



DEFINITION SET 1

Regional Profile of the Yellowstone River Corridor

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The following definitions are provided by Bureau of Economic Analysis. These definitions were collected for the convenience of the reader in this document from Bureau of Economic Analysis Regional Definitions page, which can be accessed at this link:

<http://www.bea.gov/regional/definitions/>

Accommodation and food services- The Accommodation and Food Services NAICS sector comprises establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption. The sector includes both accommodation and food services establishments because the two activities are often combined at the same establishment.

Administrative and waste management services- The Administrative and Support and Waste Management and Remediation Services NAICS sector comprises establishments performing routine support activities for the day-to-day operations of other organizations. These essential activities are often undertaken in-house by establishments in many sectors of the economy. The establishments in this sector specialize in one or more of these support activities and provide these services to clients in a variety of industries and, in some cases, to households. Activities performed include: office administration, hiring and placing of personnel, document preparation and similar clerical services, solicitation, collection, security and surveillance services, cleaning, and waste disposal services.

The administrative and management activities performed by establishments in this sector are typically on a contract or fee basis. These activities may also be performed by establishments that are part of the company or enterprise. However, establishments involved in administering, overseeing, and managing other establishments of the company or enterprise, are classified in Sector 55, Management of Companies and Enterprises. These establishments normally undertake the strategic and organizational planning and decision-making role of the company or enterprise. Government establishments engaged in administering, overseeing, and managing governmental programs are classified in Sector 92, Public Administration.

Arts, entertainment, and recreation- The Arts, Entertainment, and Recreation NAICS sector includes a wide range of establishments that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons. This sector comprises (1) establishments that are involved in producing, promoting, or participating in live performances, events, or exhibits intended for public viewing; (2) establishments that preserve and exhibit objects and sites of historical, cultural, or educational interest; and (3) establishments that operate facilities or provide services that enable patrons to participate in recreational activities or pursue amusement, hobby, and leisure time interests.

Construction- Three broad types of construction activity are covered: (1) building construction by general contractors or by operative builders; (2) heavy construction other than building by general contractors and special trade contractors; and (3) construction activity by other special trade contractors.

NAICS definition:

The Construction (NAICS) sector comprises establishments primarily engaged in the construction of buildings and other structures, heavy construction (except buildings), additions, alterations, reconstruction, installation, and maintenance and repairs. Establishments engaged in demolition or wrecking of buildings and other structures, clearing of building sites, and sale of materials from demolished structures are also included. This sector also includes those establishments engaged in blasting, test drilling, landfill, leveling, earthmoving, excavating, land drainage, and other land preparation. The industries within this sector have been defined on the basis of their unique production processes. As with all industries, the production processes are distinguished by their use of specialized human resources and specialized physical capital. Construction activities are generally administered or managed at a relatively fixed place of business, but the actual construction work is performed at one or more different project sites. In certain regional estimates this sector is divided into three subsectors of construction activities: (1) building construction and land subdivision and land development; (2) heavy construction (except buildings), such as highways, power plants, and pipelines; and (3) construction activity by special trade contractors.

Core PCE Index

The "core" PCE price index is defined as personal consumption expenditures (PCE) prices excluding food and energy prices. The core PCE price index measures the prices paid by consumers for goods and services without the volatility caused by movements in food and energy prices to reveal underlying inflation trends. Food prices consist of those included in the PCE category of "food and beverages purchased for off-premises consumption." Prices included in the PCE category "food services and accommodations" are not included in the "food" price index because these services prices tend to be far less volatile than those for food commodities such as meats, fresh vegetables and fruits. Energy prices consist of those included in the PCE categories of "gasoline and other energy goods" and of "electricity and gas" utilities.

See more at: http://www.bea.gov/faq/index.cfm?faq_id=518#sthash.51BcGqPV.dpuf

Dividends, interest, and rent- Personal dividend income, personal interest income, and rental income of persons with capital consumption adjustment are sometimes referred to as "investment income" or "property income."

- (1) Dividends: This component of personal income consists of the payments in cash or other assets, excluding the corporation's own stock, made by corporations located in the United States or abroad to persons who are U.S. residents. It excludes that portion of dividends paid by regulated investment companies (mutual funds) related to capital gains distributions.
- (2) Interest: This component of personal income is the interest income (monetary and imputed) of persons from all sources.
- (3) Rent: Rental income is the net income of persons from the rental of real property except for the income of persons primarily engaged in the real estate business; the imputed net rental income of the owner-occupants of nonfarm dwellings; and the royalties received from patents, copyrights, and the right to natural resources.

Earnings by place of work- Earnings by place of work is the sum of Wages and Salaries, supplements to wages and salaries and proprietors' income.

(D) Not shown to avoid disclosure of confidential information, but the estimates for this item are included in the totals.

(L) Less than \$50,000, but the estimates for this item are included in the totals.

Educational services- The term "Educational Services" is used in both the SIC system and in NAICS, but it does not have the same definition in both systems.

SIC definition:

This SIC major group (82) includes establishments providing academic or technical instruction. Also included are establishments providing educational services such as libraries, student exchange programs, and curriculum development. Schools for the instruction of beauticians and cosmetologists are classified in Industry 7231, and barber colleges are classified in Industry 7241. Establishments primarily engaged in providing job training for the unemployed, the underemployed, the handicapped, and to persons who have a job market disadvantage because of lack of education, job skill or experience are classified in Industry 8331.

NAICS definition:

The Educational Services (NAICS) sector comprises establishments that provide instruction and training in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities, and training centers. These establishments may be privately owned and operated for profit or not for profit, or they may be

publicly owned and operated. They may also offer food and accommodation services to their students.

For the public sector, the income and employment are classified by level of government- federal, state, and local. The estimates for the federal government are sub classified into civilian and military.

The different treatment of the private and public sectors means that BEA's state and local government industry includes public education, public hospitals, and other types of government services while BEA reports only private schools in its educational services industry corresponding to NAICS code 61 and only private hospitals in its hospitals industry corresponding to NAICS code 622.

Educational services (NAICS) are usually delivered by teachers or instructors that explain, tell, demonstrate, supervise, and direct learning. Instruction is imparted in diverse settings, such as educational institutions, the workplace, or the home through correspondence, television, or other means. It can be adapted to the particular needs of the students, for example sign language can replace verbal language for teaching students with hearing impairments. All industries in the sector share this commonality of process, namely, labor inputs of instructors with the requisite subject matter expertise and teaching ability.

Farm proprietors' income- Farm proprietors' income consists of the income that is received by the sole proprietorships and the partnerships that operate farms. It excludes the income that is received by corporate farms.

Farm earnings- Farm Earnings is comprised of the net income of sole proprietors, partners and hired laborers arising directly from the current production of agricultural commodities, either livestock or crops. It includes net farm proprietors' income and the wages and salaries, pay-in-kind, and supplements to wages and salaries of hired farm laborers; but specifically excludes the income of farm corporations.

Farm employment- Farm employment is the number of workers engaged in the direct production of agricultural commodities, either livestock or crops; whether as a sole proprietor, partner, or hired laborer.

Finance and insurance- The Finance and Insurance NAICS sector comprises establishments primarily engaged in financial transactions (transactions involving the creation, liquidation, or change in ownership of financial assets) and/or in facilitating financial transactions. Three principal types of activities are identified:

- (1) Raising funds by taking deposits and/or issuing securities and, in the process, incurring liabilities. Establishments engaged in this activity use raised funds to acquire financial assets by making loans and/or purchasing securities. Putting themselves at risk, they channel funds from lenders to borrowers and transform or repackage the funds with respect to maturity, scale and risk. This activity is known as financial intermediation.
- (2) Pooling of risk by underwriting insurance and annuities. Establishments engaged in this activity collect fees, insurance premiums, or annuity considerations; build up reserves; invest those reserves; and make contractual payments. Fees are based on the expected incidence of the insured risk and the expected return on investment.
- (3) Providing specialized services facilitating or supporting financial intermediation, insurance, and employee benefit programs.

In addition, monetary authorities charged with monetary control are included in this sector. The subsectors, industry groups, and industries within the NAICS Finance and Insurance sector are defined on the basis of their unique production processes. As with all industries, the production processes are distinguished by their use of specialized human resources and specialized physical capital. In addition, the way in which these establishments acquire and allocate financial capital, their source of funds, and the use of those funds provides a third basis for distinguishing characteristics of the production process. For instance, the production process in raising funds through deposit-taking is different from the process of raising funds in bond or money markets. The process of making loans to individuals also requires different production processes than does the creation of investment pools or the underwriting of securities.

Most of the Finance and Insurance subsectors contain one or more industry groups of (1) intermediaries with similar patterns of raising and using funds and (2) establishments engaged in activities that facilitate, or are otherwise related to, that type of financial or insurance intermediation.

Industries within this sector are defined in terms of activities for which a production process can be specified, and many of these activities are not exclusive to a particular type of financial institution. To deal with the varied activities taking place within existing financial institutions, the approach is to split these institutions into components performing specialized services. This requires defining the units engaged in providing those services and developing procedures that allow for their delineation. These units are the equivalents for finance and insurance of the establishments defined for other industries.

The output of many financial services, as well as the inputs and the processes by which they are combined, cannot be observed at a single location and can only be defined at a higher level of the organizational structure of the enterprise. Additionally, a number of independent activities that represent separate and distinct production processes may take place at a single location belonging to a multi-location financial firm. Activities are more likely to be homogeneous with respect to production characteristics than are locations, at least in financial services. The classification defines activities broadly enough that it can be used both by those classifying by location and by those employing a more top-down approach to the delineation of the establishment.

Establishments engaged in activities that facilitate, or are otherwise related to, the various types of intermediation have been included in individual subsectors, rather than in a separate subsector dedicated to services alone because these services are performed by intermediaries as well as by specialist establishments and the extent to which the activity of the intermediaries can be separately identified is not clear.

The Finance and Insurance sector has been defined to encompass establishments primarily engaged in financial transactions; that is, transactions involving the creation, liquidation, or change in ownership of financial assets or in facilitating financial transactions. Financial industries are extensive users of electronic means for facilitating the verification of financial balances, authorizing transactions, transferring funds to and from transactors' accounts, notifying banks (or credit card issuers) of the individual transactions, and providing daily summaries. Since these transaction processing activities are integral to the production of finance and insurance services, establishments that principally provide a financial transaction processing service are classified to this sector, rather than to the data processing industry in the Information sector.

Legal entities that hold portfolios of assets on behalf of others are significant and data on them are required for a variety of purposes. Thus for NAICS, these funds, trusts, and other financial vehicles are the fifth subsector of the Finance and Insurance sector. These entities earn interest, dividends, and other property income, but have little or no employment and no revenue from the sale of services. Separate establishments and employees devoted to the management of funds are classified in Industry Group 5239, Other Financial Investment Activities.

Forestry, fishing, and related activities- The Forestry, fishing, related activities NAICS sector comprises establishments primarily engaged in harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats.

The sector distinguishes one basic activity: agricultural support. Agricultural support activities include establishments that perform one or more activities associated with farm operation, such as soil preparation, planting, harvesting, and management, on a contract or fee basis. Excluded from the Forestry, Hunting and Fishing sector are establishments primarily engaged in agricultural research and establishments primarily engaged in administering programs for regulating and conserving land, mineral, wildlife, and forest use. These establishments are classified in Industry 54171, Research and Development in the Physical, Engineering, and Life Sciences; and Industry 92412, Administration of Conservation Programs, respectively.

Industries in the Fishing, Hunting, and Trapping subsector harvest fish and other wild animals from their natural habitats and are dependent upon a continued supply of the natural resource. The harvesting of fish is the predominant economic activity of this subsector and it usually requires specialized vessels that, by the nature of their size, configuration and equipment, are not suitable for any other type of production, such as transportation.

Hunting and trapping activities utilize a wide variety of production processes and are classified in the same subsector as fishing because the availability of resources and the constraints imposed, such as conservation requirements and proper habitat maintenance, are similar.

Industries in the Forestry and Logging subsector grow and harvest timber on a long production cycle (i.e., of 10 years or more). Long production cycles use different production processes than short production cycles, which require more horticultural interventions prior to harvest, resulting in processes more similar to those found in the Crop Production subsector. Consequently, Christmas tree production and other production involving production cycles of less than 10 years, are classified in the Crop Production subsector.

Industries in this subsector specialize in different stages of the production cycle. Reforestation requires production of seedlings in specialized nurseries. Timber production requires natural forest or suitable areas of land that are available for a long duration. The maturation time for timber depends upon the species of tree, the climatic conditions of the region, and the intended purpose of the timber. The harvesting of timber (except when done on an extremely small scale) requires specialized machinery unique to the industry. Establishments gathering forest products, such as gums, barks, balsam needles, rhizomes, fibers, Spanish moss, and ginseng and truffles, are also included in this subsector.

Industries in the Support Activities for Agriculture and Forestry subsector provide support services that are an essential part of agricultural and forestry production. These support

activities may be performed by the agriculture or forestry producing establishment or conducted independently as an alternative source of inputs required for the production process for a given crop, animal, or forestry industry. Establishments that primarily perform these activities independent of the agriculture or forestry producing establishment are in this subsector.

Government and government enterprises- In the national income and product accounts (NIPAs), gross domestic product and other major aggregates are presented in terms of three economic sectors: Business, households and institutions, and general government. Government includes Federal civilian, military, and state and local.

Government enterprises are government agencies that cover a substantial portion of their operating costs by selling goods and services to the public and that maintain separate accounts.

Health care and social assistance- The Health Care and Social Assistance NAICS sector comprises establishments providing health care and social assistance for individuals. The sector includes both health care and social assistance because it is sometimes difficult to distinguish between the boundaries of these two activities. The industries in this sector are arranged on a continuum starting with those establishments providing medical care exclusively, continuing with those providing health care and social assistance, and finally finishing with those providing only social assistance. The services provided by establishments in this sector are delivered by trained professionals. All industries in the sector share this commonality of process, namely, labor inputs of health practitioners or social workers with the requisite expertise. Many of the industries in the sector are defined based on the educational degree held by the practitioners included in the industry.

Excluded from this sector are aerobic classes in Subsector 713, Amusement, Gambling and Recreation Industries and nonmedical diet and weight reducing centers in Subsector 812, Personal and Laundry Services. Although these can be viewed as health services, these services are not typically delivered by health practitioners.

Information- The Information NAICS sector comprises establishments engaged in the following processes: (a) producing and distributing information and cultural products, (b) providing the means to transmit or distribute these products as well as data or communications, and (c) processing data.

The main components of this sector are the publishing industries, including software publishing, and both traditional publishing and publishing exclusively on the Internet; the motion picture and sound recording industries; the broadcasting industries, including traditional broadcasting

and those broadcasting exclusively over the Internet; the telecommunications industries; the industries known as Internet service providers and Web search portals; data processing industries; and the information services industries.

Management of companies and enterprises- The Management of Companies and Enterprises NAICS sector comprises (1) establishments that hold the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing management decisions or (2) establishments (except government establishments) that administer, oversee, and manage establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decision-making role of the company or enterprise. Establishments that administer, oversee, and manage may hold the securities of the company or enterprise.

Establishments in this sector perform essential activities that are often undertaken, in-house, by establishments in many sectors of the economy. By consolidating the performance of these activities of the enterprise at one establishment, economies of scale are achieved.

Manufacturing- The term "Manufacturing" is used in both the SIC system and in NAICS, but it does not have the same definition in both systems.

SIC definition:

The manufacturing SIC division includes establishments engaged in the mechanical or chemical transformation of materials or substances into new products. These establishments are usually described as plants, factories, or mills and characteristically use power driven machines and materials handling equipment. Establishments engaged in assembling component parts of manufactured products are also considered manufacturing if the new product is neither a structure nor other fixed improvement. Also included is the blending of materials, such as lubricating oils, plastics resins, or liquors.

NAICS definition:

The Manufacturing NAICS sector comprises establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. The assembling of component parts of manufactured products is considered manufacturing, except in cases where the activity is appropriately classified in Sector 23, Construction.

Establishments in the Manufacturing sector are often described as plants, factories, or mills and characteristically use power-driven machines and materials-handling equipment. However,

establishments that transform materials or substances into new products by hand or in the worker's home and those engaged in selling to the general public products made on the same premises from which they are sold, such as bakeries, candy stores, and custom tailors, may also be included in this sector. Manufacturing establishments may process materials or may contract with other establishments to process their materials for them. Both types of establishments are included in manufacturing.

Mining- The term "Mining" is used in both the SIC system and in NAICS, but it does not have the same definition in both systems.

SIC definition:

This SIC division includes all establishments primarily engaged in mining. The term mining is used in the broad sense to include the extraction of minerals occurring naturally: solids, such as coal and ores; liquids, such as crude petroleum; and gases such as natural gas. The term mining is also used in the broad sense to include quarrying, well operations, milling (e.g., crushing, screening, washing, flotation), and other preparation customarily done at the mine site, or as a part of mining activity. Exploration and development of mineral properties are included. Services performed on a contract or fee basis in the development or operation of mineral properties are classified separately but within this division. Establishments which have complete responsibility for operating mines, quarries, or oil and gas wells for others on a contract or fee basis are classified according to the product mined rather than as mineral services.

NAICS definition:

The Mining sector under NAICS comprises establishments that extract naturally occurring mineral solids, such as coal and ores; liquid minerals, such as crude petroleum; and gases, such as natural gas. The term mining is used in the broad sense to include quarrying, well operations, beneficiating (e.g., crushing, screening, washing, and flotation), and other preparation customarily performed at the mine site, or as a part of mining activity.

The Mining sector distinguishes two basic activities: mine operation and mining support activities. Mine operation includes establishments operating mines, quarries, or oil and gas wells on their own account or for others on a contract or fee basis. Mining support activities include establishments that perform exploration (except geophysical surveying) and/or other mining services on a contract or fee basis (except mine site preparation and construction of oil/gas pipelines).

Nonfarm proprietors' income- Nonfarm Proprietors' Income consists of the income that is received by nonfarm sole proprietorships and partnerships and the income that is received by tax-exempt cooperatives.

The national estimates of nonfarm proprietors' income are primarily derived from income tax data. Because these data do not always reflect current production and because they are incomplete, the estimates also include four major adjustments--the inventory valuation adjustment, the capital consumption adjustment, the "misreporting" adjustment, and the adjustment for the net margins on owner-built housing.

The inventory valuation adjustment offsets the effects of the gains and the losses that result from changes in the prices of products withdrawn from inventories; this adjustment for recent years has been small, but it is important to the definition of proprietors' income.

The capital consumption adjustment changes the value of the consumption, or depreciation, of fixed capital from the historical-cost basis used in the source data to a replacement-cost basis.

The "misreporting" adjustment adds an estimate of the income of sole proprietors and partnerships that is not reported on tax returns.

The adjustment for the net margins on owner-built housing is an addition to the estimate for the construction industry. It is the imputed net income of individuals from the construction or renovation of their own dwellings.

The source data necessary to prepare these adjustments are available only at the national level. Therefore, the national estimates of nonfarm proprietors' income that include the adjustments are allocated to states, and these state estimates are allocated to the counties, in proportion to tax return data that do not reflect the adjustments.

In addition, the national estimates include adjustments made to reflect decreases in monetary and imputed income that result from damage to fixed capital and to inventories that is caused by disasters, such as hurricanes, floods, and earthquakes. These adjustments are attributed to states and counties on the basis of information from the Federal Emergency Management Agency.

Other services, except public administration- The Other Services (except Public Administration) NAICS sector comprises establishments engaged in providing services not specifically provided for elsewhere in the classification system. Establishments in this sector are primarily engaged in activities, such as equipment and machinery repairing, promoting or administering religious activities, grant-making, advocacy, and providing dry-cleaning and laundry services, personal

care services, death care services, pet care services, photofinishing services, temporary parking services, and dating services.

Private households that engage in employing workers on or about the premises in activities primarily concerned with the operation of the household are included in this sector.

Per capita personal income is calculated as the personal income of the residents of a given area divided by the resident population of the area. In computing per capita personal income, BEA uses the Census Bureau's annual midyear population estimates.

Professional, scientific, and technical services-

The Professional, Scientific, and Technical Services NAICS sector comprises establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training. The establishments in this sector specialize according to expertise and provide these services to clients in a variety of industries and, in some cases, to households. Activities performed include: legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services.

This sector excludes establishments primarily engaged in providing a range of day-to-day office administrative services, such as financial planning, billing and recordkeeping, personnel, and physical distribution and logistics. These establishments are classified in Sector 56, Administrative and Support and Waste Management and Remediation Services.

Personal income is the income received by all persons from all sources. Personal income is the sum of net earnings by place of residence, property income, and personal current transfer receipts.

Personal current transfer receipts- This component of personal income is payments to persons for which no current services are performed. It consists of payments to individuals and to nonprofit institutions by Federal, state, and local governments and by businesses.

Government payments to individuals includes retirement and disability insurance benefits, medical payments (mainly Medicare and Medicaid), income maintenance benefits, unemployment insurance benefits, veterans benefits, and Federal grants and loans to students. Government payments to nonprofit institutions exclude payments by the Federal Government

for work under research and development contracts. Business payments to persons consist primarily of liability payments for personal injury and of corporate gifts to nonprofit institutions.

Proprietors' income- This component of personal income is the current-production income (including income in kind) of sole proprietorships and partnerships and of tax-exempt cooperatives. Corporate directors' fees are included in proprietors' income, but the imputed net rental income of owner-occupants of all dwellings is included in rental income of persons. Proprietors' income excludes dividends and monetary interest received by nonfinancial business and rental incomes received by persons not primarily engaged in the real estate business; these incomes are included in dividends, net interest, and rental income of persons, respectively.

Proprietors employment- Proprietors employment includes both nonfarm proprietors and farm proprietors.

Nonfarm proprietors: The BEA local area estimates of nonfarm self-employment consist of the number of sole proprietorships and the number of individual business partners not assumed to be limited partners. The nonfarm self-employment estimates resemble the wage and salary employment estimates in that both series measure jobs--as opposed to workers--on a full-time and part-time basis. However, because of limitations in source data, two important measurement differences exist between the two sets of estimates. First, the self-employment estimates are largely on a place-of-residence basis rather than on the preferred place-of-work basis. Second, the self-employment estimates reflect the total number of sole proprietorships or partnerships active at any time during the year--as opposed to the annual average measure used for wage and salary employment.

Farm proprietors: Farm self-employment is defined as the number of non-corporate farm operators, consisting of sole proprietors and partners. A farm is defined as an establishment that produces, or normally would be expected to produce, at least \$1,000 worth of farm products--crops and livestock--in a typical year. Because of the low cutoff point for this definition, the farm self-employment estimates are effectively on a full-time and part-time basis. The estimates are consistent with the job-count basis of the estimates of wage and salary employment because farm proprietors are counted without regard to any other employment. The distinction between place-of-work and place-of-residence is not significant because most farmers live on or near their land. Similarly, because of the annual production cycle of most farming, the distinctions between the point-in-time, the average annual, and the any-activity temporal concepts of employment measurement are not significant.

Real estate and rental and leasing- The Real Estate and Rental and Leasing NAICS sector comprises establishments primarily engaged in renting, leasing, or otherwise allowing the use of tangible or intangible assets, and establishments providing related services. The major portion of this sector comprises establishments that rent, lease, or otherwise allow the use of their own assets by others. The assets may be tangible, as is the case of real estate and equipment, or intangible, as is the case with patents and trademarks.

This sector also includes establishments primarily engaged in managing real estate for others, selling, renting and/or buying real estate for others, and appraising real estate. These activities are closely related to this sector's main activity, and it was felt that from a production basis they would best be included here. In addition, a substantial proportion of property management is self-performed by lessors.

The main components of this sector are the real estate lessors industries; equipment lessors industries (including motor vehicles, computers, and consumer goods); and lessors of nonfinancial intangible assets (except copyrighted works).

Retail trade- The term "retail trade" is used in the SIC system and in NAICS, but it does not have the same definition in both systems.

SIC definition:

This SIC division includes establishments engaged in selling merchandise for personal or household consumption and rendering services incidental to the sale of the goods. In general, retail establishments are classified by kind of business according to the principal lines of commodities sold (groceries, hardware, etc.), or the usual trade designation (drug store, cigar store, etc.). Some of the important characteristics of retail trade establishments are: the establishment is usually a place of business and is engaged in activities to attract the general public to buy; the establishment buys or receives merchandise as well as sells; the establishment may process its products, but such processing is incidental or subordinate to selling; the establishment is considered as retail in the trade; and the establishment sells to customers for personal or household use. Not all of these characteristics need be present and some are modified by trade practice.

NAICS definition:

The Retail Trade NAICS sector comprises establishments engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.

The retailing process is the final step in the distribution of merchandise; retailers are, therefore, organized to sell merchandise in small quantities to the general public. This sector comprises two main types of retailers: store and nonstore retailers.

- (1) Store retailers operate fixed point-of-sale locations, located and designed to attract a high volume of walk-in customers. In general, retail stores have extensive displays of merchandise and use mass-media advertising to attract customers. They typically sell merchandise to the general public for personal or household consumption, but some also serve business and institutional clients. These include establishments, such as office supply stores, computer and software stores, building materials dealers, plumbing supply stores, and electrical supply stores. Catalog showrooms, gasoline services stations, automotive dealers, and mobile home dealers are treated as store retailers.

In addition to retailing merchandise, some types of store retailers are also engaged in the provision of after-sales services, such as repair and installation. For example, new automobile dealers, electronic and appliance stores, and musical instrument and supply stores often provide repair services. As a general rule, establishments engaged in retailing merchandise and providing after-sales services are classified in this sector.

- (2) Nonstore retailers, like store retailers, are organized to serve the general public, but their retailing methods differ. The establishments of this subsector reach customers and market merchandise with methods, such as the broadcasting of "infomercials," the broadcasting and publishing of direct-response advertising, the publishing of paper and electronic catalogs, door-to-door solicitation, in-home demonstration, selling from portable stalls (street vendors, except food), and distribution through vending machines. Establishments engaged in the direct sale (nonstore) of products, such as home heating oil dealers and home delivery newspaper routes are included here.

Services- This (SIC) division includes establishments primarily engaged in providing a wide variety of services for individuals, business and government establishments, and other organizations. Hotels and other lodging places; establishments providing personal, business, repair, and amusement services; health, legal, engineering, and other professional services; educational institutions; membership organizations, and other miscellaneous services, are included.

Establishments which provide specialized services closely allied to activities covered in other divisions are classified in such divisions.

Total employment- The BEA employment series for states and local areas comprises estimates of the number of jobs, full-time plus part-time, by place of work. Full-time and part-time jobs are counted at equal weight. Employees, sole proprietors, and active partners are included, but unpaid family workers and volunteers are not included

Transportation and warehousing-

The Transportation and Warehousing NAICS sector includes industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation. Establishments in these industries use transportation equipment or transportation related facilities as a productive asset. The type of equipment depends on the mode of transportation. The modes of transportation are air, rail, water, road, and pipeline.

The Transportation and Warehousing sector distinguishes three basic types of activities: subsectors for each mode of transportation, a subsector for warehousing and storage, and a subsector for establishments providing support activities for transportation. In addition, there are subsectors for establishments that provide passenger transportation for scenic and sightseeing purposes, postal services, and courier services

Utilities- The Utilities NAICS sector comprises establishments engaged in the provision of the following utility services: electric power, natural gas, steam supply, water supply, and sewage removal. Within this sector, the specific activities associated with the utility services provided vary by utility: electric power includes generation, transmission, and distribution; natural gas includes distribution; steam supply includes provision and/or distribution; water supply includes treatment and distribution; and sewage removal includes collection, treatment, and disposal of waste through sewer systems and sewage treatment facilities.

Wholesale trade- The term "wholesale trade" is used in the SIC system and in NAICS, but it does not have the same definition in both systems.

SIC definition:

This SIC division includes establishments or places of business primarily engaged in selling merchandise to retailers; to industrial, commercial, institutional, farm, construction contractors, or professional business users; or to other wholesalers; or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies.

NAICS definition:

The Wholesale Trade NAICS sector comprises establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The merchandise described in this sector includes the outputs of agriculture, mining, manufacturing, and certain information industries, such as publishing.

What is the difference between BEA employment and wages and BLS and Census employment and wages?

Three widely used measures of annual county employment and wages by place of work are the Census Bureau's employment and payroll data in the County Business Patterns (CBP) series, the Bureau of Labor Statistics' (BLS) employment and wage tabulations from the unemployment insurance (UI) program, and BEA's estimates of total wage and salary disbursements and employment.

The CBP data on employment and payrolls are an annual extension of the Census Bureau's quinquennial economic censuses; the data are derived from Federal administrative records and survey information of business establishments. The BLS data on county employment and wages are the product of the Federal–state Covered Employment and Wages, or ES–202, Program; the data are derived from tabulations of monthly employment and quarterly total wages of workers covered by state UI legislation and of Federal workers covered by the unemployment compensation for Federal employees (UCFE) program. BEA's estimates of total employment and total wage and salary disbursements are derived from the BLS data, which account for 95 percent of the wage and salary component of BEA's personal income estimates.

The coverage of the CBP data primarily differs from that of the BLS data because the CBP data exclude most government employees, and the BLS data cover civilian government employees. The BLS data also include some agricultural production employees and household employees that are excluded by the CBP data. However, the CBP coverage of the employees of educational and membership organizations and of small nonprofit organizations in other industries is more complete than the coverage of these employees in the BLS data. Beginning in 2001, employees of the American Indian Tribal Councils are included in the local government component by BLS and BEA. Prior to 2001, these employees were included in the relevant private industry components. The CBP data continue to classify these employees in the relevant private industry components. Finally, CBP reports employment for the month of March, whereas the BLS employment data are an annual average of monthly data.

The BEA estimates of employment and wages differ from the BLS data because BEA makes adjustments to account for employment and wages not covered, or not fully covered, by the

state UI and the UCFE programs. First, BEA adds estimates of employment and wages to the BLS data to bridge small gaps in UI coverage: For nonprofit organizations not participating in the UI program (several industries), for students and their spouses employed by public colleges or universities, for elected officials and members of the judiciary (state and local government), for interns employed by hospitals and by social service agencies, and for insurance agents classified as statutory employees (insurance agencies). Second, BEA uses additional source data to estimate most or all of the employment and wages for the following: Farms, farm labor contractors, private households, private elementary and secondary schools, religious membership organizations, railroads, military, and U.S. residents who are employed by international organizations and by foreign embassies and consulates in the United States. Third, BEA adjusts employment and wages for misreporting under the UI and UCFE programs.

The Census Bureau released 2001 data on county total employment and payrolls on its Web site on April 10, 2003. BLS released 2001 annual county data on total employment and average annual pay on its Web site on November 21, 2002. BEA released the 2001 estimates and the revised 1999–2000 estimates of total wage employment and total wage and salary disbursements on its Web site on December 30, 2002.

See more at: http://www.bea.gov/faq/index.cfm?faq_id=104#sthash.U1rbFBfA.dpuf

References

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