

National Employment Projections

Organization: Bureau of Labor Statistics (BLS), U.S. Department of Labor. "The Bureau of Labor Statistics of the U.S. Department of Labor is the principal Federal agency responsible for measuring labor market activity, working conditions, and price changes in the economy."

Purpose and Uses: The BLS Employment Projections (EP) program provides estimates of nationwide employment by occupation and industry ten years in the future. According to BLS:

Data users include individuals seeking career guidance and organizations and individuals offering career guidance resources. In addition, policymakers, community planners, and educational authorities, who need information for long-term policy planning purposes, make use of BLS employment projections, as do states in preparing state and local area projections.²

Data Elements Relevant to Postsecondary Education and Workforce Development:

Every two years, BLS publishes 10-year projections for variables such as the following:

- Occupation
 - Employment (total, by industry)
 - Projected replacement needs
 - Required education, work experience, and training
- Industry
 - Employment (total, by occupation)
 - Output
- Education and Training
 - Employment and job openings by summary education and training assignment
 - Employment and job openings by educational attainment by on-the-job training category

For context, EP also supplies 10-year projections for the aggregate economy and the labor force. The latest projections, published in late 2013, cover 2012-2022 and include 818 occupations in 329 detailed industries. Data are for the nation as a whole.

Soon after the release of the 10-year projections, EP publishes the *Occupational Outlook Handbook* (OOH), which is BLS's most popular publication. The 2014–15 OOH includes 334 profiles covering 580 detailed occupations, about 84 percent of all employment in 2012.

Each occupational profile describes the duties required by the occupation, the work environment of that occupation, the typical education and training needed to enter the occupation, the median pay for workers in the occupation, and the job outlook into the next

¹ Bureau of Labor Statistics website, <u>www.bls.gov</u>.

² BLS, Handbook of Methods, "Chapter 13: Employment Projections," p. 13-1.

10 years for that occupation. Each profile is in a standard format that makes it easy to compare occupations.³

History and Status: The BLS assessed the employment outlook after World War II to offer career information to veterans reentering the civilian workforce. BLS published the first formal numerical projections in 1960 and since has provided long-term employment projections on a regular basis.

Beginning with the 1996-2006 projections, BLS has released 10-year projections every two years. Projections are typically available approximately 9-15 months after the end of the reference year.

Methodology: Regarding EP program methods:

Procedures have centered on projections of an interindustry, or input—output, model that determines job requirements associated with production needs, and the National Employment Matrix, which depicts the distribution of employment by industry and occupation. Projecting employment in industry and occupational detail requires projections of the total economy and its sectors. BLS develops its projections in a series of six steps that examine

- the size and demographic composition of the labor force
- aggregate economic growth
- commodity final demand
- input-output
- industry output and employment
- occupational employment and openings

Each step, based on separate procedures and models and on related assumptions, goes through several iterations to ensure internal consistency as assumptions and results are reviewed and revised. Together, the six components provide the analytical framework needed to develop detailed employment projections. BLS analysts solve each component sequentially.⁴

Data Products and Tools: EP databases and tables are found here and the current OOH here.

Annual Cost: The President requested \$7.5 million for the EP program in FY2015 (including funding for the *Occupational Outlook Handbook*).

³ BLS, <u>"Occupational Information Included in the OOH,"</u> webpage.

⁴ BLS, Handbook of Methods, "Chapter 13: Employment Projections," p. 13-1.