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# State of Illinois Defense Industry Adjustment (DIA) Program

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## Economic Profiles Summary

November, 2016

UNIVERSITY OF ILLINOIS  
URBANA-CHAMPAIGN • CHICAGO • SPRINGFIELD



**Nathalie P. Voorhees Center  
for Neighborhood and  
Community Improvement**



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## Introduction

The Office of Economic Adjustment (OEA), an arm of the U.S. Department of Defense, initiated the Defense Industry Adjustment (DIA) Program to assist communities in planning for adjustments and resiliency in the face of defense industry changes. As of the beginning of 2016, a project team made up of the University of Illinois Office of Vice President for Research (OVPR), the University of Illinois at Chicago (UIC) Voorhees Center, and the Quad Cities Chamber of Commerce, has begun work on the State of Illinois Defense Industry Adjustment Project to assess the impact of changes in defense industry spending in Illinois, and to assist impacted sectors in their efforts to develop plans and options to mitigate detrimental impacts.

The State of Illinois was ranked number 48 of the 50 states for defense spending as a percentage of total state GDP in 2014 with only 0.8% of the state GDP attributable to it. Based on a recently released report, the state's ranking moved from 48 to 43 with 0.9% of GDP attributable to defense spending. In actual terms, the state's share increased from \$5.6 billion in 2014 to \$7.0 billion in 2015, moving its position from 23<sup>rd</sup> to 19<sup>th</sup> among the 50 states. Measured both as a proportion of state GDP and total spending, Illinois saw a significant increase between 2014 and 2015.<sup>1</sup> Illinois' increased share is notable given that total national defense spending declined from \$418 billion in 2014 to \$408 billion in 2015.

In Fiscal Year 2015, while \$4.8 billion of total defense spending was in the form of defense contracts, \$2.2 billion consisted of spending on defense personnel. Defense contracts were largely for manufacturing of Supplies & Equipment (a category with 64% of annual defense contracts). The top direct defense spending locations in the state include: Lake, Cook, St. Clair, DuPage, Rock Island, Winnebago, Peoria, and Madison Counties. These eight counties currently account for nearly \$6 billion of annual defense spending in the state.

As part of the project team, the UIC Voorhees Center for Neighborhood and Community Improvement analyzes data, conducts studies, and engages with stakeholders to inform and assist impacted sectors in their efforts to develop plans and strategies. The first of these efforts involved compiling community and economic profiles which were shared with community stakeholders in five regions of the state (Quad Cities, Rockford, Chicago Metro, Metro East, and Peoria) in order to inform the direction of the state DIA Project (Regional definitions are given in an Appendix at the end of this document. Unless otherwise indicated, regional data are analyzed using these geographies).

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<sup>1</sup>Defense Spending by State reports (for FY 2014 and FY 2015) are available at [http://oea.gov/defense-spending-state-fiscal-year-2015?utm\\_medium=email&utm\\_source=govdelivery](http://oea.gov/defense-spending-state-fiscal-year-2015?utm_medium=email&utm_source=govdelivery). Note that Fiscal Year 2014 defense spending figures from this same source were used for the Regional Economic Profiles that have been completed for the five regions.

The purpose of this summary document is to provide a relative understanding of the economies of the five regions in terms of their current composition, changes in employment, and occupations (Individual regional economic profiles can be found at <http://www.illinoisdia.org/>). Each indicator is analyzed in comparison with the state and national averages to provide a better understanding of local conditions and trends. A comparative understanding of a region's economy in terms of compositional change and performance informs policy makers and analysts to better position the region in the national economy. To the extent that data are available, the profile analyzes changes over a period of 10 years - long enough to reveal important dynamics, but short enough to focus on the kinds of local changes that may be malleable through regional planning activity.

Drawing on local and national data sources, the analysis considers both the fundamental economic conditions and sectoral drivers of the regional economy. The economic indicators/industrial data items being analyzed are divided into three main groups:

**Basic economic indicators:** Indicators that measure economic conditions and help evaluate regional economic performance: (1) Employment and its sectoral distribution, (2) Unemployment rate, (3) Unemployment insurance claims, (4) Annual wages, and (5) Occupations. Descriptive analysis of these indicators help determine how the local economy is faring relative to its position in the past or its current position as measured against a referent economy (i.e., the nation or the state).

**Dependency on government employment:** Analysis of government employment as a share of total regional employment helps assess the degree to which the regional employment base depends on federal or state/local government activities. Besides examining changes in government/private sector employment over time, the analysis identifies the regional employment base that is directly attributable to the Department of Defense (employment at the military base) or related departments (e.g., employment at Hospitals administrated by the Department of Veterans Affairs).

**Defense related industrial activities:** The profile identifies specific manufacturing and professional/technical services industries in which businesses may be performing defense contract work or are part of the defense industry supply chain. By analyzing regional employment trends in these industries in comparison with the nation, the profile explores the "defense activity-industrial performance" nexus. Finally, the regions' shares of national defense contracts are analyzed, and local industries that perform substantial work originating from the Department of Defense are identified.

Additional notes on indicators and data sources may be found in the Appendix at the end of this document. If there are any questions, please contact Yittayih Zelalem, Co-director of the Nathalie P. Voorhees Center for Neighborhood & Community Improvement at the University of Illinois at Chicago at 312-996-6674 or e-mail at: [yittazel@uic.edu](mailto:yittazel@uic.edu).

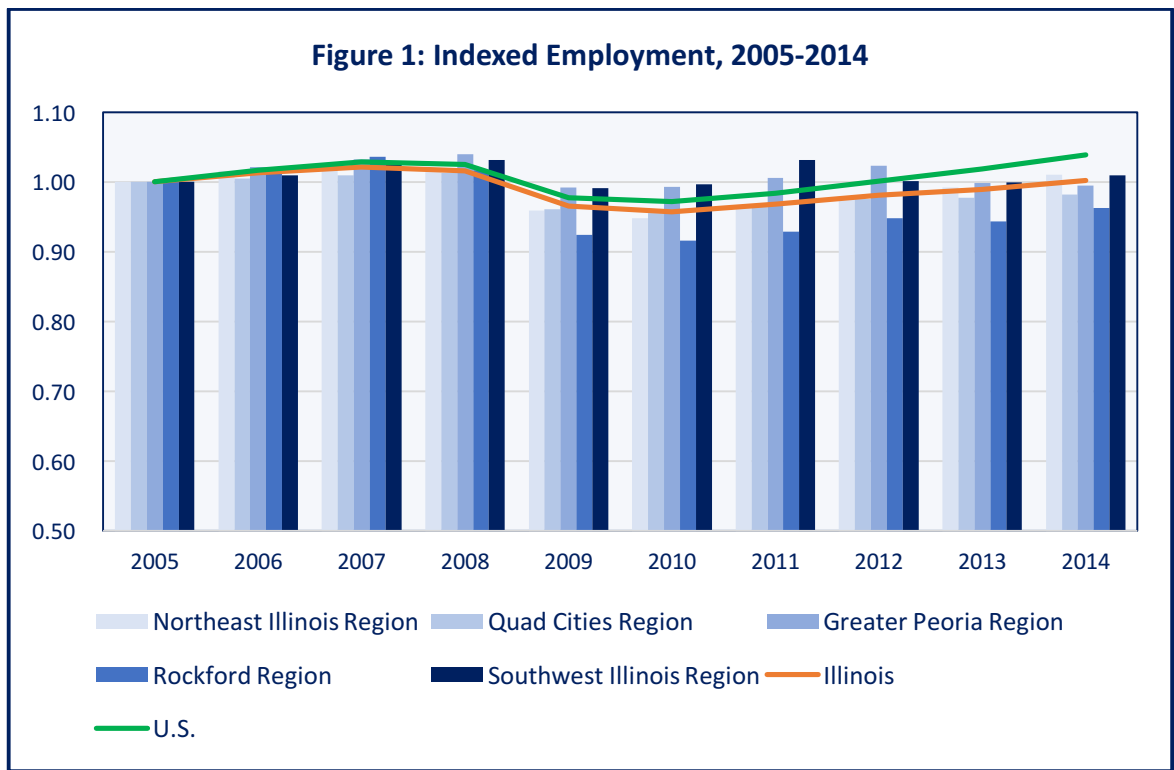
## Employment by Sectors and Industry

Overall, health care, retail trade, and manufacturing are the major industries by employment in all regions. While health care accounts for the largest share of employment in the Northeast Illinois, Greater Peoria, and Southwest Illinois regions, manufacturing accounts for the largest share of employment in the Quad Cities and Rockford regions.

The seven-county Northeast Illinois Region has the most diverse economy and is specialized in various manufacturing, financial, and business service industries. The other four regions along with the Northeast Illinois Region are specialized in various manufacturing sectors. Among those, fabricated metal products manufacturing (NAICS 332); machinery manufacturing (NAICS 333); transportation equipment manufacturing (NAICS 336); and professional and technical services (NAICS 541) are the most closely related to defense.

**Employment**

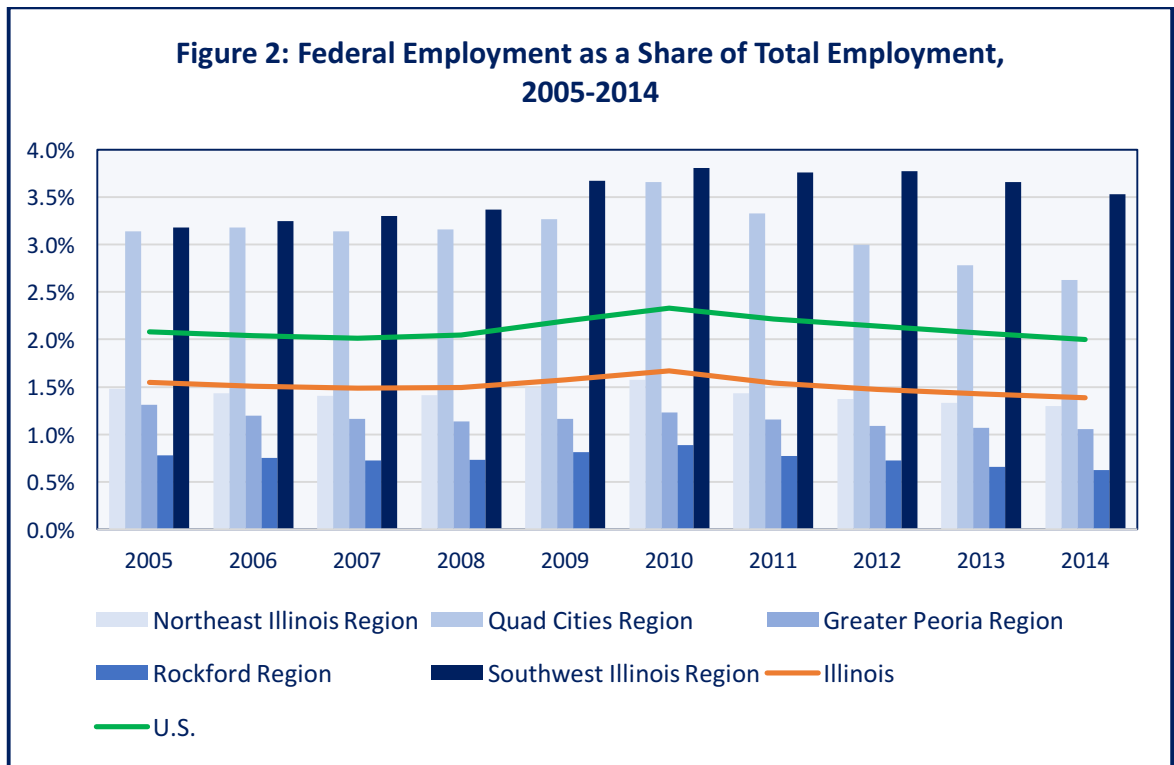
Regional economies continue to expand after the recession ended in 2010, but similar to the trend in Illinois, current employment has not reached pre-recession levels in any of the regions yet (Figure 1).<sup>2</sup> There is considerable variation among regions in terms of employment growth. While current (2014) employment in the Northeast Illinois and Southwest Illinois regions is above 2005 levels, it is below 2005 levels in the Quad Cities, Greater Peoria, and Rockford regions. Employment in the Rockford Region is nearly 5 percent less than its 2005 level. During the same period, the U.S. economy performed slightly better. The current national employment level surpassed both pre-recession and 2005 levels.



<sup>2</sup> In this figure, employment levels for the regions, Illinois, and the U.S. are shown as shares of 2005 employment.

## Federal Employment

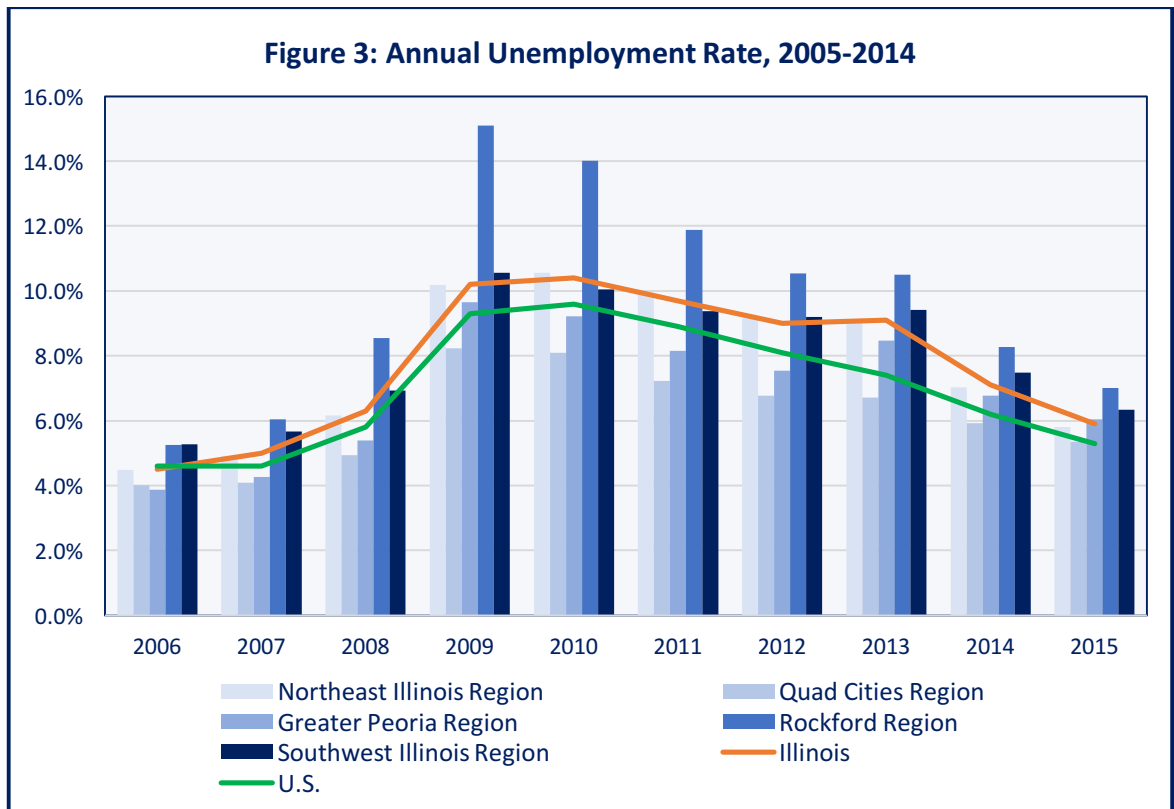
There is substantial variation among regions in terms of dependency on federal government employment. While the federal government accounts for a relatively large portion of employment in the Quad-Cities and Southwest Illinois economies, its share in the three other regions is minimal, far less than the national average.<sup>3</sup> Except the Quad Cities Region, where the federal government’s share of employment declined from 3 percent in 2005 to 2.5 percent in 2014, there does not seem to be a significant change over time in other regions as to the share of federal employment.



<sup>3</sup> According to the U.S. Bureau of Labor Statistics, in 2014, there were 5,924 federal employees in the six-county Quad-Cities Region. The majority of these employees are located in Rock Island County (4,977) and 2,288 of which are employed in the (federal) manufacturing sector. The federal employment in the Southwest Illinois Region is largely attributable to Scott Air Force Base (AFB) located in St. Clair County, which employed 4,512 active duty military personnel and 5,085 civilians in 2013.

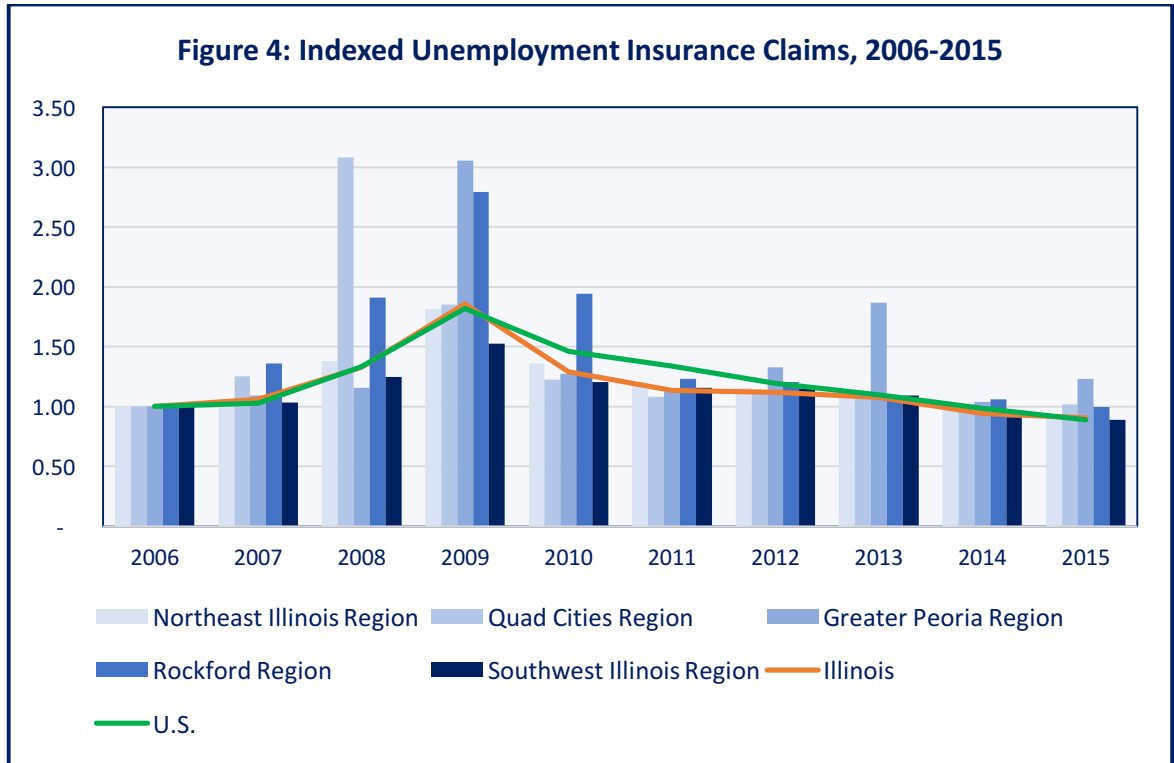
## Unemployment

Except the Quad Cities Region, the 2015 unemployment rate in all regions is higher than the national unemployment rate (5.3%). With 7 percent, the Rockford Region has the highest unemployment rate among the five regions. The unemployment rate rose particularly sharply in the Rockford Region during the recession years of 2009 and 2010 (Figure 3). This could be indicative of industrial and/or occupational changes occurring in the regional economy relative to the nation, or that the region still continues to recover from the recession (this is also apparent in employment levels).



**Unemployment Insurance Claims**

Except the Greater Peoria Region, initial unemployment insurance (UI) claims have returned to their pre-recession levels in all regions. The trend for several regions is different from trends observed for the U.S. or Illinois (Figure 4).<sup>4</sup> In 2009, UI claims spiked to a much greater degree than nation- or state-wide claims in the Greater Peoria and Rockford regions. Similarly, UI claims spiked to an exceptionally high level in the Quad Cities Region in 2008.

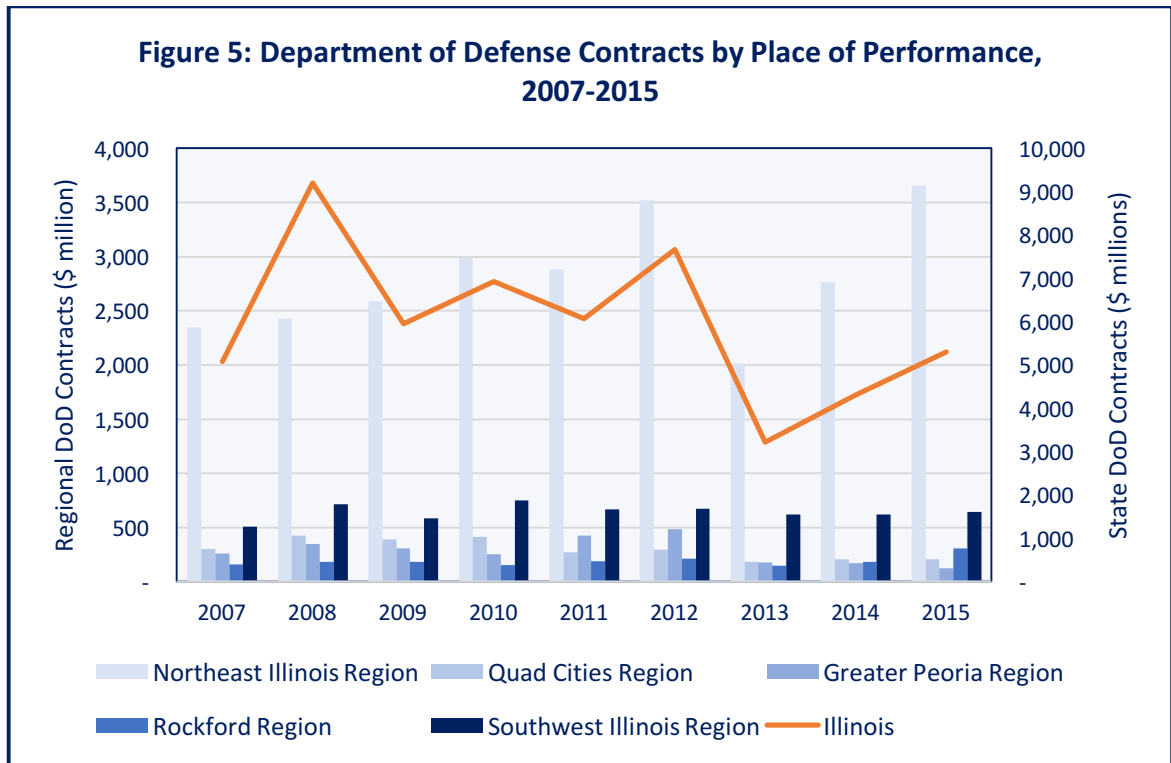


<sup>4</sup> This figure shows initial unemployment claims for regions, Illinois, and the U.S. as a share of 2006 initial unemployment claims.



### Trends in Department of Defense Contracts

Given the diversity and size of its economy, the majority of Department of Defense (DoD) contracts in the state of Illinois have been historically performed in the Northeast Illinois Region.<sup>5</sup> For example, in 2015, nearly 70 percent of Illinois DoD contracts (or 3.6 of 5.3 billion dollars' worth of DoD contracts) were performed in the region. However, as a share of regional gross regional product (GRP), DoD contracts constituted less than 1 percent of the gross regional product in the Northeast Illinois Region.<sup>6</sup> In relative terms, DoD contracts is most important to the Southwest Illinois Region, where they constituted around 4 percent of GRP in 2015.<sup>7</sup> It is also worth noting that spending within this region appears to be mostly stable compared to spending in other regions. Although DoD contracts in the other three regions constitute around 1 percent of the gross regional product, they support regionally concentrated industries and the total amount is substantial for regional businesses in certain manufacturing industries.



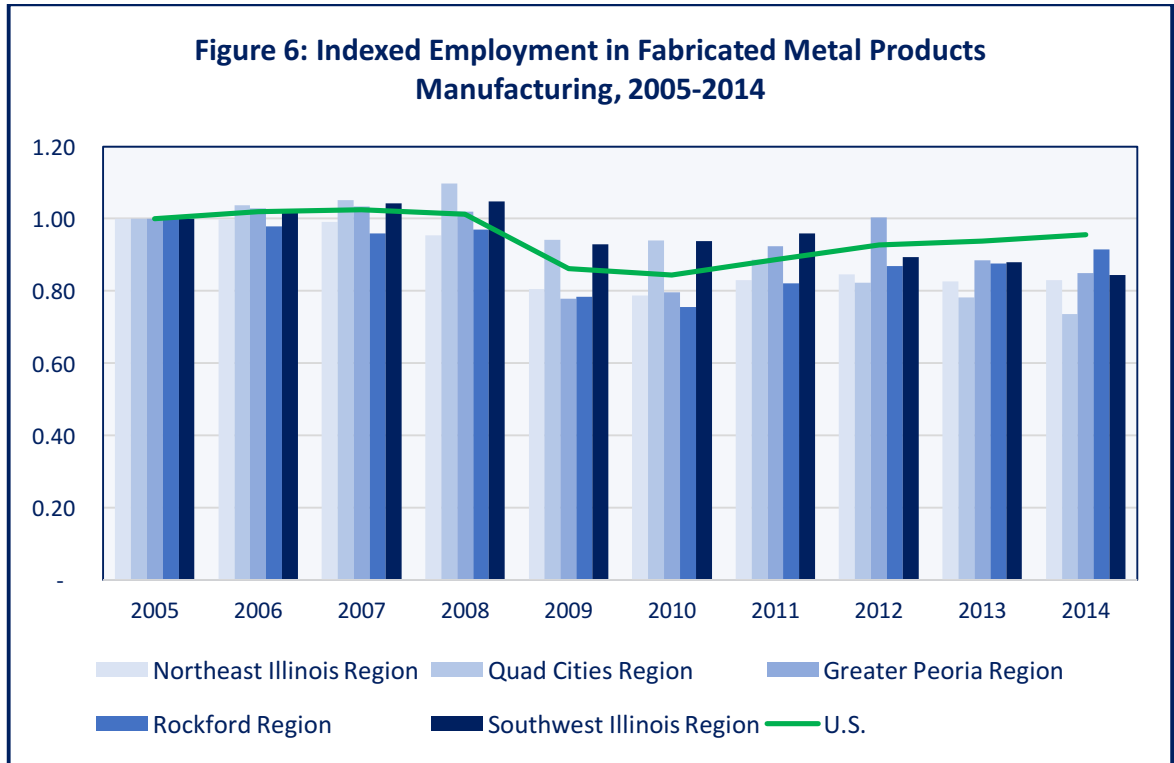
<sup>5</sup> Contracts spending data are not adjusted for inflation.

<sup>6</sup> According to the U.S. Bureau of Economic Analysis, Chicago-Naperville-Elgin MSA's gross regional product was \$610.5 billion in 2014.

<sup>7</sup> The Southwest Illinois' gross regional product was approximately \$14.5 billion in 2014.

**Employment Trends in Defense Related Industries**

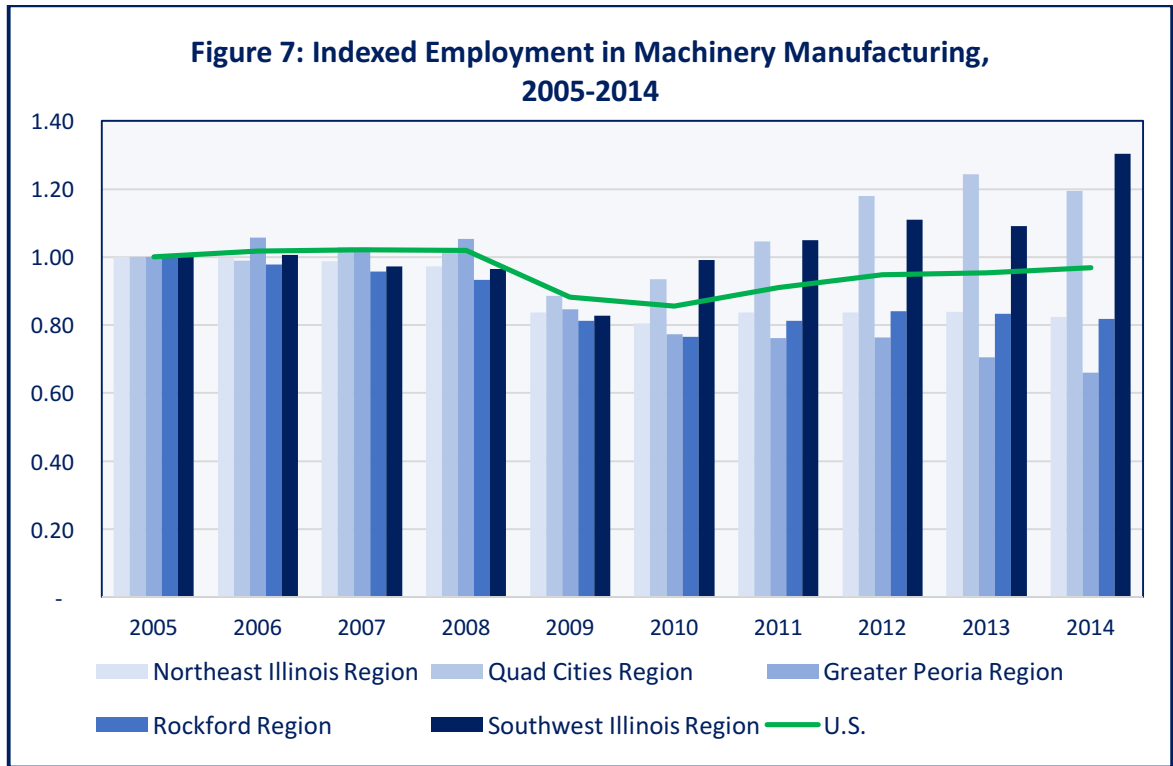
Although trends in fabricated metal products manufacturing employment in the five regions were similar to the national trend before the recession, employment in this industry declined substantially during the recession years in most regions and has not recovered yet. While national employment started growing in this industry after the recession ended in 2010, local employment especially in Northeast Illinois and Quad Cities have been mostly stable in recent years.



Parallel to the national trend, employment in machinery manufacturing declined during the recession years in all regions (Figure 7). However, employment in this industry recovered relatively quickly in some regions than others after the recession ended in 2010. Since then, employment in the Quad Cities and Southwest Illinois regions increased faster than the U.S. and surpassed pre-recession levels. On the other hand, machinery manufacturing employment in the Greater Peoria Region declined substantially during the recession years and has not recovered yet.<sup>8</sup> In fact, while national employment started

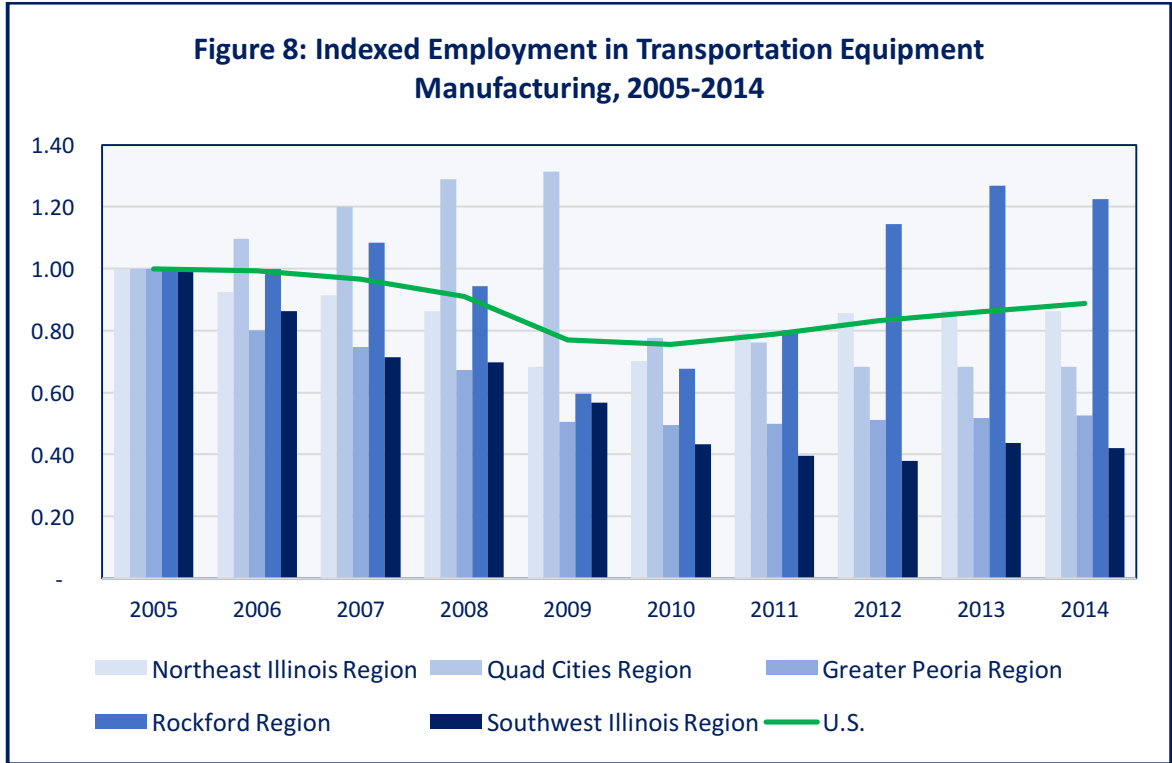
<sup>8</sup> It is unlikely that this trend is an artefact of data suppression applied to employment estimates in this industry by the U.S. Bureau of Labor Statistics. Employment in this industry declined in Marshall, Peoria, and Woodford Counties. Peoria County, which has the largest employment in this industry, lost approximately 400 jobs from 2012 to 2014. Tazewell County, where employment data are suppressed, number of establishments declined from 12 in 2012 to 10 in 2014.

growing in this industry after the recession ended in 2010, local employment in the region continued its downward trend.

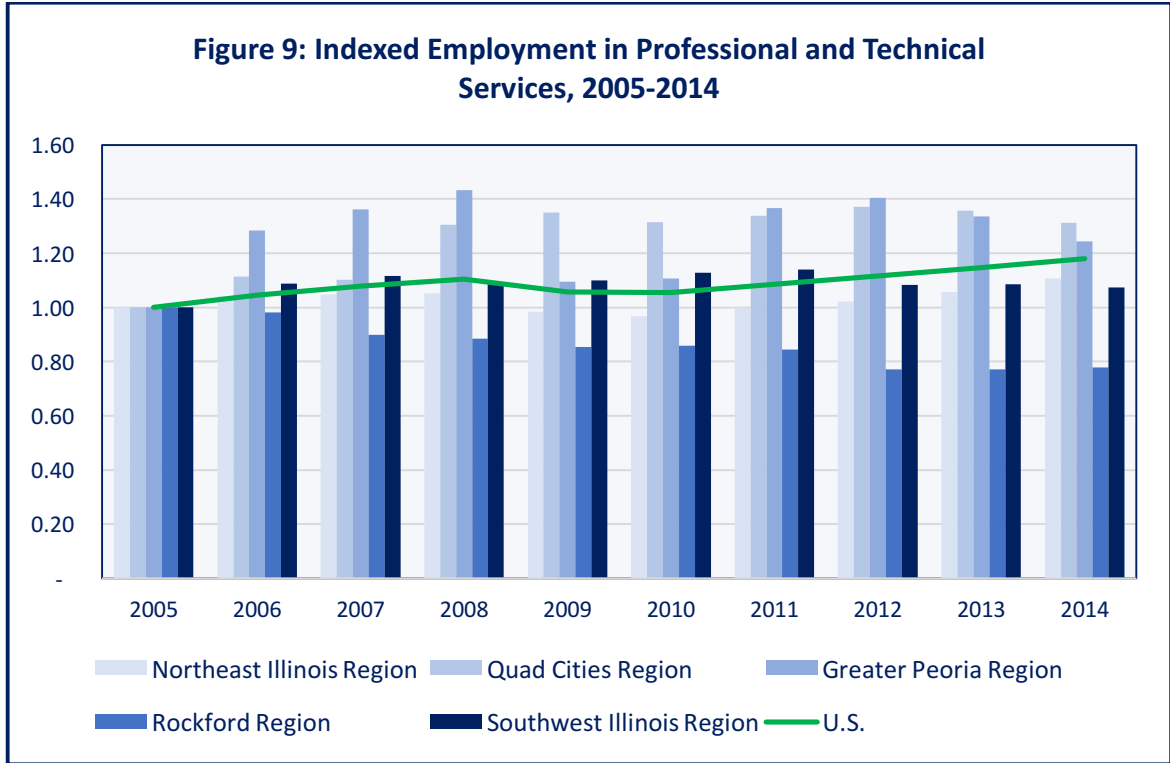


Regional employment in transportation equipment manufacturing is showing the most fluctuation during the last ten years among the four industries examined.<sup>9</sup> While employment in this industry is declining substantially in the Southwest Illinois Region, it has been increasing in the Rockford region in recent years. Employment in transportation equipment manufacturing grew around 20 percent in the Rockford region from 2005 to 2014. During the same period, more than half of the employment in this industry in the Southwest Illinois Region disappeared.

<sup>9</sup> Please note that due to data suppression, 2005 employment level for the Rockford Region is replaced with the 2006 figure. Similarly, 2013 and 2014 employment levels for the Quad Cities Region are assumed to be same as 2012 level.



Except the Rockford Region, employment in professional and technical services closely follows the national trend in most regions. While employment in this industry in the Quad Cities and Greater Peoria regions increased faster than the U.S. and surpassed pre-recession levels, it is slightly below the national average in the Northeast and Southwest Illinois economies.



**Wages and Purchasing Power by Major Occupations**

Looking at mean annual wages across regions, there seems to be large disparities among regions (e.g., compare \$49,000 in Northeast Illinois Region with \$40,000 in Quad Cities), but when the regional purchasing parities (RPPs) are taken into account to adjust for average price levels (i.e., the cost of living) the gap among the regions shrink considerably. In 2013, for example, the average mean wage for all occupations in the Northeast Illinois Region (\$49,684) was higher than the average wage in the Greater Peoria Region (\$47,400). However, when the RPPs are taken into account, the gap between the two areas disappears and actually workers in the Greater Peoria Region appear to be earning more (price-adjusted wages are \$46,608 and \$51,578, respectively in these areas in 2013).<sup>10</sup>

Regarding change over time, different trends are observed for the regions. While purchasing power in the Greater Peoria Region improved substantially from 2008 to 2013, it declined slightly in the Rockford Region. Purchasing power in the Rockford Region was greater than the U.S. average in 2008, but it is below the national average in 2013. Both

<sup>10</sup> Purchasing power is defined as the mean wage for an area divided by its regional price parity and multiplied by 100.

average occupational wages and purchasing power continue to be below the national average in the Quad Cities Region while they are above the national average in the Northeast Illinois Region. However, it is important to note that purchasing power in the Northeast Illinois Region worsened over the five year period. That is, while the gap between regional and national averages is significant in 2008, the difference between the two averages is negligible.

There are also occupation-specific purchasing power differences among regions. In 2008, while average purchasing power was the lowest in the Quad Cities Region, purchasing power for Architecture and Engineering Occupations in the area was the highest of all regions (higher than the national average as well). From 2008 to 2013, however, purchasing power for Architecture and Engineering Occupations in this region did not increase as fast as it did in some other regions and the nation. According to 2013 statistics, among the five regions, workers with these occupations have the highest earnings in the Greater Peoria Region. Further examination shows that this region also has the highest purchasing power for occupation groups that are most directly related to manufacturing and professional and technical services such as Management Occupations, Computer and Mathematical Science Occupations, and Production Occupations.

**Table 1: Annual Mean Wages and Purchasing Power for Major Occupational Groups, 2008 (in current dollars)**

Occupation Title	Northeast Illinois		Quad Cities		Greater Peoria		Rockford		U.S.	
	Wage	Purchasing Power	Wage	Purchasing Power	Wage	Purchasing Power	Wage	Purchasing Power	Wage	Purchasing Power
Management occupations	109,089	102,527	85,540	93,079	83,780	90,769	87,460	94,859	100,310	100,310
Business and financial operations occupations	69,474	65,295	61,840	67,291	54,990	59,577	55,330	60,011	64,720	64,720
Computer and mathematical science occupations	77,121	72,483	65,510	71,284	62,060	67,237	54,610	59,230	74,500	74,500
Architecture and engineering occupations	72,876	68,492	68,790	74,853	62,840	68,082	64,880	70,369	71,430	71,430
Life, physical, and social science occupations	70,307	66,078	54,330	59,119	71,870	77,866	58,600	63,557	64,280	64,280
Community and social services occupations	47,867	44,988	38,410	41,795	39,510	42,806	43,030	46,670	41,790	41,790
Legal occupations	114,379	107,499	74,030	80,555	76,240	82,600	115,750	125,542	92,270	92,270
Education, training, and library occupations	**	**	43,120	46,921	44,190	47,876	51,920	56,312	48,460	48,460
Arts, design, entertainment, sports, and media occupations	52,017	48,888	34,620	37,671	37,450	40,574	34,390	37,299	50,670	50,670
Healthcare practitioners and technical occupations	68,933	64,787	57,480	62,546	62,280	67,476	68,000	73,753	67,890	67,890
Healthcare support occupations	28,227	26,529	24,790	26,975	26,050	28,223	27,220	29,523	26,340	26,340
Protective service occupations	46,959	44,135	36,680	39,913	44,680	48,407	44,740	48,525	40,200	40,200
Food preparation and serving related occupations	21,060	19,793	18,790	20,446	19,250	20,856	19,600	21,258	20,220	20,220
Building and grounds cleaning and maintenance occupations	26,678	25,073	23,070	25,103	23,830	25,818	23,950	25,976	24,370	24,370
Personal care and service occupations	25,821	24,268	21,340	23,221	21,160	22,925	20,890	22,657	24,120	24,120
Sales and related occupations	41,111	38,638	31,870	34,679	31,740	34,388	31,830	34,523	36,080	36,080
Office and administrative support occupations	35,225	33,106	28,930	31,480	30,730	33,294	30,930	33,547	32,220	32,220
Farming, fishing, and forestry occupations	28,397	26,689	28,940	31,491	28,860	31,268	-	-	23,560	23,560
Construction and extraction occupations	60,002	56,393	44,810	48,760	49,490	53,619	52,770	57,234	42,350	42,350
Installation, maintenance, and repair occupations	47,494	44,637	40,140	43,678	40,710	44,106	42,570	46,171	41,230	41,230
Production occupations	32,586	30,626	31,050	33,787	33,280	36,056	35,730	38,753	32,320	32,320
Transportation and material moving occupations	33,612	31,591	29,770	32,394	28,590	30,975	29,810	32,332	31,450	31,450
<b>All Occupations</b>	<b>47,682</b>	<b>44,814</b>	<b>37,630</b>	<b>40,947</b>	<b>38,830</b>	<b>42,069</b>	<b>39,610</b>	<b>42,961</b>	<b>42,270</b>	<b>42,270</b>

**Table 2: Annual Mean Wages and Purchasing Power for Major Occupational Groups, 2013 (in current dollars)**

Occupation Title	Northeast Illinois		Quad Cities		Greater Peoria		Rockford		U.S.	
	Wage	Purchasing Power	Wage	Purchasing Power	Wage	Purchasing Power	Wage	Purchasing Power	Wage	Purchasing Power
Management occupations	109,797	102,999	86,370	94,085	102,520	111,556	94,100	102,394	110,550	110,550
Business and financial operations occupations	74,381	69,775	64,950	70,752	68,390	74,418	58,580	63,743	71,020	71,020
Computer and mathematical science occupations	79,333	74,421	62,870	68,486	82,450	89,717	68,280	74,298	82,010	82,010
Architecture and engineering occupations	76,531	71,793	70,110	76,373	81,210	88,368	65,950	71,763	80,100	80,100
Life, physical, and social science occupations	71,370	66,951	71,090	77,440	71,660	77,976	60,270	65,582	69,400	69,400
Community and social services occupations	48,544	45,539	42,510	46,307	40,030	43,558	43,110	46,910	44,710	44,710
Legal occupations	105,284	98,765	64,040	69,760	93,640	101,893	90,430	98,400	99,620	99,620
Education, training, and library occupations	53,730	50,403	48,080	52,375	48,170	52,416	51,970	56,551	51,500	51,500
Arts, design, entertainment, sports, and media occupations	56,707	53,196	38,840	42,309	55,520	60,413	39,750	43,254	55,580	55,580
Healthcare practitioners and technical occupations	75,350	70,685	65,370	71,209	79,260	86,246	70,610	76,834	74,740	74,740
Healthcare support occupations	28,493	26,728	27,470	29,924	28,050	30,522	28,020	30,490	28,300	28,300
Protective service occupations	47,654	44,704	43,870	47,789	44,970	48,934	47,090	51,240	43,510	43,510
Food preparation and serving related occupations	22,005	20,643	20,440	22,266	21,050	22,905	20,370	22,165	21,580	21,580
Building and grounds cleaning and maintenance occupations	27,667	25,954	24,850	27,070	24,520	26,681	24,670	26,844	26,010	26,010
Personal care and service occupations	26,371	24,739	22,830	24,869	23,580	25,658	22,780	24,788	24,710	24,710
Sales and related occupations	43,440	40,751	33,170	36,133	35,080	38,172	33,750	36,725	38,200	38,200
Office and administrative support occupations	36,962	34,674	31,440	34,248	31,590	34,374	32,970	35,876	34,900	34,900
Farming, fishing, and forestry occupations	29,680	27,843	29,590	32,233	38,030	41,382	0	0	24,330	24,330
Construction and extraction occupations	61,629	57,813	48,690	53,039	50,980	55,473	56,590	61,578	45,630	45,630
Installation, maintenance, and repair occupations	48,363	45,368	41,830	45,566	46,140	50,207	48,580	52,862	44,420	44,420
Production occupations	34,842	32,685	33,590	36,590	38,260	41,632	37,910	41,251	34,930	34,930
Transportation and material moving occupations	35,144	32,968	30,550	33,279	30,530	33,221	30,380	33,058	33,860	33,860
<b>All Occupations</b>	<b>49,684</b>	<b>46,608</b>	<b>40,800</b>	<b>44,444</b>	<b>47,400</b>	<b>51,578</b>	<b>42,350</b>	<b>46,083</b>	<b>46,440</b>	<b>46,440</b>



## Appendix: Definitions & Data Sources

### Regional Definitions

- **Quad Cities Region:** Clinton, Muscatine, and Scott Counties in Iowa and Henry, Mercer, and Rock Island Counties in Illinois.
- **Rockford Region:** Boone and Winnebago Counties.
- **Northeast Illinois (Chicago) Region:** Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will Counties.
- **Southwest Illinois (Metro East) Region:** Madison and St. Clair Counties.
- **Greater Peoria Region:** Fulton, Logan, Marshall, Mason, McLean, Peoria, Tazewell, and Woodford Counties.

Designations are based on regional commuting patterns and definitions adopted by local economic development organizations and the U.S. Bureau of Labor Statistics (BLS).

Longitudinal Employment-Household Dynamics (LEHD) Origin-Destination Employment Statistics  
<http://onthemap.ces.census.gov/>

The U.S. Bureau of Labor Statistics, Occupational Employment Statistics (OES)  
<http://www.bls.gov/oes/current/oessrcma.htm>

### Unemployment Rate

The unemployment rate is the percentage of the labor force that is unemployed. People are classified as unemployed if they do not have a job, have actively looked for work in the prior 4 weeks, and are currently available for work. The labor force is made up of the employed and the unemployed (16 years of age and over). The remainder—those who have no job and are not looking for one—are counted as *not in the labor force*. Many who are not in the labor force are going to school or are retired. Family responsibilities keep others out of the labor force. Since the mid-1990s, typically fewer than 1 in 10 people not in the labor force reported that they want a job (BLS). Unemployment rates reported for regions are calculated using weighted average for counties that comprise each region.

Illinois Department of Employment Security, Economic Information and Analysis  
[http://www.ides.illinois.gov/LMI/Pages/Annual\\_Average\\_Data.aspx](http://www.ides.illinois.gov/LMI/Pages/Annual_Average_Data.aspx)

### Unemployment Insurance (UI) Claims

UI claims data are widely used as an indicator of labor market conditions. Unemployment insurance (UI) programs are administered at the state level and provide assistance to jobless people who are looking for work. Workers who lose their jobs may file applications to determine if they are eligible for UI assistance. These applications are referred to as "initial claims." Claimants who meet the eligibility requirements must file "continuing claims" for each week that they seek

benefits. While the UI claims data provide useful information, they are not used to measure total unemployment because they exclude several important groups. Not all workers are covered by UI programs. For example, self-employed workers, unpaid family workers, workers in certain not-for-profit organizations, and several other small (primarily seasonal) worker categories are not covered. Over the past decade, only about one-third of the total unemployed, on average, received regular UI benefits.

Illinois Department of Employment Security, Economic Information and Analysis  
[http://www.ides.illinois.gov/LMI/Pages/Unemployment\\_Insurance\\_Program\\_Data.aspx](http://www.ides.illinois.gov/LMI/Pages/Unemployment_Insurance_Program_Data.aspx)

The U.S. Department of Labor  
<http://workforcesecurity.doleta.gov/unemploy/claims.asp>.

### **Employment**

The QCEW employment count is a total derived from quarterly contribution reports filed by almost every employer in the U.S., Puerto Rico and the U.S. Virgin Islands. It counts only filled jobs, whether full or part-time, temporary or permanent, by place of work. The quarterly reports include the establishment's monthly employment levels for the pay periods that include the twelfth of the month. Because the QCEW data is based on an establishment census which counts only filled jobs, it is likely that a multi-job holder will be counted two or more times in QCEW data.

The U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW)  
<http://www.bls.gov/cew/datatoc.htm>

### **Occupations**

An occupation is a set of activities or tasks that employees are paid to perform. Employees that perform essentially the same tasks are in the same occupation, whether or not they are in the same industry. Some occupations are concentrated in a few industries, while other occupations are found in the majority of industries. Occupations data derived from the occupational employment statistics (OES). The OES survey is a semi-annual mail survey of non-farm establishments. Note that Military Specific Occupations are not surveyed in OES.

The U.S. Bureau of Labor Statistics, Occupational Employment Statistics (OES)  
<http://www.bls.gov/oes/current/oessrcma.htm>

### **Department of Defense Contracts**

USA Spending reports two different locations for DoD contract awards: (1) The Recipient Location and (2) The Place of Performance. The *recipient location* is usually the headquarters of the entity receiving a federal award while the *place of performance* includes the location for the project being funded by the award or the location where products or services have been purchased for a project being funded by an award. Contract awards reported in this profile are based on the *place of performance*.

Annual contract figures are an aggregation of awards that occurred in a single fiscal year. The federal government operates on a fiscal year that begins on October 1st and ends the following September 30th.

The U.S. Treasury Department Bureau of the Fiscal Service  
<https://www.usaspending.gov/DownloadCenter/Pages/dataarchives.aspx>

**Purchasing Power Parity**

The U.S. Bureau of Labor Statistics Occupational Employment Statistics (OES) program report actual wages by occupation that allow data users to compare wages across geographic regions. The price-adjusted wages incorporate the costs of goods and services in an area to produce a figure that more accurately represents the real value of earnings for cross-area comparisons.

<http://www.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1&acrdn=8#reqid=70&step=25&isuri=1&7022=101&7023=8&7024=non-industry&7001=8101&7029=101&7090=70>