
Preface

Purpose and Organization

The QCEW Operating Manual describes the methods and procedures to be used by the States in the Quarterly Census of Employment and Wages program, commonly called the QCEW program. In this Federal/State cooperative program, the States collect and compile employment and wage data quarterly for workers covered by State unemployment insurance (UI) laws as well as federal civilian workers covered by Unemployment Compensation for Federal Employees (UCFE). These data are combined with address and code information from the Annual Refiling Survey (ARS), a mail survey conducted each year that covers all employers over a three-year cycle. The combined information is transmitted quarterly to the Bureau of Labor Statistics in Washington, DC, on the Enhanced Quarterly Unemployment Insurance (EQUI) file. BLS-Washington edits and processes the State-supplied data, then makes it available to a wide variety of users. Throughout the process, technical assistance is provided to the States through the BLS regional offices, which serve as liaisons between the States and BLS-Washington.

The resultant micro data cover over eight million business establishments and provide a virtual census of payroll employment. These micro data are aggregated to the macro level, screened for confidentiality, and made available to the public. The resultant macro data series are the most complete universe of monthly employment and quarterly wage information available by industry, geography, and ownership. The data are also made available to other statistical agencies, programs within BLS, and academic researchers. The successful cooperation between States and the Bureau of Labor Statistics results in high-quality data that have widespread application.

This manual documents the responsibilities and operations of the QCEW program. It begins with a chapter of overview and background material, then proceeds through additional chapters of State and BLS operations. The sequence of chapters is, in a general sense, chronological. Several early chapters cover basic concepts such as assigning classification codes and handling multiple-worksite employers. These are followed by a chapter on the Annual Refiling Survey. The remaining chapters work through the quarterly sequence of loading, editing, and transmitting the data via the Enhanced Quarterly Unemployment Insurance file, including such items as BLS-Washington processing and BLS-Washington/State coordination. Following the chapters are appendices providing extensive technical information such as file layouts, data element definitions, edit conditions, imputation formulas, due dates, and a recommended processing schedule.

This manual is updated from time to time in the form of replacement pages accompanied by numbered QCEW technical memoranda. The manual updates may require the replacement of selected pages or of entire appendices, chapters, or chapter sections. The printed manual should be kept in a loose-leaf binder to facilitate incorporating these changes. The latest manual will also be made available on CD and as an online document. Each time the manual is updated, the online document will be replaced with the most current version and new CDs will be mailed.

Submitting Your Comments

BLS welcomes suggestions from State staff on improving this manual, as well as suggestions for improving the QCEW program. Please provide any comments to your regional office. Regional offices may submit comments to BLS-Washington via E-mail to the group name **QCEW Manual Feedback**. All comments will be read and evaluated.

Confidentiality

BLS considers the maintenance of the confidentiality of data collected under a pledge of confidentiality to be critical to our program integrity and our ability to successfully convince employers to report data for our statistical programs. Because of this, BLS has developed rules to strenuously protect the confidentiality of respondents. States are an integral part of the Federal-State data collection system and must maintain a high level of confidentiality in order to guard the trust we have developed with respondents over many years of operating the statistical programs.

States are required to adhere to the BLS confidentiality requirements as stated in the Labor Market Information (LMI) Cooperative Agreement.

The Confidential Information Protection and Statistical Efficiency Act (CIPSEA) of 2002 (Title 5 of Public Law 107-347) safeguards the confidentiality of individually identifiable information acquired for exclusively statistical purposes under a pledge of confidentiality by controlling access to and uses of such information. In some cases, CIPSEA has a significant impact on the State's ability to share data with other users. A copy of the CIPSEA law can be found on the State Intranet at <http://199.221.111.170/security/CIPSEA%20Title%20V.doc>

CIPSEA precludes the release by BLS and BEA to other agencies or to the public of any employer reported data for individual reporting units without the specific written authorization of the State Workforce Agency. Blanket authorization for this type of data sharing can be granted to BLS via the LMI Cooperative Agreement by checking the appropriate boxes in section F (Data Sharing Blanket Approval) of the QCEW program work statement.

General guidelines for the sharing of data under CIPSEA include the following:

- Data collected by UI and the State Workforce Agencies for the QCEW are sharable for statistical and UI administrative purposes.
- In the case where data collected by the States for other BLS programs that pledge confidentiality (Current Employment Statistics (CES), Occupational Employment Statistics (OES) and Occupational Safety and Health Statistics (OSHS)) are used in the QCEW, these data are **not** sharable without intervention to remove the confidential portion. Both of the State QCEW systems have programs that allow the creation of CIPSEA compliant files.
- Data may be shared fully between governmental agents who have sworn to protect the confidentiality of data under CIPSEA. These include all BLS and State staff participating

in BLS programs or using BLS confidential data. As a result, States and BLS may freely share QCEW data with each other.

Other laws that affect the release of QCEW data include:

- The Social Security Act
- Chapter 23 of the Internal Revenue Code of 1986 (the Federal Unemployment Tax Act)
- The Wagner-Peyser Act
- Other regulations issued by the Employment and Training Administration and/or the Secretary of Labor

The regulations cited above are applicable to data collected by the State on the State's quarterly contribution reports or initial status determination forms for inclusion in the QCEW Program.

Information collected for the QCEW Program on U.S. Office of Management and Budget (OMB) approved forms (such as the Industry Verification Form, Industry Classification Form, and the Multiple Worksite Report) are governed by the BLS Commissioner's Order No. 1-06 (Appendix A – Commissioner's Order on Confidentiality), which requires BLS to hold these data in confidence to the full extent permitted by Federal law. The informed consent language on the individual forms indicates that the States will use the information for Unemployment Insurance program purposes, statistical purposes, and other purposes permitted by State law.

Public disclosure of QCEW data is limited in some cases, in order to protect the identity and economic information of employers that provide data under a pledge or expectation of statistical confidentiality.

Higher-level aggregates can include the nondisclosable data suppressed at the detailed levels. However, disclosure limitation techniques have been applied to limit the extent to which these totals could be used to reveal the data for individual employers.

Information regarding employment and wages of UCFE-covered Federal employees is deemed to be fully disclosable under provisions of the Freedom of Information Act.

The State Intranet <http://199.221.111.170/> has a section on Confidentiality and Security that provides a convenient source of information on BLS rules, including determinations on handling data based on CIPSEA.

Authorization

COLLECTION APPROVED BY O.M.B.: O.M.B., 1220-0012
O.M.B. APPROVAL EXPIRES JUNE 30, 2008

Reports from the "Employment, Wages, and Contributions program" (also known as the "QCEW program") are authorized by 42 U.S.C. 503, 20 CFR 609, and 29 U.S.C. 882. Reporting is required to obtain or retain funding by BLS.

The Department estimates that the burden on State Workforce Agencies for providing all deliverables and meeting all requirements of the QCEW program will be 1,098,240 hours per year in the aggregate.