

OES WAGES DEFINED

Overview

The OES survey is a semiannual mail survey measuring occupational employment and wage rates for wage and salary workers in nonfarm establishments in the United States and for over 500 other areas. Estimates are based on responses from 6 semiannual panels each collected over a 3-year period. For example, estimates based on the May 2017 survey were calculated using data from the May 2017, November 2016, May 2016, November 2015, May 2015, and November 2014 samples.

Combining multiple panels of data reduces sampling errors, particularly for small geographic areas and occupations. Wages for the current period need no adjustment; however wages for the previous panels are adjusted to the current panel's reference period using wage movements from a BLS program called the Employment Cost Index (ECI).

Wages Included

Wages and salaries in the OES survey are straight-time, gross pay, exclusive of premium pay. Base rate; cost-of-living allowances; guaranteed pay; hazardous-duty pay; incentive pay, including commissions and production bonuses; and tips are included.

Wages Not Included

Excluded are overtime pay, severance pay, shift differentials, nonproduction bonuses, employer cost for supplementary benefits, and tuition reimbursements. "Employees" are all part-time and full-time workers who are paid a wage or salary. The survey does not cover the self-employed, owners and partners in unincorporated firms, household workers, or unpaid family workers.

Limitations

The use of OES data for time series analysis, or comparing one time period to another is not encouraged. Instead, the survey was designed to provide accurate point-in-time wage estimates for the nation, states, and each metropolitan statistical area.

Comparability between time periods using OES data is less useful because of updates and changes made in survey methodology, improvements in data collection, inflation, rising living costs, and changes in the structure of the coding system used to classify occupations in OES.

Mean Hourly Wage Rate Estimates

Mean hourly wage is the total weighted hourly wages for an occupation divided by its weighted survey employment. Estimates of mean hourly wages are calculated using a standard grouped data formula incorporating ECI aging factors (a.k.a wage aging process).

Wage Aging Process

Aging factors are developed from the Bureau's ECI survey. The ECI survey measures the rate of change in compensation for eleven major occupational groups on a quarterly basis. Aging factors are used to adjust OES wage data from past survey reference periods to the current survey reference period.

Annual Wage Rate Estimates

These estimates are calculated by multiplying mean or percentile hourly wage rate estimates by a "full-time" figure of 2,080 hours (52 weeks x 40 hours) per year.