

In 2003, Delaware, along with all other U.S. states and territories, implemented a new way of gathering and reporting economic data. The Standard Industrial Classification (SIC) System, which had been in place since the 1930's, has been replaced by the North American Industry Classification System (NAICS). NAICS is considered an

improvement over SIC because NAICS was designed with modern economy in mind. NAICS differs from SIC in that it more fully recognizes the rise in economy's service and information bases. Additionally, whereas under SIC all employees working in a particular firm were classified under a single code, NAICS makes distinctions within each firm. For example, within the same firm, production workers are classified under "manufacturing" but the CEO would be recognized separately as "headquarters" staff. Clearly, the change in the classification systems means that any comparisons of current NAICS based data with SIC based data are likely to produce unreliable results. Delaware, along with the U.S. Bureau of Labor Statistics, has undertaken the difficult task of reconstructing and restating industry data since 1990 in NAICS format. Accordingly, readers should be aware that such data is not based upon actual historical series and reliance thereon should be limited.

The following table presents trends in employment in the State by major categories for the last five years.

Composition of Delaware Labor Force

For the Calendar Year Ended December 31

(Expressed in Thousands)

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Civilian Labor Force Data					
Employed (1)	377.4	376.0	399.9	414.4	405.3
Unemployed	<u>14.9</u>	<u>13.7</u>	<u>16.4</u>	<u>14.8</u>	<u>17.9</u>
Total	<u><u>392.3</u></u>	<u><u>389.7</u></u>	<u><u>416.3</u></u>	<u><u>429.2</u></u>	<u><u>423.2</u></u>
NAICS Data					
Construction and Mining	22.7	24.7	24.6	24.5	24.2
Manufacturing	44.0	44.0	41.5	39.4	36.8
Wholesale	12.3	12.4	13.2	13.4	13.5
Retail Trade	48.3	50.9	51.4	50.6	51.0
Transportation, Warehousing and Utilities	14.0	14.6	14.2	12.8	12.3
Information	7.3	7.8	8.1	8.1	7.8
Financial Activities	38.0	39.1	39.0	39.6	38.5
Professional and Business Services	67.1	69.2	73.5	73.1	68.6
Education and Health Services	42.8	43.9	45.5	47.4	48.9
Leisure and Hospitality	33.7	34.7	35.8	36.4	37.7
Other Services	15.3	15.9	15.9	17.3	17.8
Government	<u>54.3</u>	<u>55.1</u>	<u>56.6</u>	<u>56.9</u>	<u>56.1</u>
Non-Agricultural Employment Total (2)	<u><u>399.8</u></u>	<u><u>412.3</u></u>	<u><u>419.3</u></u>	<u><u>419.5</u></u>	<u><u>413.2</u></u>

(1) This indicator reflects the number of Delaware residents 16 years of age or older, who worked at least one hour for pay or profit, and includes employment in agriculture, proprietors, self-employed, unpaid family workers and domestic workers.

(2) Based on reconstructed and restated data complying with the North American Industry Classification System (NAICS) (see discussion below). This indicator includes persons on Delaware non-agricultural establishment payrolls, regardless of their place of residence, and does not include proprietors, self-employed, unpaid workers, domestic workers and military personnel.

Source: Delaware Department of Labor