

**COVERED EMPLOYMENT AND EARNINGS  
STATE OF ARKANSAS  
THIRD QUARTER 2018**

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**PUBLISHED BY  
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**RELEASED: JANUARY 2019**



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EMPLOYMENT AND EARNINGS  
UNDER THE ARKANSAS EMPLOYMENT SECURITY LAW  
THIRD QUARTER 2018

**DESCRIPTION AND CLASSIFICATION OF DATA**

This publication contains covered employment and payroll data by industry and county for the Third Quarter 2018 and a record for total covered employment by month, quarterly payroll data, average weekly earnings, and total taxable earnings for 2011 through 2018. These data are compiled from quarterly contributions and wage reports submitted by employers subject to the Arkansas Employment Security Law.

Employment data have been tabulated for each month of the quarter by industry under the **North American Industry Classification System** (NAICS) by state, county, and workforce area. Payroll data represent the total wages paid during the quarter and are classified by industry for the state and by publishable industry groups for each county and workforce area.

Due to industry classification revisions, previously published data will not always be comparable with current data. For this reason, comparisons should not be made between the same industries under different revisions. For more information, visit the NAICS home page at <http://www.census.gov/naics>.

Industry Classification Revisions

- SIC (Standard Industrial Classification) 1987 to NAICS 2002
- NAICS 2002 to NAICS 2007
- NAICS 2007 to NAICS 2012
- NAICS 2012 to NAICS 2018

The tabulation of this data is a joint effort in conjunction with the United States Bureau of Labor Statistics. Data included in this publication are subject to revisions. Revisions are typically reflected in the Annual Covered Employment and Earnings publication.

## **DEFINITION OF COVERED EMPLOYMENT AND EARNINGS**

Covered Employment is the total number of workers employed by establishments subject to the Arkansas Employment Security Law that worked or received pay for the payroll period including the 12<sup>th</sup> of the month. Earnings include all wages paid to any covered employee by their employer including salaries, bonuses, commissions, fees, fringe benefits, sick pay made directly to employees or dependents, deferred compensation, and reported tips. These wages include both taxable and nontaxable wages. Only the first \$10,000 paid to each worker by an employer in the calendar year is taxable under the Arkansas Employment Security Law.

An Arkansas state unemployment insurance account is required of any entity meeting the definition of an employer. As described by Arkansas Department of Workforce Services Law, the definition of an employer includes, but is not limited to, a sole proprietorship, partnership, corporation, associations, trust, estate, and receiver or trustee in bankruptcy. The entity must employ one or more individuals for ten or more days in a calendar year, whether or not the days are consecutive.

Currently excluded from coverage is employment covered by the Railroad Unemployment Insurance Act, some domestic service workers, employees of small agricultural establishments, self-employed workers, unpaid family workers, insurance and real estate agents paid only on a commission basis, and employees of churches and religious organizations except separately incorporated schools.

Civilian federal workers are covered by Unemployment Compensation for Federal Employees (UCFE).

## SIGNIFICANT DEVELOPMENTS DURING THIRD QUARTER 2018

### AVERAGE EMPLOYMENT CHANGES

Covered employment averaged 1,176,785 during the Third Quarter 2018 (refer to Table 1), a decrease of 20,347 (-1.7%) from the previous quarter and an increase of 10,176 (0.9%) from the average recorded one year ago. The over-the-year comparison is more significant when used as an economic indicator and allows for seasonal factors that appear when comparing over-the-quarter data to be disregarded.

**Average Covered Employment by NAICS**

<b>Industry Classification</b>	<b>Percent of Employment</b>
Natural Resources & Mining	1.4
Construction	4.4
Manufacturing	13.7
Trade, Transportation & Utilities	21.1
Information	0.9
Financial Activities	4.3
Professional & Business Services	12.4
Education & Health Services	15.8
Leisure & Hospitality	10.3
Other Services	2.2
State & Local Government	13.6

### EMPLOYMENT CHANGES FROM SECOND QUARTER 2018

Over the quarter gains were recorded in seven of the eleven industry groups. Leisure & Hospitality reported the largest increase (4,628), a typical seasonal expansion. Losses occurred in four industry groups. State & Local Government recorded the largest decline (-23,713), largely due to fluctuations in public school employment.

### EMPLOYMENT CHANGES FROM THIRD QUARTER 2017 (QUARTER YEAR AGO COMPARISON)

Over-the-year gains were recorded in nine industry groups (refer to Table 1). The largest gains occurred in Leisure & Hospitality (7,862), Education & Health Services (4,878) due to growth in the Healthcare industries; and Professional and Business Services (3,394). The only loss was reported in State & Local Government (-20924), a typical contraction.

### COVERED WAGES

Wages paid to covered workers totaled \$12,274,742,987 for the Third Quarter 2018 (refer to Table 1), for an average weekly wage of \$802.36 (refer to Table 5). Calhoun County workers recorded the highest average weekly wage (\$1,052.44), and employees in Newton County reported the lowest (\$468.07) (refer to Table 6).

Financial Activities recorded the highest average weekly wage for the State of Arkansas (\$1,029.62). The Leisure & Hospitality sector recorded the lowest (\$319.09) (refer to Table 5).

**Average Weekly Wage by Industry**

<b>Industry Classification</b>	<b>Average Weekly Wage</b>
Natural Resources and Mining	\$907.03
Construction	\$908.16
Manufacturing	\$911.06
Trade, Transportation and Utilities	\$775.81
Information	\$1,023.63
Financial Activities	\$1,029.62
Professional and Business Services	\$995.83
Education and Health Services	\$816.97
Leisure and Hospitality	\$319.09
Other Services	\$657.45
State and Local Government	\$795.96

For table on Statewide, County, or Local Workforce Development area please click link below:

<http://www.discover.arkansas.gov/Data-Search-Tool/QCEW>