



# Economic Overview

## Lexington-Fayette, KY MSA



Demographic Profile..... 3

Employment Trends ..... 5

Unemployment Rate ..... 5

Wage Trends ..... 6

Cost of Living Index ..... 7

Industry Snapshot ..... 8

Occupation Snapshot ..... 10

Industry Clusters ..... 12

Education Levels..... 13

Gross Domestic Product..... 14

Lexington-Fayette, KY MSA Regional Map..... 15

Region Definition..... 16

FAQ..... 17

# Demographic Profile

The population in the Lexington-Fayette, KY MSA was 514,273 per American Community Survey data for 2016-2020.

The region has a civilian labor force of 274,242 with a participation rate of 66.4%. Of individuals 25 to 64 in the Lexington-Fayette, KY MSA, 39.9% have a bachelor's degree or higher which compares with 34.3% in the nation.

The median household income in the Lexington-Fayette, KY MSA is \$60,452 and the median house value is \$193,701.

## Summary<sup>1</sup>

	Percent			Value		
	Lexington-Fayette, KY MSA	Fayette County, Kentucky	Kentucky	Lexington-Fayette, KY MSA	Fayette County, Kentucky	Kentucky
<b>Demographics</b>						
Population (ACS)	—	—	—	514,273	322,200	4,461,952
Male	48.8%	49.0%	49.2%	250,845	157,812	2,196,522
Female	51.2%	51.0%	50.8%	263,428	164,388	2,265,430
Median Age <sup>2</sup>	—	—	—	36.5	34.8	39.0
Under 18 Years	21.9%	20.9%	22.6%	112,652	67,314	1,007,619
18 to 24 Years	12.0%	13.9%	9.4%	61,759	44,833	419,842
25 to 34 Years	14.3%	15.4%	13.0%	73,534	49,676	581,856
35 to 44 Years	13.0%	13.1%	12.4%	66,908	42,223	552,563
45 to 54 Years	12.4%	11.7%	12.9%	63,862	37,775	575,248
55 to 64 Years	12.1%	11.5%	13.3%	62,273	37,202	594,896
65 to 74 Years	8.6%	8.0%	9.8%	44,246	25,874	437,282
75 Years and Over	5.6%	5.4%	6.6%	29,039	17,303	292,646
Race: White	79.8%	73.7%	86.2%	410,457	237,490	3,848,305
Race: Black or African American	10.9%	14.6%	8.1%	56,072	47,105	361,230
Race: American Indian and Alaska Native	0.2%	0.2%	0.2%	863	598	8,364
Race: Asian	2.9%	4.0%	1.5%	14,689	12,826	68,139
Race: Native Hawaiian and Other Pacific Islander	0.0%	0.0%	0.1%	62	56	3,033
Race: Some Other Race	2.4%	3.1%	1.1%	12,491	9,919	48,165
Race: Two or More Races	3.8%	4.4%	2.8%	19,639	14,206	124,716
Hispanic or Latino (of any race)	6.2%	7.2%	3.8%	31,873	23,242	167,949
<b>Population Growth</b>						
Population (Pop Estimates) <sup>4</sup>	—	—	—	520,391	324,735	4,477,251
Population Annual Average Growth <sup>4</sup>	1.0%	0.9%	0.3%	4,697	2,787	12,879
People per Square Mile	—	—	—	352.1	1,139.3	113.1
<b>Economic</b>						
Labor Force Participation Rate and Size (civilian population 16 years and over)	66.4%	68.0%	59.3%	274,242	177,666	2,107,184
Prime-Age Labor Force Participation Rate and Size (civilian population 25-54)	84.1%	84.8%	78.1%	171,586	109,878	1,329,132
Armed Forces Labor Force	0.1%	0.1%	0.4%	262	190	14,172
Veterans, Age 18-64	4.2%	3.6%	4.8%	13,654	7,714	131,413
Veterans Labor Force Participation Rate and Size, Age 18-64	76.6%	79.5%	72.3%	10,459	6,135	94,971
Median Household Income <sup>2</sup>	—	—	—	\$60,452	\$58,954	\$52,238
Per Capita Income	—	—	—	\$34,202	\$35,466	\$29,123
Mean Commute Time (minutes)	—	—	—	21.5	20.8	23.7
Commute via Public Transportation	1.2%	1.8%	0.9%	3,045	2,948	18,292
<b>Educational Attainment, Age 25-64</b>						
No High School Diploma	8.2%	7.7%	11.0%	21,767	12,798	253,224
High School Graduate	22.6%	18.0%	31.3%	60,374	30,018	721,620
Some College, No Degree	20.6%	20.1%	21.5%	54,912	33,620	496,144

## Summary<sup>1</sup>

	Percent			Value		
	Lexington-Fayette, KY MSA	Fayette County, Kentucky	Kentucky	Lexington-Fayette, KY MSA	Fayette County, Kentucky	Kentucky
Associate's Degree	8.6%	7.8%	9.7%	23,058	13,072	222,839
Bachelor's Degree	23.8%	27.1%	16.2%	63,422	45,168	372,425
Postgraduate Degree	16.1%	19.3%	10.3%	43,044	32,200	238,311
<b>Housing</b>						
Total Housing Units	—	—	—	222,191	142,813	1,994,554
Median House Value (of owner-occupied units) <sup>2</sup>	—	—	—	\$193,701	\$200,900	\$147,100
Homeowner Vacancy	1.1%	1.1%	1.4%	1,365	795	16,906
Rental Vacancy	4.3%	4.8%	5.6%	3,725	3,001	34,234
Renter-Occupied Housing Units (% of Occupied Units)	40.2%	45.4%	32.4%	82,079	59,379	567,032
Occupied Housing Units with No Vehicle Available (% of Occupied Units)	6.4%	7.5%	7.0%	13,035	9,818	122,132
<b>Social</b>						
Poverty Level (of all people)	14.5%	15.8%	16.6%	71,868	48,816	717,895
Households Receiving Food Stamps/SNAP	9.5%	8.9%	13.0%	19,477	11,715	227,276
Enrolled in Grade 12 (% of total population)	1.0%	0.8%	1.2%	5,234	2,544	53,903
Disconnected Youth <sup>3</sup>	1.6%	1.0%	2.9%	437	188	6,647
Children in Single Parent Families (% of all children)	32.6%	33.7%	34.9%	33,997	21,160	322,027
Uninsured	6.0%	6.7%	5.6%	30,631	21,227	246,078
With a Disability, Age 18-64	11.8%	10.7%	16.0%	38,359	22,232	425,430
With a Disability, Age 18-64, Labor Force Participation Rate and Size	44.8%	48.2%	35.9%	17,188	10,706	152,795
Foreign Born	7.7%	10.0%	4.0%	39,497	32,255	176,323
Speak English Less Than Very Well (population 5 yrs and over)	4.2%	5.4%	2.3%	20,353	16,246	97,819

Source: [JobsEQ®](#)

1. American Community Survey 2016-2020, unless noted otherwise

2. Median values for certain aggregate regions (such as MSAs) may be estimated as the weighted averages of the median values from the composing counties.

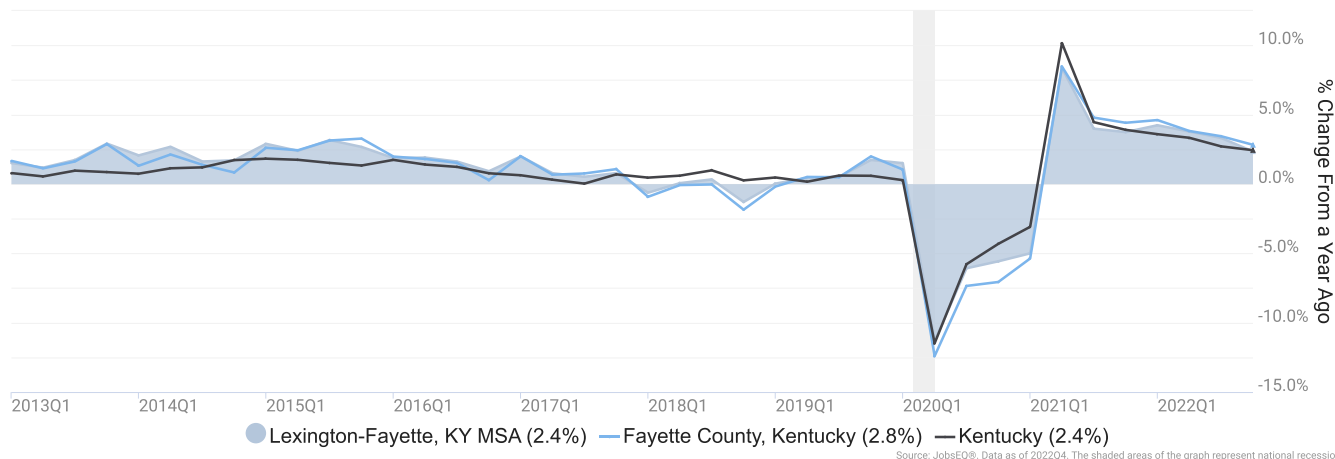
3. Disconnected Youth are 16-19 year olds who are (1) not in school, (2) not high school graduates, and (3) either unemployed or not in the labor force.

4. Census Population Estimate for 2020, annual average growth rate since 2010.

# Employment Trends

As of 2022Q4, total employment for the Lexington-Fayette, KY MSA was 288,978 (based on a four-quarter moving average). Over the year ending 2022Q4, employment increased 2.4% in the region.

Employment for Lexington-Fayette, KY MSA

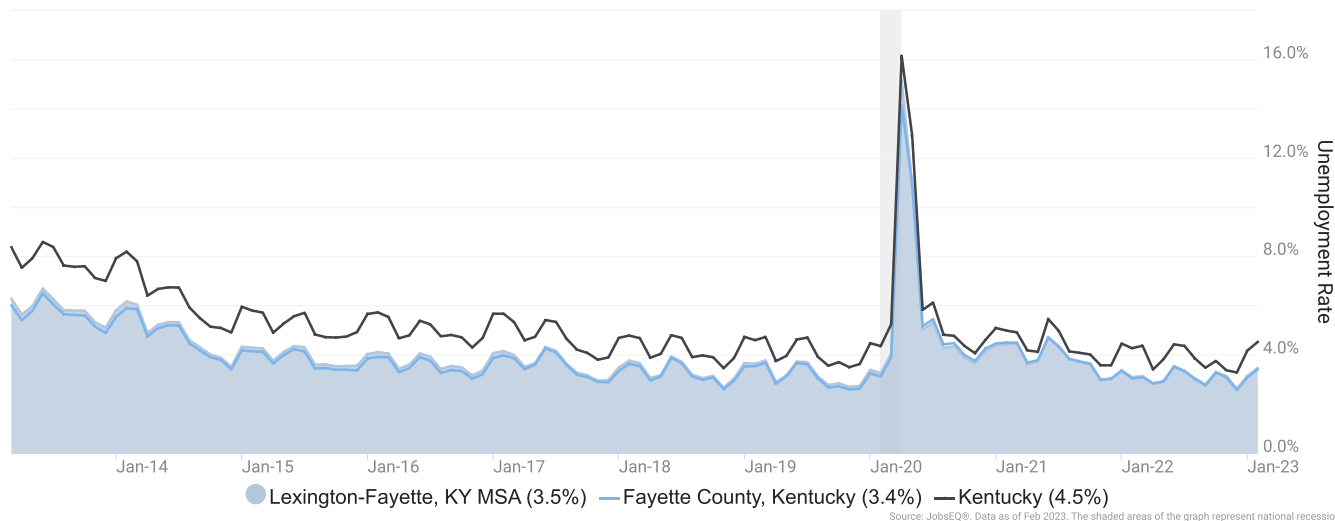


Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2022Q3 with preliminary estimates updated to 2022Q4.

# Unemployment Rate

The unemployment rate for the Lexington-Fayette, KY MSA was 3.5% as of February 2023. The regional unemployment rate was lower than the national rate of 3.9%. One year earlier, in February 2022, the unemployment rate in the Lexington-Fayette, KY MSA was 3.1%.

Unemployment Rate for Lexington-Fayette, KY MSA

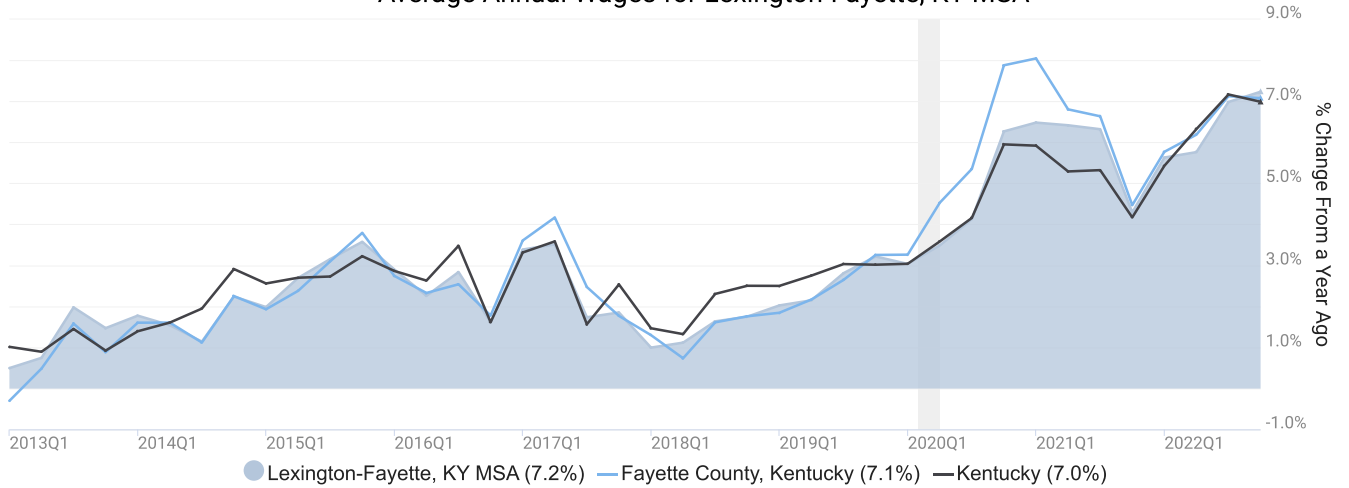


Unemployment rate data are from the Local Area Unemployment Statistics, provided by the Bureau of Labor Statistics and updated through February 2023.

# Wage Trends

The average worker in the Lexington-Fayette, KY MSA earned annual wages of \$58,104 as of 2022Q4. Average annual wages per worker increased 7.2% in the region over the preceding four quarters. For comparison purposes, annual average wages were \$68,838 in the nation as of 2022Q4.

Average Annual Wages for Lexington-Fayette, KY MSA



Annual average wages per worker data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2022Q3 with preliminary estimates updated to 2022Q4.

# Cost of Living Index

The Cost of Living Index estimates the relative price levels for consumer goods and services. When applied to wages and salaries, the result is a measure of relative purchasing power. The cost of living is 6.1% lower in Lexington-Fayette, KY MSA than the U.S. average.

## Cost of Living Information

	Annual Average Salary	Cost of Living Index (Base US)	US Purchasing Power
Lexington-Fayette, KY MSA	\$58,104	93.9	\$61,879
Fayette County, Kentucky	\$60,202	94.6	\$63,641
Kentucky	\$54,755	90.8	\$60,276
USA	\$68,838	100.0	\$68,838

Source: [JobsEQ®](#)

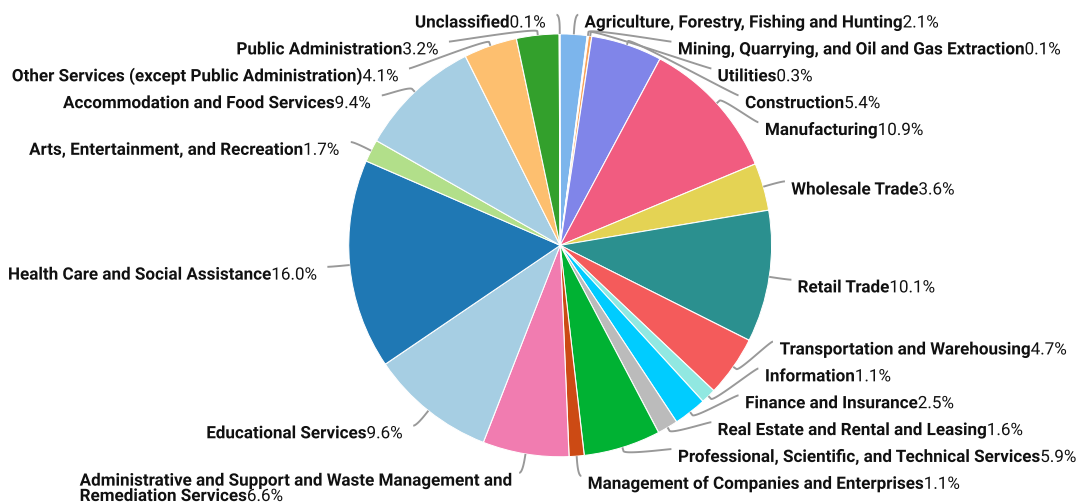
Data as of 2022Q4

Cost of Living per [COLI](#) data as of 2022Q4, imputed by Chmura where necessary.

# Industry Snapshot

The largest sector in the Lexington-Fayette, KY MSA is Health Care and Social Assistance, employing 46,293 workers. The next-largest sectors in the region are Manufacturing (31,434 workers) and Retail Trade (29,103). High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average. The sectors with the largest LQs in the region are Agriculture, Forestry, Fishing and Hunting (LQ = 1.56), Manufacturing (1.34), and Educational Services (1.21).

Total Workers for Lexington-Fayette, KY MSA by Industry



Source: JobsEQ®. Data as of 2022Q4

Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2022Q3 with preliminary estimates updated to 2022Q4.

Sectors in the Lexington-Fayette, KY MSA with the highest average wages per worker are Management of Companies and Enterprises (\$100,526), Utilities (\$91,132), and Finance and Insurance (\$89,184). Regional sectors with the best job growth (or most moderate job losses) over the last 5 years are Health Care and Social Assistance (+4,914 jobs), Professional, Scientific, and Technical Services (+1,997), and Wholesale Trade (+761).

Over the next 1 year, employment in the Lexington-Fayette, KY MSA is projected to expand by 1,424 jobs. The fastest growing sector in the region is expected to be Arts, Entertainment, and Recreation with a +1.5% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Accommodation and Food Services (+360 jobs), Health Care and Social Assistance (+353), and Educational Services (+144).



Lexington-Fayette, KY MSA, 2022Q4<sup>1</sup>

NAICS	Industry	Empl	Current	5-Year History			1-Year Forecast			Ann % Growth	
			Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers		Empl Growth
62	Health Care and Social Assistance	46,293	\$70,426	1.12	4,914	2.3%	5,126	2,198	2,575	353	0.8%
31	Manufacturing	31,434	\$75,432	1.34	211	0.1%	3,538	1,269	2,158	112	0.4%
44	Retail Trade	29,103	\$36,820	1.00	-1,944	-1.3%	4,006	1,772	2,339	-104	-0.4%
61	Educational Services	27,717	\$63,996	1.21	-1,810	-1.3%	2,881	1,300	1,437	144	0.5%
72	Accommodation and Food Services	27,039	\$22,761	1.10	-134	-0.1%	5,099	2,144	2,595	360	1.3%
56	Administrative and Support and Waste Management and Remediation Services	19,036	\$43,340	1.02	-4,096	-3.8%	2,376	938	1,371	67	0.4%
54	Professional, Scientific, and Technical Services	17,007	\$79,025	0.80	1,997	2.5%	1,655	564	967	123	0.7%
23	Construction	15,709	\$62,761	0.92	712	0.9%	1,568	552	985	31	0.2%
48	Transportation and Warehousing	13,441	\$52,817	0.93	312	0.5%	1,688	656	959	74	0.5%
81	Other Services (except Public Administration)	11,771	\$37,417	0.95	161	0.3%	1,504	599	826	80	0.7%
42	Wholesale Trade	10,508	\$77,075	0.97	761	1.5%	1,183	432	736	16	0.1%
92	Public Administration	9,382	\$63,811	0.71	290	0.6%	915	385	547	-17	-0.2%
52	Finance and Insurance	7,310	\$89,184	0.63	55	0.2%	704	261	427	16	0.2%
11	Agriculture, Forestry, Fishing and Hunting	5,939	\$53,149	1.56	-340	-1.1%	797	333	425	38	0.6%
71	Arts, Entertainment, and Recreation	4,998	\$31,980	0.89	-538	-2.0%	822	313	433	76	1.5%
53	Real Estate and Rental and Leasing	4,542	\$53,398	0.89	500	2.4%	471	211	260	0	0.0%
55	Management of Companies and Enterprises	3,292	\$100,526	0.74	734	5.2%	314	115	196	3	0.1%
51	Information	3,284	\$78,002	0.56	-7	0.0%	352	114	207	30	0.9%
22	Utilities	734	\$91,132	0.50	107	3.2%	66	26	45	-5	-0.6%
21	Mining, Quarrying, and Oil and Gas Extraction	244	\$75,079	0.24	-28	-2.2%	26	8	17	1	0.3%
99	Unclassified	194	\$42,195	0.33	118	20.4%	24	9	13	1	0.5%
<b>Total - All Industries</b>		<b>288,978</b>	<b>\$58,104</b>	<b>1.00</b>	<b>1,975</b>	<b>0.1%</b>	<b>34,799</b>	<b>13,950</b>	<b>19,424</b>	<b>1,424</b>	<b>0.5%</b>

Source: [JobsEQ®](#)

Data as of 2022Q4

Note: Figures may not sum due to rounding.

1. All data based upon a four-quarter moving average

Exits and transfers are approximate estimates based upon occupation separation rates.

Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2022Q3 with preliminary estimates updated to 2022Q4. Forecast employment growth uses national projections adapted for regional growth patterns.

# Occupation Snapshot

The largest major occupation group in the Lexington-Fayette, KY MSA is Office and Administrative Support Occupations, employing 35,532 workers. The next-largest occupation groups in the region are Food Preparation and Serving Related Occupations (25,989 workers) and Sales and Related Occupations (25,744). High location quotients (LQs) indicate occupation groups in which a region has high concentrations of employment compared to the national average. The major groups with the largest LQs in the region are Production Occupations (LQ = 1.38), Healthcare Practitioners and Technical Occupations (1.33), and Farming, Fishing, and Forestry Occupations (1.24).

Occupation groups in the Lexington-Fayette, KY MSA with the highest average wages per worker are Management Occupations (\$103,400), Legal Occupations (\$93,500), and Healthcare Practitioners and Technical Occupations (\$85,900). The unemployment rate in the region varied among the major groups from 1.1% among Legal Occupations to 5.8% among Farming, Fishing, and Forestry Occupations.

Over the next 1 year, the fastest growing occupation group in the Lexington-Fayette, KY MSA is expected to be Personal Care and Service Occupations with a +1.5% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Food Preparation and Serving Related Occupations (+295 jobs) and Transportation and Material Moving Occupations (+155). Over the same period, the highest separation demand (occupation demand due to retirements and workers moving from one occupation to another) is expected in Food Preparation and Serving Related Occupations (4,769 jobs) and Office and Administrative Support Occupations (4,261).

Lexington-Fayette, KY MSA, 2022Q4<sup>1</sup>

SOC	Occupation	Empl	Mean Ann Wages <sup>2</sup>	Current			5-Year History			Total Demand	1-Year Forecast			
				LQ	Unempl	Unempl Rate	Online Job Ads <sup>3</sup>	Empl Change	Ann %		Exits	Transfers	Empl Growth	Ann % Growth
43-0000	Office and Administrative Support	35,532	\$43,400	1.00	970	2.8%	1,403	-3,551	-1.9%	4,101	1,922	2,339	-160	-0.4%
35-0000	Food Preparation and Serving Related	25,989	\$28,700	1.13	1,186	5.1%	1,505	-259	-0.2%	5,064	2,147	2,622	295	1.1%
41-0000	Sales and Related	25,744	\$44,500	0.95	951	3.8%	1,796	-1,694	-1.3%	3,432	1,521	1,954	-43	-0.2%
53-0000	Transportation and Material Moving	24,960	\$41,500	0.99	1,115	4.9%	1,628	9	0.0%	3,663	1,345	2,163	155	0.6%
51-0000	Production	22,604	\$47,900	1.38	705	3.8%	657	-830	-0.7%	2,642	962	1,652	29	0.1%
29-0000	Healthcare Practitioners and Technical	22,119	\$85,900	1.33	291	1.4%	3,761	2,718	2.7%	1,457	679	650	128	0.6%
11-0000	Management	18,519	\$103,400	0.94	255	1.3%	1,594	1,644	1.9%	1,737	577	1,034	127	0.7%
25-0000	Educational Instruction and Library	15,023	\$59,700	0.98	323	2.0%	1,149	-741	-1.0%	1,501	714	685	102	0.7%
13-0000	Business and Financial Operations	13,327	\$74,700	0.72	288	1.9%	911	2,087	3.5%	1,284	405	796	82	0.6%
47-0000	Construction and Extraction	11,593	\$52,600	0.89	420	4.4%	223	-98	-0.2%	1,191	406	744	41	0.4%
49-0000	Installation, Maintenance, and Repair	11,411	\$54,500	1.02	184	2.0%	685	425	0.8%	1,189	424	696	70	0.6%
31-0000	Healthcare Support	11,204	\$36,000	0.88	316	3.1%	881	1,020	1.9%	1,796	707	948	141	1.3%
37-0000	Building and Grounds Cleaning and Maintenance	9,345	\$33,400	0.98	385	4.7%	395	-402	-0.8%	1,323	590	686	47	0.5%
39-0000	Personal Care and Service	7,868	\$32,000	1.12	319	4.2%	216	-198	-0.5%	1,547	577	855	115	1.5%
15-0000	Computer and Mathematical	6,471	\$83,000	0.65	125	1.7%	691	1,012	3.5%	529	149	321	60	0.9%
33-0000	Protective Service	5,574	\$41,800	0.90	193	3.4%	200	221	0.8%	690	304	371	15	0.3%

### Lexington-Fayette, KY MSA, 2022Q4<sup>1</sup>

SOC	Occupation	Empl	Mean Ann Wages <sup>2</sup>	Current			5-Year History			Total Demand	1-Year Forecast			Ann % Growth
				LQ	Unempl	Unempl Rate	Online Job Ads <sup>3</sup>	Empl Change	Ann %		Exits	Transfers	Empl Growth	
21-0000	Community and Social Service	5,404	\$54,500	1.06	100	1.6%	558	318	1.2%	607	223	321	63	1.2%
17-0000	Architecture and Engineering	4,877	\$82,100	1.03	71	1.4%	419	195	0.8%	402	140	232	30	0.6%
27-0000	Arts, Design, Entertainment, Sports, and Media	4,489	\$58,100	0.88	186	3.5%	314	-42	-0.2%	530	198	291	41	0.9%
19-0000	Life, Physical, and Social Science	2,562	\$67,100	1.01	67	2.2%	234	229	1.9%	273	60	197	16	0.6%
45-0000	Farming, Fishing, and Forestry	2,278	\$34,100	1.24	111	5.8%	19	-170	-1.4%	388	121	251	16	0.7%
23-0000	Legal	2,086	\$93,500	0.85	23	1.1%	66	83	0.8%	161	66	76	20	0.9%
<b>Total - All Occupations</b>		<b>288,978</b>	<b>\$54,100</b>	<b>1.00</b>	<b>8,586</b>	<b>3.1%</b>	<b>19,305</b>	<b>1,975</b>	<b>0.1%</b>	<b>35,545</b>	<b>14,236</b>	<b>19,885</b>	<b>1,424</b>	<b>0.5%</b>

Source: [JobsEQ®](https://www.chmuraecon.com/jobseq)

Data as of 2022Q4 unless noted otherwise

Note: Figures may not sum due to rounding.

1. Data based on a four-quarter moving average unless noted otherwise.

2. Wage data represent the average for all Covered Employment

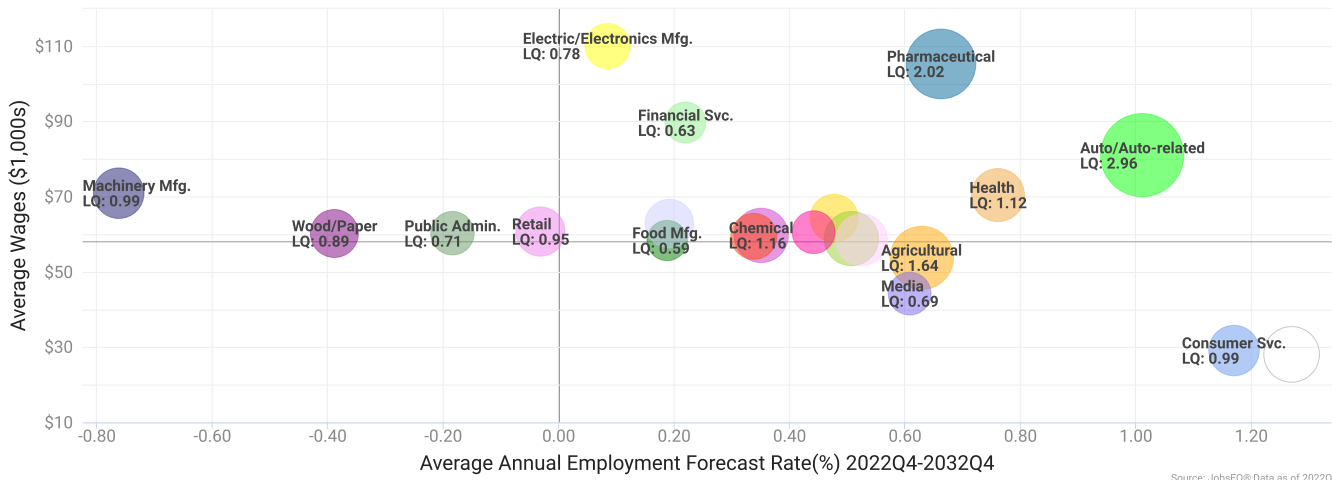
3. Data represent found online ads active within the last thirty days in the selected region. Due to alternative county-assignment algorithms, ad counts in this analytic may not match that shown in RTI (nor in the popup window ad list). Ad counts for ZCTA-based regions are estimates.

Occupation employment data are estimated via industry employment data and the estimated industry/occupation mix. Industry employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and currently updated through 2022Q3, imputed where necessary with preliminary estimates updated to 2022Q4. Wages by occupation are as of 2022 provided by the BLS and imputed where necessary. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth patterns.

# Industry Clusters

A cluster is a geographic concentration of interrelated industries or occupations. The industry cluster in the Lexington-Fayette, KY MSA with the highest relative concentration is Auto/Auto-related with a location quotient of 2.96. This cluster employs 14,220 workers in the region with an average wage of \$81,042. Employment in the Auto/Auto-related cluster is projected to expand in the region about 1.0% per year over the next ten years.

Industry Clusters for Lexington-Fayette, KY MSA as of 2022Q4



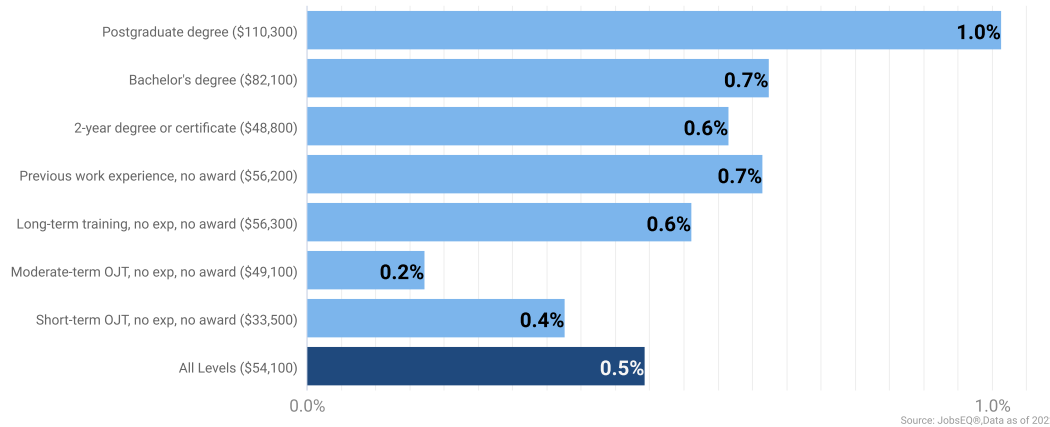
Source: JobsEQ® Data as of 2022Q4

Location quotient and average wage data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics, imputed where necessary, and updated through 2022Q3 with preliminary estimates updated to 2022Q4. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth patterns.

# Education Levels

Expected growth rates for occupations vary by the education and training required. While all employment in the Lexington-Fayette, KY MSA is projected to grow 0.5% over the next ten years, occupations typically requiring a postgraduate degree are expected to grow 1.0% per year, those requiring a bachelor's degree are forecast to grow 0.7% per year, and occupations typically needing a 2-year degree or certificate are expected to grow 0.6% per year.

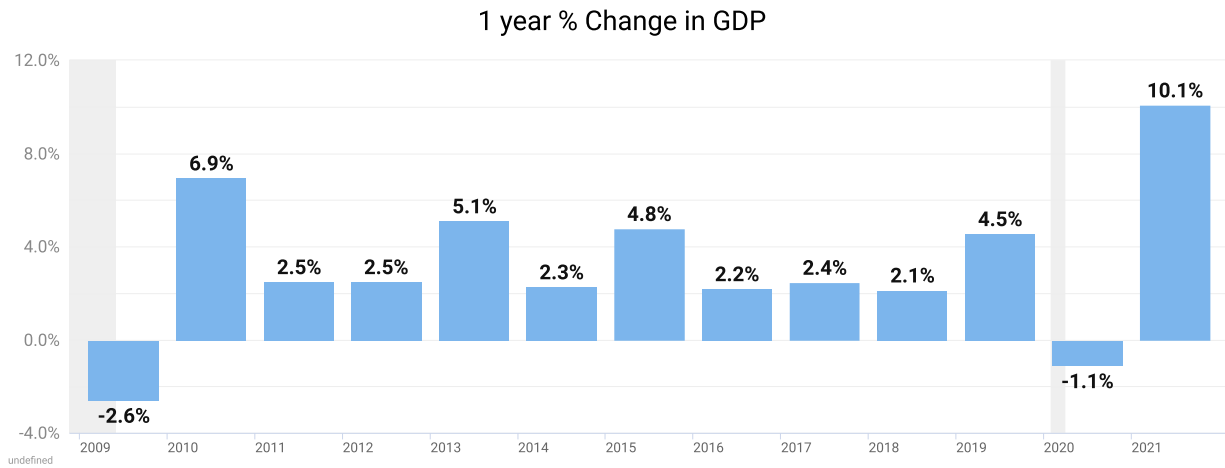
Annual Average Projected Job Growth by Training Required



Employment by occupation data are estimates as of 2022Q4. Education levels of occupations are based on BLS assignments. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth patterns.

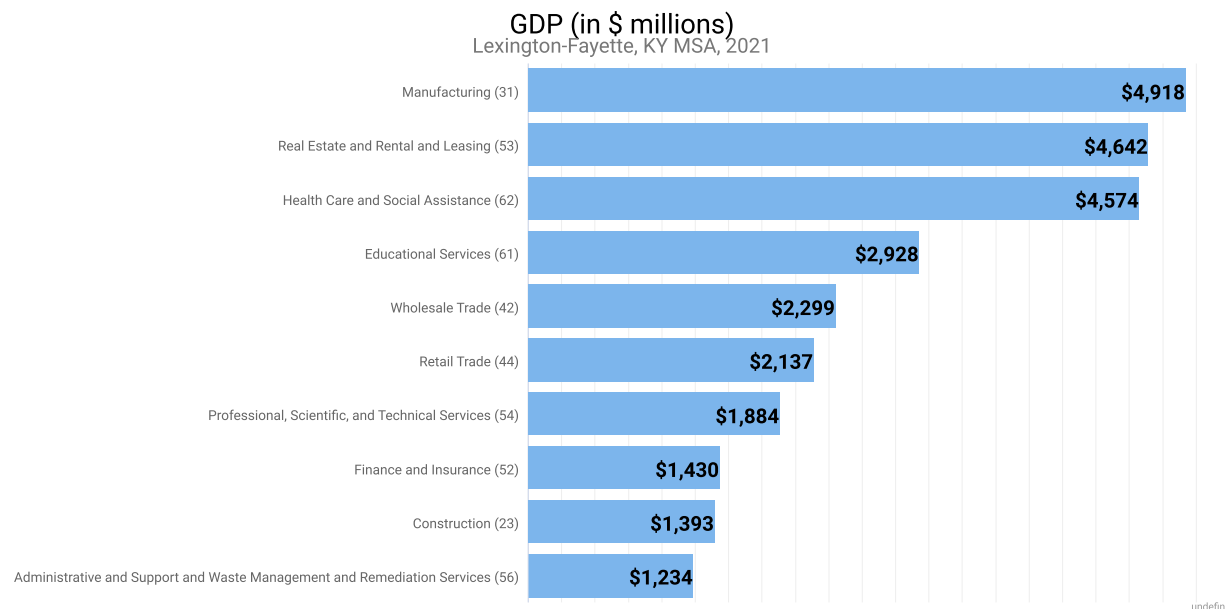
# Gross Domestic Product

Gross Domestic Product (GDP) is the total value of goods and services produced by a region. In 2021, nominal GDP in the Lexington-Fayette, KY MSA expanded 10.1%. This follows a contraction of 1.1% in 2020. As of 2021, total GDP in the Lexington-Fayette, KY MSA was \$34,050,432,000.



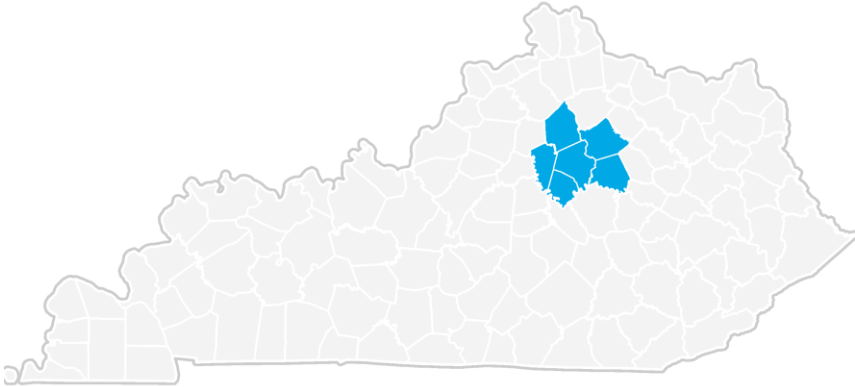
Gross Domestic Product data are provided by the Bureau of Economic Analysis, imputed by Chmura where necessary, updated through 2021.

Of the sectors in the Lexington-Fayette, KY MSA, Manufacturing contributed the largest portion of GDP in 2021, \$4,917,512,000. The next-largest contributions came from Real Estate and Rental and Leasing (\$4,642,071,000); Health Care and Social Assistance (\$4,574,272,000); and Educational Services (\$2,927,570,000).



Gross Domestic Product data are provided by the Bureau of Economic Analysis, imputed by Chmura where necessary, updated through 2021.

# Lexington-Fayette, KY MSA Regional Map



# Region Definition

**Lexington-Fayette, KY MSA is defined as the following counties:**

Bourbon County, Kentucky

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Clark County, Kentucky

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Fayette County, Kentucky

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Jessamine County, Kentucky

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Scott County, Kentucky

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Woodford County, Kentucky

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# FAQ

## What is a location quotient?

A location quotient (LQ) is a measurement of concentration in comparison to the nation. An LQ of 1.00 indicates a region has the same concentration of an industry (or occupation) as the nation. An LQ of 2.00 would mean the region has twice the expected employment compared to the nation and an LQ of 0.50 would mean the region has half the expected employment in comparison to the nation.

## What is separation demand?

Separation demand is the number of jobs required due to separations—labor force exits (including retirements) and turnover resulting from workers moving from one occupation into another. Note that separation demand does not include all turnover—it does not include when workers stay in the same occupation but switch employers. The total projected demand for an occupation is the sum of the separation demand and the growth demand (which is the increase or decrease of jobs in an occupation expected due to expansion or contraction of the overall number of jobs in that occupation).

## What is a cluster?

A cluster is a geographic concentration of interrelated industries or occupations. If a regional cluster has a location quotient of 1.25 or greater, the region is considered to possess a competitive advantage in that cluster.

## What is the difference between industry wages and occupation wages?

Industry wages and occupation wages are estimated via separate data sets, often the time periods being reported do not align, and wages are defined slightly differently in the two systems (for example, certain bonuses are included in the industry wages but not the occupation wages). It is therefore common that estimates of the average industry wages and average occupation wages in a region do not match exactly.

## What is NAICS?

The North American Industry Classification System (NAICS) is used to classify business establishments according to the type of economic activity. The NAICS Code comprises six levels, from the “all industry” level to the 6-digit level. The first two digits define the top level category, known as the “sector,” which is the level examined in this report.

## What is SOC?

The Standard Occupational Classification system (SOC) is used to classify workers into occupational categories. All workers are classified into one of over 804 occupations according to their occupational definition. To facilitate classification, occupations are combined to form 22 major groups, 95 minor groups, and 452 occupation groups. Each occupation group includes detailed occupations requiring similar job duties, skills, education, or experience.

### About This Report

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