

Feature Story

Nebraska Worksites Performance by Size Class 2003 to 2008

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Succinctly, the Bureau of Labor Statistics definitions of worksite, establishment and firm are; a worksite, or establishment, is an economic unit conducting business at one location and a firm is a collection of worksites. According to the Nebraska Department of Labor's Quarterly Census of Employment and Wages, during the 2nd quarter of 2003 there were 45,547 firms and 54,993 worksites covered by the state's employment security laws. By the 2nd quarter of 2008 these numbers had grown to 48,495 firms and 59,500 worksites statewide.

Multiple Worksite Reports

Regardless of the name; establishment, reporting unit, worksite or firm, most of Nebraska's employers operate in single locations within the state. However, many Nebraska firms operate in multiple locations, or worksites, across the state. Employers with multiple locations file Multiple Worksite Reports quarterly. For qualifying Nebraska firms these reports became mandatory in 2005 and are important because they allocate the Nebraska employer's



employment and wage data to its correct physical location, and in some instances, industrial activity. By not reporting multiple worksite information an employer is basically reporting all of its employment and wage data in one

physical location under one industrial activity. This singular reporting tends to over report the state's employment and wage data in one location or industry while under reporting it in the originating locations or actual industrial activity.

April 2003 to April 2008 Worksite Performance by Size Code

Among the numerous statistics kept about Nebraska firms and worksites is size of employment. A worksite count, employment and average quarterly wages per size code of Nebraska worksites is provided in the table. For example, in April of 2003, Nebraska had 24,842 worksites with 1-4 employees and the 51,243 employees in those worksites made an average of \$6,412 that quarter.

During the five year period from April 2003 to 2008 worksites with 250-499 employees had a 23% increase in reporting units. Worksites with less than one worker showed 53% increase in employment with a 29% increase

April 2003 to 2008 Worksite Performance by Size

Size	April 2003			April 2008		
	Worksites	Employment	Avg. Quarterly Wage	Worksites	Employment	Avg. Quarterly Wage
0	4,430	3,828	\$6,101	4,980	5,874	\$7,844
1-4	24,842	51,243	\$6,412	27,172	54,867	\$8,055
5-9	10,696	68,641	\$6,101	11,282	72,348	\$7,193
10-19	7,190	93,191	\$6,191	7,621	99,021	\$7,325
20-49	4,891	142,789	\$6,694	5,362	156,673	\$7,960
50-99	1,697	114,126	\$6,750	1,781	119,361	\$8,223
100-249	880	128,282	\$7,370	887	129,932	\$8,802
250-499	212	73,410	\$7,897	260	86,679	\$9,821
500-999	95	63,632	\$9,371	95	64,007	\$11,781
1,000+	60	133,351	\$9,120	60	132,830	\$10,484

in average quarterly wages. Size codes are based on the employment reported in the third month of the quarter. In many cases very small businesses report quarterly wages with no quarterly employment at all. In some instances business owners report wages with no employment because they don't consider themselves to be employees. Another possible explanation is that employers are in the process of going out of business and have no employment by the third month of the quarter.

Worksites with 1-4 workers, which have the highest number of reporting units, showed the greatest increase in reporting units. Worksites with 20-46 employees, the class with the most employees by size, had the largest five year employment increase. Worksites with 500-999 workers, which pay the highest average quarterly wages, had the largest average quarterly wage increase during the five year period.

Small versus Large

Firms with less than 500 employees are considered small by BLS standards. In Nebraska 99.7% of all establishments were considered small in 2003, and they employed 77.4% of the workforce. By 2008 the establishment percentages were virtually unchanged but the employment share of the small establishments grew to 78.6%. The count of large firms remained stagnant while their average quarterly wages grew. Employers with between 500-999 workers did show some employment growth.

Five Year Industrial Performance by Size Code

Every Nebraska employer, subject to the state's employment security laws, is assigned at least one of over 1,100 6-digit North American Industry Classification System (NAICS) codes, according to its industrial activity within the state. Some of the NAICS titles listed in the table above are abbreviated. The table indicates, by industry, which size worksite had the greatest employment and highest wages in 2008.

Negative 2008 figures indicate that the employment and/or wage figures

Highest Average 2nd Qtr 2008 Wage and Employment by Size

Industry	Average Quarterly Wages				Employment			
	Size	2003	2008	% increase	Size	Apr-03	Apr-08	% increase
Agriculture	100-249	\$ 5,930	\$ 8,515	0.44	5-9	2,227	2,537	0.14
Mining	50-99	\$ 10,319	\$ 15,622	0.51	50-99	161	242	0.50
Utilities	20-49	\$ 14,964	\$ 44,839	2.00	250-499	1,203	932	-0.23
Construction	—	ND	ND	ND	20-49	10,495	11,043	0.05
Manufacturing	0	\$ 10,922	\$ 11,852	0.09	1,000+	25,331	22,693	-0.10
Wholesale Trade	0	\$ 10,644	\$ 16,187	0.52	20-49	11,291	13,121	0.16
Retail Trade	—	ND	ND	ND	100-249	21,526	19,782	-0.08
Transportation	1,000+	\$ 8,872	\$ 9,331	0.05	1,000+	12,331	17,034	0.38
Information	100-249	\$ 12,661	\$ 17,821	0.41	500-999	4,809	3,517	-0.27
Financial/Insurance	50-99	\$ 10,458	\$ 13,329	0.27	1,000+	8,008	8,904	0.11
Real Estate	100-249	\$ 7,353	\$ 8,956	0.22	1-4	1,893	2,007	0.06
Professional Services	500-999	\$ 13,402	\$ 17,290	0.29	20-49	5,664	6,479	0.14
Manage of Companies	—	\$ 15,321	\$ 21,919	0.43	500-999	2,438	4,788	0.96
Admin & Waste Services	500-999	\$ 4,790	\$ 8,153	0.70	100-249	9,262	10,496	0.13
Educational Services	—	ND	ND	ND	—	ND	ND	ND
Health/Social Assistance	500-999	\$ 9,973	\$ 12,287	0.23	1,000+	25,659	27,683	0.08
Arts, Entertain, Recreation	—	\$ 3,476	\$ 4,621	0.33	100-249	2,251	3,318	0.47
Accommodation/Food Service	—	ND	ND	ND	20-49	24,498	29,451	0.20
Other Services	100-249	\$ 5,439	\$ 8,114	0.49	5-9	5,365	5,924	0.10
Public Administration	500-999	\$ 9,061	\$ 11,990	0.32	20-49	125,738	140,482	0.12
ND = Non-Discloseable								

were larger in 2003, obviously. Not as obvious are some reasons for the drop.

Utilities reported the largest wage increase, 200%, in the five-year span from 2003-2008.

For example, since 2003 the Utilities worksites with 250-499 employees either didn't lose enough employment (-23%) to be reclassified, terminated, or changed size classification. Still, worksites with 20-49 workers had the greatest employment of all Utility size classes in 2008.

Utilities reported the largest wage increase, 200%, in the five-year span from 2003 to 2008. No other industry reflected a wage increase of this magnitude. (It's likely that, while most industries pay bonuses in the 1st or 4th quarter of the year, Utilities paid bonuses in the 2nd quarter). Management of companies reported the largest employment increase of 96% since 2003.

Due to the scarcity of worksites in its size class, the greatest or largest 2003 size code data may not be reported

for Construction, Retail Trade, or Accommodation/Food Service; or in 2003 or 2008 for Educational Services.

Public Administration, a compilation of federal, state and local government, contains the largest number of employees ifor worksites with 10-19 workers, in both 2003 and 2008. It also had the largest five year employment increase.

Conclusion

From 2003 to 2008, all small size industries showed worksite, employment and wage growth. Proving good things come in small packages; worksites with less than one worker had the largest percentage increase in average quarterly wages and employment. Proving there is strength in numbers; worksites with 500-999 employees had the largest overall average quarterly wage increase of \$2,410; besting the second highest wage increase is worksites with 250-499 wokers by over \$600. In 2008, industries with worksites of 500 or more workers also contained 21%of the state's employment, though down from 22.6% in 2003. Nebraska's worksite data continues to improve because the quality and quantity of Multiple Worksite Reports received from employers and processed by the Quarterly Census of Employment and Wages continues to improve. ■