; 3</sup>	135.6	135.9	134.3	133.5	133.5	133.4							2.0	1.2					
Manufacturing <sup>1</sup>	134.9	135.2	133.6	132.8	132.7	132.2	133.6	132.3	132.3	132.2	132.2	132.2	1.3	0.5					
Expected Revision	0.7	0.7	0.7	0.7	0.8	1.2													
Expected Percent Revision	0.5%	0.5%	0.5%	0.5%	0.6%	0.9%													
Modified Trade, Transportation & Utilities <sup>2 &amp; 3</sup>	421.6	421.4	420.6	421.9	422.0	420.2							9.5	11.8					
Trade, Transportation & Utilities <sup>1</sup>	413.4	413.2	412.4	413.7	416.0	416.5	412.1	410.1	408.8	409.2	409.2	409.2	1.3	3.6					
Expected Revision	8.2	8.2	8.2	8.2	6.0	3.7													
Expected Percent Revision	2.0%	2.0%	2.0%	2.0%	1.4%	0.9%													
Modified Information <sup>2 &amp; 3</sup>	69.3	69.2	68.8	70.0	70.3	70.4							0.7	0.5					
Information <sup>1</sup>	68.0	67.9	67.5	68.7	69.4	70.0	68.6	69.5	69.5	69.6	69.6	69.6	-0.6	-0.8					
Expected Revision	1.3	1.3	1.3	1.3	0.9	0.4													
Expected Percent Revision	1.9%	1.9%	1.9%	1.8%	1.3%	0.5%													
Modified Financial Activities <sup>2 &amp; 3</sup>	150.3	150.5	151.6	150.8	150.7	150.8							2.6	3.9					
Financial Activities <sup>1</sup>	143.9	144.1	145.2	144.4	144.0	145.0	147.7	146.9	146.7	146.4	146.4	146.4	-3.8	-2.5					
Expected Revision	6.4	6.4	6.4	6.4	6.7	5.8													
Expected Percent Revision	4.4%	4.4%	4.4%	4.4%	4.7%	4.0%													
Modified Professional & Business Services <sup>2 &amp; 3</sup>	378.8	376.8	375.2	373.0	372.1	370.8							18.1	15.0					
Professional & Business Services <sup>1</sup>	377.8	375.8	374.2	372.0	371.5	371.2	360.7	358.0	357.2	356.8	356.8	356.8	17.1	14.0					
Expected Revision	1.0	1.0	1.0	1.0	0.6	-0.4													
Expected Percent Revision	0.3%	0.3%	0.3%	0.3%	0.2%	-0.1%													

Statewide by Industry Sector, in Thousands Seasonally Adjusted	Colorado Nonfarm Payroll Jobs Estimates												Over the Year Change	
	3rd Quarter 2013												3rd Quarter 2012	
	Dec-13	Nov-13	Oct-13	Sep-13	Aug-13	Jul-13	Dec-12	Sep-12	Aug-12	Jul-12	Dec-13	Sep-13		
Modified Education & Health Services <sup>2 &amp; 3</sup>	294.9	295.6	293.4	291.5	290.9	288.4					7.7	7.6		
Education & Health Services <sup>1</sup>	295.3	296.0	293.8	291.9	290.2	290.2	287.2	283.9	282.9	282.4	8.1	8.0		
Expected Revision	-0.4	-0.4	-0.4	-0.4	0.7	-1.8								
Expected Percent Revision	-0.1%	-0.1%	-0.1%	-0.1%	0.2%	-0.6%								
Modified Leisure & Hospitality <sup>2 &amp; 3</sup>	291.1	288.9	292.5	290.8	290.0	290.9					3.6	11.3		
Leisure & Hospitality <sup>1</sup>	291.8	289.6	293.2	291.5	294.0	297.2	287.5	279.5	279.6	279.5	4.3	12.0		
Expected Revision	-0.7	-0.7	-0.7	-0.7	-4.0	-6.3								
Expected Percent Revision	-0.3%	-0.3%	-0.3%	-0.3%	-1.3%	-2.1%								
Modified Other Services <sup>2 &amp; 3</sup>	97.2	97.4	96.7	97.3	97.3	97.2					1.0	1.3		
Other Services <sup>1</sup>	96.8	97.0	96.3	96.9	97.2	98.7	96.2	96.0	95.7	95.6	0.6	0.9		
Expected Revision	0.4	0.4	0.4	0.4	0.1	-1.5								
Expected Percent Revision	0.4%	0.4%	0.4%	0.4%	0.1%	-1.6%								
Modified Government <sup>2 &amp; 3</sup>	400.1	400.3	400.5	399.3	400.6	398.5					3.5	4.3		
Government <sup>1</sup>	404.6	404.8	405.0	403.8	401.3	397.2	396.6	395.0	394.7	393.6	8.0	8.8		
Expected Revision	-4.5	-4.5	-4.5	-4.5	-0.7	1.3								
Expected Percent Revision	-1.1%	-1.1%	-1.1%	-1.1%	-0.2%	0.3%								

<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 3rd quarter estimates produced by the Colorado Department of Labor and Employment based on 3rd quarter 2013 QCEW and an estimate of payroll jobs not covered by QCEW.

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

**By Metropolitan Statistical Area  
in Thousands**

**Seasonally Adjusted**

	Colorado Nonfarm Payroll Jobs Estimates												Over the Year Change	
	3rd Quarter 2013						3rd Quarter 2012						Dec-13	Sep-13
	Dec-13	Nov-13	Oct-13	Sep-13	Aug-13	Jul-13	Dec-12	Sep-12	Aug-12	Jul-12	Dec-13	Sep-13		
Modified Statewide Total Nonfarm Payroll Jobs <sup>2</sup> & <sup>3</sup>	2,396.8	2,394.6	2,391.8	2,387.5	2,386.9	2,378.2					61.0	70.2		
Statewide Total Nonfarm Payroll Jobs <sup>1</sup>	2,379.7	2,377.5	2,374.7	2,370.4	2,371.6	2,374.0	2,335.8	2,317.3	2,312.9	2,310.9	43.9	53.1		
Expected Revision	17.1	17.1	17.1	17.1	15.3	4.2								
Expected Percent Revision	0.7%	0.7%	0.7%	0.7%	0.6%	0.2%								
Modified Boulder MSA Total Nonfarm Payroll Jobs <sup>2</sup> & <sup>3</sup>	173.1	172.8	171.9	172.5	173.6	173.0					3.3	3.2		
Boulder MSA Total Nonfarm Payroll Jobs <sup>1</sup>	173.2	172.9	172.0	172.6	173.6	172.9	169.8	169.3	169.5	168.7	3.4	3.3		
Expected Revision	-0.1	-0.1	-0.1	-0.1	0.0	0.1								
Expected Percent Revision	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								
Modified Colorado Springs MSA Total Nonfarm Payroll Jobs <sup>2</sup> & <sup>3</sup>	255.4	257.2	256.6	257.8	256.9	256.2					3.1	5.9		
Colorado Springs MSA Total Nonfarm Payroll Jobs <sup>1</sup>	253.4	255.2	254.6	255.8	254.5	254.7	252.3	251.9	251.7	251.2	1.1	3.9		
Expected Revision	2.0	2.0	2.0	2.0	2.4	1.5								
Expected Percent Revision	0.8%	0.8%	0.8%	0.8%	0.9%	0.6%								
Modified Denver MSA Total Nonfarm Payroll Jobs <sup>2</sup> & <sup>3</sup>	1,303.8	1,302.8	1,304.4	1,300.6	1,301.6	1,294.1					45.5	49.2		
Denver MSA Total Nonfarm Payroll Jobs <sup>1</sup>	1,288.7	1,287.7	1,289.3	1,285.5	1,288.5	1,285.2	1,258.3	1,251.4	1,248.2	1,248.3	30.4	34.1		
Expected Revision	15.1	15.1	15.1	15.1	13.1	8.9								
Expected Percent Revision	1.2%	1.2%	1.2%	1.2%	1.0%	0.7%								
Modified Fort Collins MSA Total Nonfarm Payroll Jobs <sup>2</sup> & <sup>3</sup>	144.5	144.6	144.8	144.1	145.0	144.7					2.8	4.5		
Fort Collins MSA Total Nonfarm Payroll Jobs <sup>1</sup>	143.0	143.1	143.3	142.6	142.9	142.9	141.7	139.6	140.0	139.9	1.3	3.0		
Expected Revision	1.5	1.5	1.5	1.5	2.1	1.8								
Expected Percent Revision	1.1%	1.1%	1.1%	1.1%	1.5%	1.3%								
Modified Grand Junction MSA Total Nonfarm Payroll Jobs <sup>2</sup> & <sup>3</sup>	61.1	61.2	61.0	60.6	59.7	59.7					0.6	0.5		
Grand Junction MSA Total Nonfarm Payroll Jobs <sup>1</sup>	61.2	61.3	61.1	60.7	60.7	60.5	60.5	60.1	60.0	60.1	0.7	0.6		
Expected Revision	-0.1	-0.1	-0.1	-0.1	-1.0	-0.8								
Expected Percent Revision	-0.2%	-0.2%	-0.2%	-0.2%	-1.7%	-1.4%								
Modified Greeley MSA Total Nonfarm Payroll Jobs <sup>2</sup> & <sup>3</sup>	91.7	91.9	90.9	90.5	90.3	89.7					6.9	5.3		
Greeley MSA Total Nonfarm Payroll Jobs <sup>1</sup>	88.3	88.5	87.5	87.1	86.6	86.4	84.8	85.2	84.8	84.8	3.5	1.9		
Expected Revision	3.4	3.4	3.4	3.4	3.7	3.3								
Expected Percent Revision	3.8%	3.8%	3.8%	3.9%	4.3%	3.9%								
Modified Pueblo MSA Total Nonfarm Payroll Jobs <sup>2</sup> & <sup>3</sup>	59.9	59.6	59.0	59.0	58.6	58.6					1.2	1.0		
Pueblo MSA Total Nonfarm Payroll Jobs <sup>1</sup>	59.9	59.6	59.0	59.0	58.2	58.5	58.7	58.0	58.0	58.2	1.2	1.0		
Expected Revision	0.0	0.0	0.0	0.0	0.4	0.1								
Expected Percent Revision	0.0%	0.0%	0.0%	0.0%	0.8%	0.2%								

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<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 3rd quarter estimates produced by the Colorado Department of Labor and Employment based on 3rd quarter 2013 QCEW and an estimate of payroll jobs not covered by QCEW.  
<sup>3</sup> Modified 4th quarter 2013 estimates produced by the Colorado Department of Labor and Employment based on modified 3rd quarter results and over the month changes from the official payroll jobs series.