

Oregon Wage Information Methodology and Limitations

Denise Voll
OES Coordinator,
Denise.P.Voll@oregon.gov
(503) 947-1262

Oregon Wage Information 2018 represents the most comprehensive collection of occupational wage data available. It offers a broad spectrum of wage rates from many sectors of Oregon's economy and is designed to help job seekers, employers, career planners, and others who need Oregon wage rates for specific occupations.

Occupations in the Oregon Wage Information files are categorized using Standard Occupational Classification (SOC) codes. This federal classification system includes 840 separate occupations and is designed and reviewed by a national committee of experts from industry, government, and academia. Since the national wage survey uses the SOC, we are limited to that structure when publishing wage data.

Methodology

Wage data presented in this publication are collected through the Occupational Employment Survey (OES), a semiannual survey that measures occupational employment and wage rates for payroll workers. In Oregon, the survey samples more than 6,000 establishments each year, taking three years to fully collect the sample of more than 18,000 establishments. Each year, one-third of the establishments are surveyed, with all industries covered each year of the three-year cycle. The OES survey is sent to Oregon employers. The Bureau of Labor Statistics requires at least a 75 percent response rate.

Data in *Oregon Wage Information 2018* are based on the 2014, 2015, 2016, and 2017 surveys and are adjusted to 2018 using the Employment Cost Index. More than 95 percent of all Oregonians working for wages or salary in the private and public sectors work in occupations represented in the OWI.

The OES survey defines employment as workers covered by unemployment insurance. This excludes the self-employed, owners or partners of unincorporated firms, unpaid family workers, and some commission-based sales agents. Wages paid to these excluded groups are not reflected in this publication.

Wages for the OES survey are straight-time gross pay excluding premium pay and nonwage fringe benefits. Some inclusions are the base pay rate, tips, commissions, and certain types of production bonuses. Some exclusions are overtime pay, housing allowances, and nonproduction bonuses. For Oregon, the OES survey collects wage data in 12 intervals. Employers report the number of employees in each wage interval by occupation. They may report wages based on hourly rates or annual rates. If they

report an annual rate, they provide a wage rate equivalent to full-time whether or not their employees work full-time.

Limitations

This publication is only one of several sources of wage information. OED suggests readers consult other wage resources when researching wage information. Other sources may include public and private wage surveys.

This publication focuses on occupational wage rates. These rates can vary greatly among industries, by firm size within an industry, and regions within the state. Though various percentiles and the means and medians are listed, these wages do not necessarily reflect specific experience or educational levels.

Data in this publication represent wages as of the first quarter of 2018. When determining wage rates for individual occupations, it is wise to assess current labor market conditions, including labor shortages that would affect wage levels.

Other Wage Data Tools

OED recommends the following tools to adjust wages for inflation and for variations in cost of living by city.

Perhaps the best-known inflation index is the Consumer Price Index (CPI). The CPI is a measure of prices paid by urban consumers for a fixed market basket of consumer goods and services. The index allows a calculation of the average change over time in consumer prices. CPI data are collected in 26 urban areas including the Portland-Salem, OR-WA area. The website for the CPI is www.bls.gov/cpi.

The best measure of change in national wage levels over time is the Employment Cost Index (ECI). This series is updated quarterly and shows benefit and payroll changes. The website for the ECI is www.bls.gov/ncs/ect/.

Users of wage data sometimes need a cost-of-living differential for workers in various locations. The American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index (COLI) is the most widely available indicator of variations by city in the cost of living. This is not a public data source and membership or purchase is required. The ACCRA COLI is released quarterly for some 300 urban areas in North America. It provides indexes on housing, utilities, groceries, transportation, health care, and miscellaneous goods and services. This information is available through some chambers of commerce, or by visiting the ACCRA COLI website www.coli.org.