Wage Record Data

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# Why?

Administrative data on employment and earnings is commonly referred to as “wage data,” “wage records” or “wage record data.” Wage record data is most commonly sought by education and workforce providers to inform the following questions:

1. What are the employment outcomes of my program graduates (retention, earnings, changes in wages)?
	1. Does this differ by demographics (e.g., race, gender, age, etc.)?
	2. How does this change over time (e.g., quarters after program “exit”, etc.)?
2. Does participating in my program lead to short and/or long-term economic success for students?
3. Does participating in my program lead to greater retention for employers?

# What?

Unemployment Insurance (UI) records are the most commonly referenced source of wage record data. That data is submitted quarterly by employers and managed on a state-by-state basis. The data is limited to employees covered by UI. Often self-employed individuals, small businesses and religious organizations, and federal and military employers are exempt from participating in the UI system. Wage records include cumulative quarterly earnings, are identified by social security numbers, and cannot be used to determine hourly wages.

*Further Reading:*

* [Abt Associates](https://www.thirdsectorcap.org/wp-content/uploads/2016/09/Guide-for-accessing-and-using-workforce-data_Abt-1-1.pdf) outlines the basics of accessing various administrative program, earnings and education data. *(see slides 24-28 for UI information)*
* [Urban Institute](https://www.urban.org/research/publication/investigating-alternative-sources-quarterly-wage-data-overview-ndnh-lehd-wris-and-adare) looked at other sources of wage data and the ways in which they can be paired with UI data including the U.S. Department of Health and Human Services' National Directory of New Hires (NDNH), the U.S. Census Bureau’s Longitudinal Employer-Household Dynamics (LEHD), the U.S. Department of Labor’s Wage Record Interchange System (WRIS), and the University of Baltimore’s Administrative Data Research and Evaluation (ADARE) project.
* [Connecticut](https://portal.ct.gov/-/media/DOLCommunications/CTDOL2021LegislativeSummary.pdf) is working to collect more detailed UI information including employee 1) gender identity, age, race, ethnicity, veteran status, disability status, and highest education completed; 2) home address and address of primary work site; 3) occupational code under the Bureau of Labor Statistics standard occupational classification system; 4) hours and days worked and salary or hourly wage; and 5) employment start date in the current job title and, if applicable, employment end date. *(see page 7 section 270)*

# How & Who

There are privacy and security concerns for how and with whom wage record data is shared. Different data sharing agreements navigate the complexity of data matching in a way that limits PPI exposure while providing actionable information. UI agreements in particular are most often between state agencies, a state labor agency and public postsecondary institutions, or a state labor agency and workforce development boards that administer UI training and placement support.

*Further Reading:*

* [The Workforce Data Quality Campaign and National Skills Coalition](https://files.eric.ed.gov/fulltext/ED603089.pdf) review data sources that could be used in establishing a single federal source of wage data with the intent that be accessible to government agencies and authorized researchers.
* See here a [technical assistance guide](https://www.achievingthedream.org/sites/default/files/resources/Using%20UI%20Wage%20Data.pdf) for community colleges looking to access UI data to determine program efficacy. (see pages 24-37 for details on access models)